

Acceleration in Uncertainty

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Independent Auditor's Report

To the Members of Mahindra Electric Automobile Limited Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Mahindra Electric Automobile Limited (the "Company") which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

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

Basis for Opinion

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

Management's and Board of Directors Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give

a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 01 April 2026 from 23 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its financial statements - Refer Note 37 to the financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 42 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 42 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, the Company has used an 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. Further, we did not come across any instance of audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The

Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No.: 113156
ICAI UDIN:26113156GCYLZS7896

Place: Mumbai
Date: 28 April 2026

Annexure A to the Independent Auditor's Report on the Financial Statements of Mahindra Electric Automobile Limited for the year ended 31 March 2026

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in other parties (mutual funds), in respect of which the requisite information is as below. The Company has not made any investments in companies, firms or limited liability partnership. Accordingly, the provisions of clause 3(iii)(a) and 3(iii)(c) to 3(iii)(f) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are not prejudicial to the interest of the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products traded by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.
According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.
According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears

as at 31 March 2026 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Period to which the amount relates	Amount (Rs.)	Due date	Date of payment	Remarks, if any
The Odisha (Orissa) State Tax on Professions, Trades, Callings and Employments Act, 2000	Profession Tax	May 2025	800	30 June 2025	15 April 2026	
Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992	Profession Tax	August 2025	17,500	30 September 2025	21 April 2026	
Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992	Profession Tax	March 2025	2,399	31 March 2025	21 April 2026	

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received under the vigil mechanism established voluntarily by the Company, during the year and shared with us while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as defined in the regulations made by the Reserve Bank of India) has more than one CIC as part of the Group. The Group has five CICs as part of the Group.
- (xvii) The Company has not incurred cash losses in the current financial year. The Company has incurred cash loss of Rs 61.66 crores in the previous financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Venkataramanan Vishwanath
Partner
Membership No.: 113156
ICAI UDIN:26113156GCYLZS7896

Place: Mumbai
Date: 28 April 2026

Annexure B to the Independent Auditor's Report on the financial statements of Mahindra Electric Automobile Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra Electric Automobile Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Venkataramanan Vishwanath

Partner

Membership No.: 113156

ICAI UDIN:26113156GCYLZS7896

Place: Mumbai

Date: 28 April 2026

Balance Sheet as at 31 March, 2026

	Note No.	2026	Rupees crores 2025
I. ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	2,409.42	1,524.38
Capital work-in-progress	5	172.30	1,001.62
Other intangible assets	6	3,214.14	2,318.25
Intangible assets under development	7	1,606.15	2,158.24
Financial assets			
(i) Other financial assets	8	840.92	—
Deferred tax assets (net)	9	—	68.92
Income tax assets (net)		11.55	0.80
Other non-current assets	11	392.20	584.40
		8,646.68	7,656.61
CURRENT ASSETS			
Inventories	12	35.16	18.70
Financial assets			
(i) Investments	13	1,752.54	1,412.52
(ii) Trade receivables	14	19.83	38.90
(iii) Cash and cash equivalents	15	423.88	508.72
(iv) Bank balances other than cash and cash equivalents		506.00	—
(v) Other financial assets	8	1,454.22	119.54
Other current assets	11	346.27	627.83
		4,537.90	2,726.21
		13,184.58	10,382.82
II. EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	16	4,308.31	3,975.87
Other equity		2,826.38	1,275.87
		7,134.69	5,251.74
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
(i) Compulsorily Convertible Preference shares	17	2,972.76	3,056.40
(ii) Lease liabilities	18	10.67	1.23
(iii) Others financial liabilities	19	78.36	74.67
Provisions	20	256.50	36.65
Deferred tax liability (net)	9	33.28	—
Other non-current liabilities	21	34.82	—
		3,386.39	3,168.95
CURRENT LIABILITIES			
Financial liabilities			
(i) Lease liabilities	18	2.70	0.63
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	23	12.38	23.77
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	23	1,833.07	692.57
(iii) Other financial liabilities	19	484.25	962.35
Other current liabilities	22	252.61	278.45
Provisions	20	78.49	4.36
		2,663.50	1,962.13
TOTAL EQUITY AND LIABILITIES		13,184.58	10,382.82

The accompanying note 1 to 42 are an integral part of these financial statements

In terms of our report attached.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No. 101248W/W-100022

Venkataramanan Vishwanath

Partner

Membership No: 113156

Mumbai, 28 April, 2026

For **Mahindra Electric Automobile Limited**

CIN U34103MH2022PLC392623

Mr. Velusamy Ramasamy

Managing Director

DIN: 09774151

Mr. Bhavesh Shah

Chief Financial Officer

Membership No: 117290

Mumbai, 28 April, 2026

Mr. Nalinikanth Gollagunta

Executive Director

DIN: 07906313

Amit Dodani

Company Secretary

FCS No.: A22345

Mumbai, 28 April, 2026

Statement of Profit and Loss

For the year ended 31 March, 2026

Particulars	Note No.	2026	Rupees crores 2025
INCOME			
Revenue from operations	23A	14,423.49	2,264.06
Other income	24	219.28	80.37
Total Income		14,642.77	2,344.43
EXPENSES			
Purchases of stock in trade		12,423.27	2,131.48
Changes in inventories of finished goods and spares	25	(16.46)	(18.70)
Employee benefits expense	26	45.67	20.43
Finance costs	27	1.87	0.70
Depreciation and amortisation expense	28	955.68	236.38
Other expenses	29	743.60	252.70
Total expenses		14,153.63	2,622.99
Profit / (loss) before tax		489.14	(278.56)
Tax expense			
Current tax	9	0.01	0.09
Deferred tax charge/(credit)	10	102.19	(68.32)
Profit / (loss) for the year		386.94	(210.33)
Other Comprehensive Income/(Loss)			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		0.01	(0.10)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.00)	0.02
Total Other Comprehensive Income/(Loss)		0.01	(0.07)
Total Comprehensive Income/(Loss) for the year		386.95	(210.41)
Earnings per equity share of face value Rs. 10 each			
Basic (Rs.)	31	0.68	(0.55)
Diluted (Rs.)	31	0.68	(0.55)

The accompanying note 1 to 42 are an integral part of these financial statements

In terms of our report attached.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No. 101248W/W-100022

Venkataramanan Vishwanath

Partner

Membership No: 113156

Mumbai, 28 April, 2026

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DIN: 07906313

Amit Dodani

Company Secretary

FCS No.: A22345

Mumbai, 28 April, 2026

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

Particulars	2026	Rupees crores 2025
A) Equity share capital		
Issued and Subscribed		
Balance as at the beginning of the year	3,975.87	3,635.87
Add: Issue of Share Capital during the year	332.44	340.00
Balance as at the end of the year	4,308.31	3,975.87

B) Paid up capital		Rupees crores
Particulars	2026	2025
Balance as at the beginning of the year	3,975.87	2,910.87
Add: Issue of Share Capital during the year	332.44	1,065.00
Balance as at the end of the year	4,308.31	3,975.87

C) Other Equity			Rupees crores
Particulars	Reserves and Securities premium	Surplus Retained earnings	Total
As at 1 April, 2025	1,478.62	(202.75)	1,275.87
<u>Total Comprehensive Income</u>			
- Profit / (loss) for the year	-	386.94	386.94
- Other comprehensive income*	-	0.01	0.01
<u>Transactions with owners</u>			
Contributions			
- Equity shares issued during the year	1,163.56	-	1,163.56
As at 31 March, 2026	2,642.18	184.20	2,826.38
<u>As at 1 April, 2024</u>	288.62	7.65	296.27
<u>Total Comprehensive Income</u>			
- Profit / (loss) for the year	-	(210.33)	(210.33)
- Other comprehensive loss*	-	(0.07)	(0.07)
<u>Transactions with owners</u>			
Contributions			
- Shares issued during the year	1,190.00	-	1,190.00
As at 31 March, 2025	1,478.62	(202.75)	1,275.87

* Remeasurement gain (net) on defined benefit plans Rs. 0.01 crs (2025: Rs. 0.07 crs) has been recognised during the year as part of Retained earnings.

C) Description of the nature and purpose of reserves**(i) Securities premium**

Securities premium is used to record the premium on issue of shares.

(ii) Retained earnings

Retained earnings comprises of accumulated balance of profits/(losses) of current and prior period including transfers made to / from other reserves from time to time. The reserve can be utilised or distributed by the Company in accordance with the provisions of the Companies Act, 2013.

The accompanying note 1 to 42 are an integral part of these financial statements

In terms of our report attached.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No. 101248W/W-100022

Venkataramanan Vishwanath

Partner

Membership No: 113156

Mumbai, 28 April, 2026

For **Mahindra Electric Automobile Limited**

CIN U34103MH2022PLC392623

Mr. Velusamy Ramasamy

Managing Director

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Mr. Bhavesh Shah

Chief Financial Officer

Membership No: 117290

Mumbai, 28 April, 2026

Mr. Nalinikanth Gollagunta

Executive Director

DIN: 07906313

Amit Dodani

Company Secretary

FCS No.: A22345

Mumbai, 28 April, 2026

Cash Flow Statement

For the year ended 31 March, 2026

Particulars	2026	Rupees crores 2025
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit / (loss) before tax	489.14	(278.56)
Adjustments for :		
Depreciation and amortisation expense	955.70	236.38
Loss on foreign exchange fluctuation	13.37	3.55
Interest income	(25.39)	(6.25)
(Gain) / loss arising on financial asset/financial liabilities measured at fair value through profit and loss	(74.65)	(74.10)
Interest unwinding on government grant receivable	(35.58)	—
(Gain) arising on sale of property, plant and equipment	4.47	—
(Gain) / loss on fair value measurement of Compulsorily Convertible Preference Shares	(83.64)	6.40
Finance cost	1.86	0.06
	756.14	166.04
Operating profit / (loss) before working capital changes	1,245.28	(112.51)
Changes in :		
Trade and other receivables	(1,106.85)	(410.02)
Inventories	(16.46)	(18.70)
Trade and other payables and provisions	1,438.38	996.25
	315.07	567.53
Cash generated from/(used in) operations	1,560.35	455.02
Income taxes paid (net)	(10.75)	(3.09)
Net cash flow from / (used in) operating activities	1,549.60	451.93
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payments to acquire property, plant and equipment and Intangibles	(2,374.87)	(2,817.72)
Proceeds from sale of property, plant and equipment	(0.00)	—
Payments to acquire investments	(9,038.50)	(5,160.50)
Proceeds from sale of investments	8,773.13	4,113.21
Interest received	18.68	4.98
Bank deposits placed	(506.00)	—
Net cash flow used in investing activities	(3,127.56)	(3,860.03)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from the issue of share capital	1,496.00	2,255.00
Proceeds from issue of Compulsorily Convertible Preference Shares	—	1,550.00
Finance cost paid	(1.31)	—
Payment of lease liabilities	(1.01)	(0.32)
Payment of interest on lease liabilities	(0.56)	(0.06)
Net cash flow generated from financing activities	1,493.12	3,804.62
Net (decrease)/increase in cash and cash equivalents	(84.84)	396.52
Cash and cash equivalents at the beginning of the year	508.72	112.19
Cash and cash equivalents at the end of the year (refer note 15)	423.88	508.71

The above Cash Flow Statement has been prepared under the 'indirect method' as set out in Ind AS 7 - Statement of Cash Flows.
The accompanying note 1 to 42 are an integral part of these financial statements

In terms of our report attached.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No. 101248W/W-100022

Venkataramanan Vishwanath

Partner

Membership No: 113156

Mumbai, 28 April, 2026

For Mahindra Electric Automobile Limited

CIN U34103MH2022PLC392623

Mr. Velusamy Ramasamy

Managing Director

DIN: 09774151

Mr. Bhavesh Shah

Chief Financial Officer

Membership No: 117290

Mumbai, 28 April, 2026

Mr. Nalinikanth Gollagunta

Executive Director

DIN: 07906313

Amit Dodani

Company Secretary

FCS No.: A22345

Mumbai, 28 April, 2026

Notes to the financial statements for the year ended 31 March, 2026

1 General information

Mahindra Electric Automobile Limited ('the Company') is a limited company incorporated in India. The address of its registered office is Mahindra Electric Automobile Limited, Mahindra Tower, Pandurang Budhkar Marg, Nr. Doordarshan Kendra, Worli, Mumbai, Maharashtra - 400018. The company is engaged in the business of designing, developing, manufacturing (including contract manufacturing), fabricating, assembling, selling, buying, re-selling, importing, and all kinds of services related to electric vehicles (including parts).

2 Material Accounting Policies

a) Statement of compliance and basis of preparation and presentation

These financial statements of the company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The Companies functional currency is Indian Rupees (INR) and financials statements are round off to nearest crores. These financial statements were approved by the Company's board of directors and authorised for issue on 28th April 2026.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values.

c) Measurement of fair values

A number of accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The company has established policies and procedures with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

d) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

i) Useful lives of property, plant and equipment and other intangible assets - refer note 2(e)

The Company reviews the useful lives of property, plant and equipment and other intangible assets at the end of each reporting period. This re-assessment may result in change in depreciation and amortisation expense in future periods.

ii) Provision for product warranties - refer note 2 (r)

The Company recognises provision for warranties in respect of the products that it sells. The arrangement for warranty is back to back with the contract manufacturer i.e., Mahindra & Mahindra limited. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

iii) Fair value of financial assets and financial liabilities - refer note 2 (j)

The Company measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

iv) Impairment of tangible and intangible assets (including intangible assets under development) - refer note 2(g)

v) Recoverability of deferred tax asset on unabsorbed losses - refer note 2(q)

e) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less any subsidy on capital assets, accumulated impairment, if any.

Depreciation is provided on straight-line basis for property, plant and equipment so as to expense the depreciable amount, i.e. the cost less estimated residual value, over its estimated useful lives. The estimated useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related accumulated depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the statement of profit or loss.

The management's estimate of useful lives are in accordance with Schedule III to the Companies Act, 2013, other than the following asset classes, based on the company's expected usage pattern supported by technical assessment:

Asset Class	Useful lives
i) Plant and equipment	2-20 years
ii) Vehicles	5 years

f) Intangible assets

Intangible assets under development

The Company expenses costs incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as intangible asset.

Intangible assets

Intangible assets are initially recognised at cost.

Subsequent to initial recognition, intangible assets with definite useful lives are amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed and are reported at cost less accumulated amortisation and accumulated impairment losses, if any.

The intangible assets are amortised over the estimated period of benefit as below:

Asset Class	Useful lives
i) Development expenditure	5 years
ii) Computer Software	3 years

The amortisation period for intangible assets are reviewed annually and changes in expected useful lives are treated as changes in estimates.

Notes to the financial statements for the year ended 31 March, 2026

g) Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets including intangible assets under development to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

Intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

h) Inventories

Finished Goods and Spares are carried at cost or net realizable value which ever is lower. Cost is determined on the basis of the weighted average method and comprises of all cost of purchase, and any other costs incurred in bringing the inventories to their present location and condition.

i) Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the functional currency using exchange rates prevailing at that date. Non-monetary items measured at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

j) Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets: All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

Financial liabilities and equity instruments: Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual agreements and the definitions of a financial liability and a equity instrument.

Equity Instrument: An equity instrument is any contract that evidences a residual interest in assets of an entity after deducting all its liabilities. Equity instrument issued by the company are recognised at the proceeds received, net of issue costs. Repurchase of company's own equity instrument is recognised and deducted directly in equity. No gain or loss is recognised in the statement of Profit & Loss on the purchase, sale, issue or cancellation of the company's own equity instruments.

Financial liabilities: All the financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through Profit & Loss.

k) Derivative financial instruments and hedge accounting

Derivatives are initially recognised at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

l) Impairment of financial assets

The Company applies the Expected Credit Loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables and loans, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

m) Revenue Recognition

Sale of Goods or services

Revenue from sale of goods are recognised based on consideration specified in the contract upon satisfaction of performance obligation which is at a point in time, generally on delivery of the goods, when control of the goods is transferred to customers.

The Company recognises revenue from sale of goods or services at the amount of transaction price (excluding variable consideration that is constrained), that is allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of third parties.

An amount of consideration can vary because of discounts, rebates, incentives etc. which are explicitly stated in the contract or are as per customary business practices. The consideration can also vary where the entitlement is contingent on occurrence or non-occurrence of a future event. The Company includes variable consideration as part of transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Notes to the financial statements for the year ended 31 March, 2026

Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income / expense, as applicable.

n) Government Grants

The Company, directly or indirectly through a consortium led by its holding company Mahindra & Mahindra Limited (Mahindra Group companies), is entitled to various incentives from government authorities. Government grants are recognised when there is a reasonable assurance that the same will be received and all attached conditions will be complied with.

Government grants that are revenue in nature, are recognised in profit or loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Government grants that are capital in nature, are deducted in calculating the carrying amount of the asset against which received and are recognised in profit or loss on a systematic basis over useful life of assets.

o) Other Income

Mutual fund and interest income

Mutual fund income is accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

p) Employee Benefits

Provident Fund

Contributions to Provident Fund are made to regional provident fund commissioners and are charged to profit or loss as incurred.

Gratuity and Long term compensated absences

The liability towards gratuity, post retirement medical benefit are determined by independent actuaries, using the projected unit credit method.

The liability towards long term compensated absences are determined by independent actuaries using the projected unit credit method. The obligation on long term compensated absences and other defined benefit plan are measured at the present value of estimated future cash flows using a discount rate that is determined by reference to the market yields of Indian government securities for the estimated term of the obligations.

Remeasurement gains / losses

Remeasurement of defined benefit plans, comprising of actuarial gains or losses excluding interest income are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. Remeasurements are not reclassified to profit or loss in subsequent period.

Remeasurement gains or losses on long term compensated absences that are classified as other long term benefits are recognised in profit or loss.

q) Income taxes

Current tax

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and current tax liabilities are offset, if entity has a legally enforceable right to set off recognised amounts and intends to settle on net basis or to realise the current tax asset and settle the current tax liabilities simultaneously.

Deferred tax

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilised. Deferred tax is also recognized in respect of carried forward tax losses. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities arising from deductible temporary differences are only recognised to the extent that it is probable that there will be sufficient taxable profits to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

r) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

Provisions for the expected cost of warranty obligations are recognised at the time of sale of the relevant products, at the best estimate of the expenditure required to settle the Company's obligation. The arrangement for warranty is back to back with the manufacturer i.e., Mahindra & Mahindra limited. The provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

s) Leases

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company

Notes to the financial statements for the year ended 31 March, 2026

recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial

statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and has disclosed the required details in its financial statements.

Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and require companies to disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

Standard/amendment issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year, the MCA has issued an amendment for removal of carve-out under Ind AS 1, Presentation of financial statements relating to classification of liabilities subject to covenants breach which is applicable with effect from 01 April 2026. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

4 Property, plant and equipment

Property, plant and equipment comprises of owned and rights of use assets that do not meet the definition of investment property.

Particulars	2026	2025
(a) Property, Plant and equipment (owned)	2,397.02	1,522.60
(b) Right of use assets	12.39	1.78
Total	2,409.41	1,524.38

a) Owned assets

Particulars	Rupees crores				
	Plant and equipment	Office Equipments	Furniture & Fixtures	Vehicles	Total
Cost					
Balance as at 1 April 2024	73.03	–	–	–	73.03
Transfer from capital work in progress during the year	1,570.18	0.70	0.67	7.51	1,579.06
Deletion/disposals during the year	(41.76)	–	–	–	(41.76)
Balance as at 31 March 2025	1,601.45	0.70	0.67	7.51	1,610.33
Balance as at 1 April 2025	1,601.45	0.70	0.67	7.51	1,610.33
Transfer from capital work in progress during the year	1,675.37	0.61	0.54	0.10	1,676.62
Capital subsidy (refer note ii)	(483.84)	–	–	–	(483.84)
Deletion/disposals during the year	(13.78)	–	–	–	(13.78)
Balance as at 31 March 2026	2,779.20	1.31	1.21	7.61	2,789.33
Accumulated Depreciation					
Balance as at 1 April 2024	4.21	–	–	–	4.21
Depreciation expense for the year	83.09	0.03	0.02	0.37	83.52
Balance as at 31 March 2025	87.30	0.03	0.02	0.37	87.73
Balance as at 1 April 2025	87.30	0.03	0.02	0.37	87.72
Depreciation expense for the year	312.09	0.24	0.11	1.44	313.88
Deletion/disposals during the year	(9.29)	–	–	–	(9.29)
Balance as at 31 March 2026	390.10	0.27	0.13	1.81	392.31
Net carrying amount					
Net carrying amount as at 31 March 2025	1,514.15	0.66	0.65	7.13	1,522.60
Net carrying amount as at 31 March 2026	2,389.10	1.04	1.08	5.80	2,397.02

Note:

- (i) Net carrying amount of Plant and equipment as on 31 March 2026 includes Plant and equipment aggregating to Rs. 2,389.10 crores. (31 March 2025: 1,610.45 crores) lying with Mahindra & Mahindra Limited.

Notes to the financial statements for the year ended 31 March, 2026

(ii) The company has obtained an Eligibility Certificate from the Industrial Promotion Department, Government of Maharashtra under the Ultra Mega & Special Anchor Unit Project scheme, pursuant to which it is eligible for capital subsidy amounting to ₹1,009.09 crores which is expected to be received over a period of ten years. In accordance with Ind AS 20 – Accounting for Government Grants and Disclosure of Government Assistance, the present value of the capital subsidy receivable has been deducted from the cost of eligible assets, comprising Property, Plant and Equipment (₹483.84 crores) and Intangible Assets (₹232.97 crores).

b) Right of use assets

Particulars	Rupees crores	
	Vehicles	Total
Cost		
Balance as at 1 April 2024		–
Additions during the year	2.12	2.12
Deductions during the year	(0.11)	(0.11)
Balance as at 31 March 2025	<u>2.01</u>	<u>2.01</u>
Balance as at 1 April 2025	2.01	2.01
Additions during the year	12.58	12.58
Deductions during the year	(0.08)	(0.08)
Balance as at 31 March 2026	<u>14.51</u>	<u>14.51</u>
Accumulated Depreciation		
Balance as at 1 April 2024		–
Depreciation expense for the period	0.24	0.24
Deductions during the year	(0.02)	(0.02)
Balance as at 31 March 2025	<u>0.22</u>	<u>0.22</u>
Balance as at 1 April 2025	0.22	0.22
Depreciation expense for the period	1.94	1.94
Deductions during the year	(0.04)	(0.04)
Balance as at 31 March 2026	<u>2.12</u>	<u>2.12</u>
Net carrying amount		
Net carrying amount as at 31 March 2025	1.78	1.78
Net carrying amount as at 31 March 2026	<u>12.39</u>	<u>12.39</u>

5 Capital work-in-progress

Particulars	Rupees crores	
	2026	2025
Balance at the beginning of the year	1,001.62	956.52
Additions during the year	847.30	1,631.38
Transfer to Property, plant and equipment	(1,676.62)	(1,586.28)
Balance at the end of the year	<u>172.30</u>	<u>1,001.62</u>

Ageing of capital work in progress:

Particulars	Rupees crores				
	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31 March 2026					
Projects in progress	169.15	3.06	0.09	–	172.30
Projects temporarily suspended	–	–	–	–	–
Total	<u>169.15</u>	<u>3.06</u>	<u>0.09</u>	<u>–</u>	<u>172.30</u>
Balance as at 31 March 2025					
Projects in progress	930.29	71.14	0.19	–	1,001.62
Projects temporary suspended	–	–	–	–	–
Total	<u>930.29</u>	<u>71.14</u>	<u>0.19</u>	<u>–</u>	<u>1,001.62</u>

Note: As on the date of balance sheet, there is no capital work in progress whose completion is overdue or has extended the cost based on approved plan.

6 Other Intangible Assets

Particulars	Rupees crores		
	Development Expenditure	Software	Total
Cost			
Balance as at 1 April 2024	–	–	–
Transfer from Intangibles under development/ capital work in progress during the year	2,466.26	7.22	2,473.48
Deductions during the year	–	(2.60)	(2.60)
Balance as at 31 March 2025	<u>2,466.26</u>	<u>4.62</u>	<u>2,470.88</u>
Balance as at 1 April 2025	2,466.26	4.62	2,470.88
Additions / Transfer from Intangibles under development during the year	1,766.75	1.98	1,768.73
Capital subsidy*	(232.98)	–	(232.98)
Deductions during the year	–	–	–
Balance as at 31 March 2026	<u>4,000.03</u>	<u>6.60</u>	<u>4,006.63</u>
Accumulated Amortisation			
Balance as at 1 April 2024	–	–	–
Amortisation expense for the year	152.12	0.51	152.63
Balance as at 31 March 2025	<u>152.12</u>	<u>0.51</u>	<u>152.63</u>
Balance as at 1 April 2025	152.12	0.51	152.63
Amortisation expense for the year	638.01	1.85	639.86
Balance as at 31 March 2026	<u>790.13</u>	<u>2.36</u>	<u>792.49</u>
Net carrying amount			
Net carrying amount as at 31 Mar 2025	2,314.14	4.11	2,318.25
Net carrying amount as at 31 March 2026	<u>3,209.90</u>	<u>4.24</u>	<u>3,214.14</u>

*Refer note 4 (ii) on Property, plant and equipment

7 Intangible assets under development

Particulars	Rupees crores	
	2026	2025
Balance at the beginning of the year	2,158.24	2,491.61
Additions during the year	1,214.66	2,132.89
Transfer to Other Intangible Assets	(1,766.75)	(2,466.26)
Balance at the end of the year	<u>1,606.15</u>	<u>2,158.24</u>

Ageing of intangible assets under development

Particulars	Rupees crores				
	Amount in Intangibles assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at 31 March 2026					
Projects in progress	519.81	473.79	268.71	343.84	1,606.15
Total	<u>519.81</u>	<u>473.79</u>	<u>268.71</u>	<u>343.84</u>	<u>1,606.15</u>
Balance as at 31 March 2025					
Projects in progress	1,033.62	588.55	536.08	–	2,158.24
Total	<u>1,033.62</u>	<u>588.55</u>	<u>536.08</u>	<u>–</u>	<u>2,158.24</u>

Note:

- Development expenditure incurred during the year Rs. 1,214.66 crores (2025: Rs. 2,132.89 crores).
- As on the date of balance sheet, there is no intangible under development whose completion is overdue or has extended the cost based on approved plan.

Notes to the financial statements for the year ended 31 March, 2026

8 Other financial assets

Particulars	Non current		Current	
	2026	2025	2026	2025
Rupees crores				
Measured at amortised cost				
Interest accrued on bank deposits	–	–	8.35	1.64
Security Deposit	–	–	0.12	–
Government grant receivable				
- Industrial Promotion Scheme (refer note 4 (ii))	623.57	–	186.29	–
- Production Link Incentive	–	–	1,121.64	–
- Maharashtra state subsidy	–	–	28.47	–
Other financial assets (refer note (iii) below)	217.35	–	109.35	117.90
Total	840.92	–	1,454.22	119.54

Note:

- (i) The Company, through a consortium led by the Holding Company has received an approval for Production Linked Incentive (PLI) scheme for Automobile and Auto components. The Company's product portfolio is a part of the eligible products under the PLI scheme.
- (ii) The Company obtained an Eligibility Certificate from the Industrial Promotion Department, Government of Maharashtra under the Ultra Mega & Special Anchor Unit Project scheme obtained the Eligibility Certificate, qualifying for both capital and revenue subsidies. Accordingly, the Company recognized a present value of capital subsidy (adjusted against the PPE) expected to be received over the next 10 years (refer note 4(ii)) and a revenue subsidy under the IPS linked to State Goods and Services Tax (SGST) payments. As at 31 March 2026, the carrying amount of capital subsidy receivable is Rs.751.70 crores and revenue subsidy of Rs. 58.15 crores.
- (iii) Other financial assets comprise recoverable expenses of ₹277.80 crore (March 31, 2025: ₹32.11 crore) representing warranty-related amounts recoverable from Mahindra & Mahindra Limited (also refer Note 20).

9 Deferred Tax

Deferred Tax Assets / Liabilities (Net)

				Rupees crores
Particulars	Bal as at 01.04.2025	Recognised in Profit or Loss	Recognised in Other comprehensive income	Bal as at 31.03.2026
Deferred Tax Assets				
Provision for employee benefits	0.13	0.39	(0.00)	0.52
Carried forward tax losses	124.49	(50.17)	–	74.32
Others	(8.26)	5.48	–	(2.78)
	<u>116.36</u>	<u>(44.30)</u>	<u>(0.00)</u>	<u>72.06</u>
Deferred Tax Liabilities				
Property, plant and equipment and intangible assets	(47.33)	(52.62)	–	(99.95)
Others	(0.11)	(5.28)	–	(5.39)
	<u>(47.44)</u>	<u>(57.90)</u>	<u>–</u>	<u>(105.34)</u>
Net deferred tax asset /(liability)	<u>68.92</u>	<u>(102.20)</u>	<u>(0.00)</u>	<u>(33.28)</u>

				Rupees crores
	Bal as at 01.04.2024	Recognised in Profit or Loss	Recognised in Other comprehensive income	Bal as at 31.03.2025
Particulars				
Deferred Tax Assets				
Provision for employee benefits	0.02	0.09	0.02	0.13
Carried forward tax losses	–	124.49	–	124.49
Others (Deferred tax assets)	(0.88)	(7.38)	–	(8.26)
	<u>(0.86)</u>	<u>117.20</u>	<u>0.02</u>	<u>116.36</u>
Deferred Tax Liabilities				
Property, plant and equipment and intangible assets	1.43	(48.76)	–	(47.33)
Others	–	(0.11)	–	(0.11)
	<u>1.43</u>	<u>(48.87)</u>	<u>–</u>	<u>(47.44)</u>
Net deferred tax asset	<u>0.57</u>	<u>68.33</u>	<u>0.02</u>	<u>68.92</u>

Balances of Deferred Tax Assets / Deferred Tax Liabilities are presented in Balance sheet as below :

Particulars	Rupees crores	
	2026	2025
Deferred tax (liability) / assets (net)	<u>(33.28)</u>	<u>68.92</u>

Notes to the financial statements for the year ended 31 March, 2026

10 Income Taxes

(a) Income Tax recognised in profit or loss

Particulars	2026	Rupees crores 2025
Current Tax		
In respect of current year	—	—
In respect of prior years	0.01	0.09
Total Current Tax	0.01	0.09
Deferred Tax		
In respect of current year origination and reversal of temporary differences	102.19	(68.32)
Total Deferred Tax	102.19	(68.32)
Total Income Tax expense / (credit)	102.20	(68.23)

(b) Income tax recognised in other comprehensive loss

Particulars	2026	2025
Deferred tax related to items recognised in other comprehensive loss during the year:		
Remeasurement of defined benefit plans	0.04	0.05
Total Income tax recognised in other comprehensive loss	0.04	0.05

(c) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

Particulars	2026	2025
Profit / (loss) Before Tax	489.14	(278.56)
Applicable Income Tax rate	25.17%	25.17%
Expected Income Tax (income) / expense	123.11	(70.11)
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of net additional / (reversal) of provision in respect of prior years	0.01	0.09
CCPS valuation	(21.03)	1.62
Others disallowances	0.12	0.17
Reported tax expense / (income)	102.21	(68.23)

11 Other assets (non financial)

Particulars	Non current 2026	2025	Current 2026	2025
Capital advances	369.67	552.29	—	—
Balance with Government Authorities	—	—	314.86	622.19
Others - Prepaid expenses	22.53	32.11	31.41	5.64
Total	392.20	584.40	346.27	627.83

12 Inventories

Particulars	2026	2025
Stock in trade		
- Vehicles	2.66	7.86
- Spares & Accessories	32.50	10.84
Total	35.16	18.70

Note:

- Method of valuation of inventories is stated in Note 2(h)
- Inventories include goods in transit amounts to Rs. 1.74 crores of vehicles and spares & accessories

13 Current investments

Particulars	2026	2025
Quoted: Mandatorily measured at Fair Value Through Profit and Loss		
Investments in mutual funds	1,752.54	1,412.52
Unquoted: Measured at amortised cost		
Investment in Fixed Deposits	—	—
Total	1,752.54	1,412.52
Aggregate amount of quoted investments	1,752.54	1,412.52
Aggregate amount of unquoted investments	—	—

Notes to the financial statements for the year ended 31 March, 2026

14 Trade receivables

Particulars	Rupees crores	
	2026	2025
Unsecured, considered good	19.83	38.90
Total	19.83	38.90

Particulars	Rupees crores				
	Outstanding for following periods from due date of payment				Total
	Not due	Less than 6 months	6 months - 1 year	1-2 year	
Balance as at 31 March, 2026					
Undisputed trade receivables - considered good	-	19.83	-	-	19.83
Total	-	19.83	-	-	19.83
Balance as at 31 March 2025					
Undisputed trade receivables - considered good	-	38.90	-	-	38.90
Total	-	38.90	-	-	38.90

15 Cash and cash equivalents and Bank balances other than cash and cash equivalent

Particulars	Rupees crores	
	2026	2025
Cash and cash equivalents		
- Balances with banks on current account	2.28	3.22
- Fixed deposits with original maturity of less than 3 months	421.60	505.50
Cash and cash equivalents	423.88	508.72

16 Equity share capital

Particulars	Rupees crores	
	2026	2025
Authorised :		
5,05,00,00,000 Ordinary (Equity) Shares of Rs. 10 each (2025: 5,05,00,00,000)	5,050.00	5,050.00
1,92,50,000 Compulsorily Convertible Preference Shares of Rs. 1,000 each (2025: 1,92,50,000)	1,925.00	1,925.00
1,20,00,000 Series A 0.001% Compulsorily Convertible Preference Shares of Rs. 1,000 each (2025: 1,20,00,000)	1,200.00	1,200.00
Authorised Share Capital	8,175.00	8,175.00
Issued, subscribed and paid up		
4,30,83,18,399 (2025: 3,97,58,73,955) Ordinary (Equity) Shares of Rs. 10 each	4,308.31	3,975.87
Issued, Subscribed and Paid up Share Capital	4,308.31	3,975.87

(a) Reconciliation of number of ordinary (equity) shares and amount outstanding :

Particulars	2026		2025	
	No. of shares	Rupees crores	No. of shares	Rupees crores
Issued, subscribed and paid-up :				
At the beginning of the year	3,97,58,73,955	3,975.87	3,63,58,73,855	2,910.87
Add:				
Call money received for partly paid up shares issued to Mahindra & Mahindra Limited	-	-	-	725.00
Equity shares issued to Mahindra & Mahindra Limited (Rs 10 per share)	33,24,44,444	332.44	34,00,00,000.00	340.00
Equity shares issued to Jongsong Investments PTE Limited (Temasek)	-	-	100	0.00
Adjusted Issued, Subscribed and Paid-up Share Capital	4,30,83,18,399	4,308.31	3,97,58,73,955	3,975.87

(b) The Ordinary (Equity) Shares of the Company rank pari-passu including voting rights and entitlement to dividend.

(c) Details of Ordinary (Equity) Shares held by shareholders holding more than 5% of the aggregate issued, subscribed and paid up shares of the Company

Notes to the financial statements for the year ended 31 March, 2026

Name of the Shareholder	2026		2025	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Mahindra & Mahindra Limited	<u>4,30,83,18,199</u>	<u>99.99%</u>	<u>397,58,73,755</u>	<u>99.99%</u>

(d) Details of Ordinary (Equity) Shares held by promoters in the Company's paid-up share capital (including partly paid shares):

Name of the Promoters	2026			2025		
	No. of Shares	% Shareholding	% Change during the year	No. of Shares	% Shareholding	% Change during the year
Promoters :						
Mahindra & Mahindra Limited	<u>430,83,18,199</u>	<u>99.99%</u>	<u>0.00%</u>	<u>397,58,73,755</u>	<u>99.99%</u>	<u>—</u>
Total	<u>430,83,18,199</u>	<u>99.99%</u>	<u>0.00%</u>	<u>397,58,73,755</u>	<u>99.99%</u>	<u>—</u>

Note:

- (i) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of three years immediately preceding the reporting date – Nil.
- (ii) During the year ended 31 March 2026, pursuant to a right offer, the Holding Company subscribed to 33,24,44,444 Equity Shares of face value ₹10/- each at a premium of ₹35/- per share, aggregating to a total consideration of ₹1,496 crore.

(e) Details of proposed dividend

The Board of Directors of the Company have proposed an interim dividend of Rs. 0.01 / - per compulsory convertible preference shares in respect of the year ended March 31, 2026 which would result in cash outflow of approximately Rs. 0.03 crs.

17 Compulsorily convertible preference shares

Particulars	Rupees crores	
	2026	2025
Measured at fair value through profit or loss		
0.001% Compulsorily convertible preference shares	<u>2,972.76</u>	<u>3,056.40</u>
Total	<u>2,972.76</u>	<u>3,056.40</u>

18 Lease liabilities

Particulars	Rupees crores			
	Non Current		Current	
	2026	2025	2026	2025
Lease liabilities	<u>10.67</u>	<u>1.23</u>	<u>2.70</u>	<u>0.63</u>
Total	<u>10.67</u>	<u>1.23</u>	<u>2.70</u>	<u>0.63</u>

Reconciliation of movement in borrowings and lease liabilities to cash flow from financing activities:

Particulars	Rupees crores	
	2026	2025
Opening Balance		
- Compulsorily convertible preference shares	<u>3,056.40</u>	<u>1,500.00</u>
- Non-current lease liabilities	<u>1.23</u>	<u>—</u>
- Current lease liabilities	<u>0.63</u>	<u>—</u>
	<u>3,058.26</u>	<u>1,500.00</u>
Cash flow movements		
Repayment of lease liabilities	<u>(1.56)</u>	<u>(0.22)</u>
	<u>(1.56)</u>	<u>(0.22)</u>
Non-cash flow movements		
Addition to lease liabilities during the year (including interest thereon)	<u>13.03</u>	<u>2.18</u>
(Gain) / loss on fair value measurement of Compulsorily Convertible Preference Shares	<u>(83.64)</u>	<u>1,556.40</u>
Deletion in lease liabilities	<u>0.06</u>	<u>(0.10)</u>
	<u>(70.55)</u>	<u>1,558.48</u>
Closing Balance		
- Compulsorily convertible preference shares	<u>2,972.76</u>	<u>3,056.40</u>
- Non-current lease liabilities	<u>10.67</u>	<u>1.23</u>
- Current lease liabilities	<u>2.70</u>	<u>0.63</u>
	<u>2,986.13</u>	<u>3,058.26</u>

Notes to the financial statements for the year ended 31 March, 2026

19 Other Financial Liabilities

Particulars	Non Current		Current	
	2026	2025	2026	2025
Measured at Amortised Cost				
Capital creditors	–	–	474.50	955.99
Employee related expenses	–	–	9.75	5.88
Security deposits	17.15	14.78	–	–
Others	61.21	59.89	–	–
Measured at fair value through profit or loss				
Derivative financial liabilities	–	–	–	0.48
Total	78.36	74.67	484.25	962.35

20 Provisions

Particulars	Non Current		Current	
	2026	2025	2026	2025
Provision for Employee Benefits (refer note no. 32)	4.54	3.37	0.72	0.52
Provision for Service Coupon	5.41	1.17	17.61	3.84
Provision for Warranties	217.64	32.11	60.16	–
Provision for Extended producer responsibility (EPR)	28.91	–	–	–
Total	256.50	36.65	78.49	4.36

Note: Provision for employee benefits includes gratuity and compensated absences.

Provision for service coupon relates to provision made in respect of sale of certain products, the estimated cost of which is accrued at the time of sale.

Provision for warranties relates to provision made in respect of sale of certain products and components, the estimated cost of which is accrued at the time of sale. The products are generally covered under a free warranty period ranging from 3 to 15 years. The arrangement for warranty is back to back with the contract manufacturer i.e., Mahindra and Mahindra Limited. (also refer note 8).

"The Company has made provision towards environmental compensation for batteries deployed in the market through the sale of electric vehicles. This provision has been calculated in accordance with the Guidelines for Environment Compensation (EC) under the Battery Waste Management Rules, 2022, as amended".

The movement in provision for warranties, service coupons and EPR are as follows:

Particulars	EPR		Warranties		Service coupon	
	2026	2025	2026	2025	2026	2025
Opening balance	–	–	32.11	–	5.00	–
Additional net provisions recognised during the year	48.27	–	282.96	32.11	35.14	5.42
Amounts utilised during the year	–	–	(37.28)	–	(15.65)	–
Unwinding of discount	(19.36)	–	–	–	(1.48)	(0.42)
Closing balance	28.91	–	277.79	32.11	23.01	5.00

21 Other Non Current liabilities

Particulars	Ruppes crores	
	2026	2025
Extended Warranty - Advance Received	12.27	–
Other liabilities	22.55	–
Total	34.82	–

22 Other Current Liabilities

Particulars	Ruppes crores	
	2026	2025
Statutory dues (other than income tax)		
Goods and Services tax	106.70	158.24
Tax deducted at source	50.07	54.96
Provident fund and Pension fund	0.27	0.21
Profession tax	0.01	0.00
Contract Liabilities*	69.95	59.87
Others	25.61	5.17
Total	252.61	278.45

* Contract liabilities are expected to be recognised in revenue over a period of 1 years

Notes to the financial statements for the year ended 31 March, 2026

23 Trade payables

Particulars	Rupees crores	
	2026	2025
Total outstanding dues of micro enterprises and small enterprises	12.38	23.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,833.07	692.57
Total	1,845.45	716.34

Trade payables

Micro and Small enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below:

Particulars	Rupees crores	
	2026	2025
(a) Dues remaining unpaid at the end of each accounting year for micro and small enterprises		
– Principal	0.01	0.00
– Interest on the above	0.00	0.00
(b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
– Principal paid beyond the appointed date	7.03	4.87
– Interest paid in terms of Section 16 of the MSMED Act	0.01	0.02
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	0.01	–
(d) Further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	–	–
(e) Amount of interest accrued and remaining unpaid	0.01	0.02

Ageing of trade payables

Particulars	Rupees crores					
	2026					
	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payable						
MSME	1.33	11.05	–	–	–	12.39
Others	1,433.69	69.16	–	–	–	1,502.84
Total:	1,435.02	80.21	–	–	–	1,515.23
Accrued Expenses	–	–	–	–	–	330.22
Total Trade payables	1,435.02	80.21	–	–	–	1,845.45

Particulars	Rupees crores					
	2025					
	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payable						
MSME	6.84	16.93	–	–	–	23.77
Others	577.09	–	–	–	–	577.09
Total:	583.93	16.93	–	–	–	600.86
Accrued Expenses	–	–	–	–	–	115.48
Total Trade payables	583.93	16.93	–	–	–	716.34

23A Revenue from operations

Particulars	Rupees crores	
	2026	2025
From contract with customers (as defined under Ind AS 115)		
Sale of products		
- Vehicles	12,990.76	2,167.86
- Spares	195.68	96.20
Sale of Services	17.33	–
	13,203.77	2,264.06
Other operating revenue from other sources		
- Production Linked Incentive	1,156.24	–
- Industrial Promotion Scheme	57.46	–
- Others	6.02	–
Total	14,423.49	2,264.06

Notes to the financial statements for the year ended 31 March, 2026

23.01 Revenue disaggregation by geography is as follows:

Particulars	Rupees crores	
	2026	2025
Geography		
Domestic	14,358.97	2,263.79
Overseas	64.52	0.27
Total	14,423.49	2,264.06

Note: Geographical revenue is allocated based on the location of the customers

23.02 Changes in Contract Liabilities are as follows:

Particulars	Rupees crores	
	2026	2025
Opening balance of Contract liabilities	59.87	—
Additions during the period	69.95	59.87
Transfer from contract liabilities to revenue	(59.87)	—
Closing balance of Contract Liabilities	69.95	59.87

23.03 Reconciliation of revenue recognised in the statement of profit and loss with contracted price

Particulars	Rupees crores	
	2026	2025
Revenue from contracts with customers as per the contract price	13,672.98	2,280.68
Adjustments made to contract price on account of :-	(469.21)	(16.62)
Less: Discounts and Incentives	(299.39)	(11.48)
Less: Sales Return	(159.74)	(5.14)
Less: Deferment of revenue	(69.95)	—
Add: Recognition of revenue from contract liability out of opening balance	59.87	—
Revenue from contracts with customers as per statement of Profit and Loss	13,203.77	2,264.06

24 Other income

Particulars	Rupees crores	
	2026	2025
Interest income on financial assets measured at amortised cost	25.39	6.25
Net gain arising on financial assets measured at fair value through profit & loss *	74.65	74.10
Interest unwinding on government grant receivable (Refer note 4 (ii))	35.58	—
Gain on fair value measurement of Compulsorily Convertible Preference Shares	83.64	—
Other income	0.02	0.02
Total	219.28	80.37

* Includes gain of Rs. 96.43 Cr (Mar' 25 : 44.76) on sale of Investments.

25 Changes in inventories of stock in trade

Particulars	Rupees crores	
	2026	2025
Opening inventories:	—	—
Finished goods	7.86	—
Spares	10.84	—
Less: Closing inventories	—	—
Finished goods	2.66	7.86
Spares	32.50	10.84
Net (increase) in inventories	(16.46)	(18.70)

26 Employee Benefits Expense

Particulars	Rupees crores	
	2026	2025
Salaries and wages, including bonus	40.42	18.63
Contribution to provident and other funds	3.29	1.28
Equity settled share based payments*	1.38	0.41
Staff welfare expenses	0.58	0.11
Total	45.67	20.43

* Represents cost reimbursed by the company towards ESOP's granted by the holding company, Mahindra & Mahindra Limited.

Certain employees of the Mahindra Electric Automobile Limited are covered by Employee Stock Option Scheme-2000 (ESOP scheme) offered by Holding Company, Mahindra & Mahindra Limited. Under the scheme, eligible employees are granted an option to purchase shares of Mahindra & Mahindra Limited, in accordance with the terms and conditions of the scheme.

The Company recognizes this scheme as an equity settled share based payments arrangement in accordance with IND AS 102 - Share Based Payment.

Such ESOP expense in respect of employees of the Company, is charged by the Holding Company over the vesting period in accordance with the ESOP scheme which is recognized as Equity settled share based payment expenses under Employee Benefit Expenses.

27 Finance Cost

Particulars	Rupees crores	
	2026	2025
Interest expense		
- unwinding of service coupon	0.25	—
- Interest expense on extended warranty	0.20	—
- on lease liabilities	0.56	0.06
- others	0.86	0.64
Total	1.87	0.70

28 Depreciation and amortisation expense

Particulars	Rupees crores	
	2026	2025
Depreciation on Property, Plant and Equipment	313.88	83.52
Depreciation on Right of use assets	1.94	0.24
Amortisation on Intangible assets	639.86	152.62
Total	955.68	236.38

29 Other Expenses

Particulars	Rupees crores	
	2026	2025
Rent expense	3.09	1.23
Advertisement expenses and sales promotion	262.56	142.26
Travelling and conveyance expenses	6.40	2.37
Legal and professional fees	72.45	33.95
Hire and service charge	62.51	3.57
Director remuneration (refer note 35)	2.52	1.68
Payment to auditors**	0.62	0.36
Insurance expense	1.85	0.57
Stockyard Expenses	10.62	2.03
Sales and after sales support services	292.41	52.80
Freights	1.34	—
Repair and maintenance		
- on computers	0.24	—
- on vehicles	0.03	0.02
- on others	0.20	0.09
Foreign exchange loss	13.86	—
Miscellaneous expenses	12.90	11.79
Total	743.60	252.70

Notes to the financial statements for the year ended 31 March, 2026

	Rupees crores	
	2026	2025
**Payment to auditors		
To Statutory auditors -		
a) For audit	0.30	0.27
b) Other services	0.32	0.09
c) Reimbursement of expenses	-	-
Total	0.62	0.36

30 Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, the Company is not required to spend 2% of its average net profit of the immediately three preceding financial years on CSR in F26

	Rupees crores	
Particulars	2026	2025
(a) Gross amount required to be spent by the Company during the year based on 2% of average net profits	-	0.19
(b) Amount required to be spent during the year	-	0.19
(c) Amount spent during the year	-	0.20
(d) Unspent amount at the end of the year	-	-

(e) Nature of CSR Activities: Imparting 21st century skills for all students including digital literacy, financial literacy and life skills. Also, to provide vocational skills in technical and service trades leading to new livelihood opportunities.

Note: Amount recognised as expense in profit or loss is **Nil** (2025: 0.20 crores) Further, the company doesn't wish to carry forward any excess amount spent during the year.

31 Earnings Per Share (EPS)

	Rupees crores	
Particulars	2026	2025
Basic and Diluted Earnings per Share		
Profit / (loss) for the year for basic EPS (Rupees crores)	303	(210)
Profit / (loss) for the year for diluted EPS (Rupees crores)*	303	(210)
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS	4,43,16,45,416	3,81,64,10,766
Weighted average number of potential Equity Shares on account of Compulsory Convertible Preference Shares	4,43,16,45,416	-
Basic Earnings per share (Rs.) (Face value of Rs. 10 per share)	0.68	(0.55)
Diluted Earnings per share (Rs.)	0.68	(0.55)

* since the EPS after considering conversion of CCPS will be anti-dilutive, Basic and Diluted EPS are same.

32 Employee Benefits

General description of defined benefit plans

Gratuity

There is gratuity plan is covering all employees. The benefit payable is greater of the amount calculated as per the payment of Gratuity Act or the company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Life expectancy

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

The Company has assessed the potential financial impact of four new labour codes notified by The Ministry of Labour & Employment in November 2025 and adjustments have been made in Profit & Loss of the current financial year amounting Rs.0.40 crores.

Notes to the financial statements for the year ended 31 March, 2026

Defined benefit plans - Actuarial valuation as on 31 March, 2026

Particulars	Rupees crores	
	Unfunded Plans	Unfunded Plans
	Gratuity	Gratuity
	2026	2025
1 Amounts recognised in profit or loss		
Current service cost	0.47	0.16
Past service cost	0.40	—
Net interest expense	0.16	0.09
Total amount included in employee benefits expense	1.03	0.25
2 Amounts recognised in other comprehensive income		
Remeasurement (gains) / losses:		
Opening amount recognized in OCI outside profit and loss account	0.19	0.09
a) Actuarial (gains) / losses arising from changes in -		
- experience adjustments	0.03	0.06
- changes in financial assumptions	(0.05)	0.05
- changes in demographic assumptions	—	(0.01)
Closing amount recognised in other comprehensive income	0.17	0.19
3 Changes in the defined benefit obligation		
Opening defined benefit obligation	2.19	0.89
Current service cost	0.47	0.16
Past service cost	0.40	—
Interest expense	0.16	0.09
Remeasurement (gain)/losses arising from changes in:		
- demographic assumptions	—	(0.01)
- financial assumptions	(0.05)	0.05
- experience assumptions	0.03	0.06
Impact of liability assumed*	(0.07)	1.28
Benefits paid	—	(0.33)
Closing defined benefit obligation	3.13	2.19

* Transfer from Mahindra & Mahindra Limited

Defined benefit plans - Actuarial valuation

Particulars	Rupees crores	
	Unfunded Plans	Unfunded Plans
	Gratuity	Gratuity
	2026	2025
4 Net defined benefit obligation		
Defined benefit obligation	3.13	2.19
Current portion of the above	0.35	0.22
Non current portion of the above	2.78	1.97

5 Actuarial Assumptions and sensitivity

a Actuarial assumptions

Assumptions	2026	2025
Discount rate (%)	7.10%	6.90%
Attrition rate (%)	12.50%	12.50%
Cost inflation (%)	9.00%	9.00%

b Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:

Assumptions	Rupees crores	
	2026	2025
One percentage point increase in discount rate	(6.82%)	(7.01%)
One percentage point decrease in discount rate	7.71%	7.94%
One percentage point increase in salary growth rate	6.80%	7.71%
One percentage point decrease in salary growth rate	(6.14%)	(6.95%)

c Maturity profile

Particulars	Rupees crores	
	2026	2025
Expected benefits for year 1	0.35	0.22
Expected benefits for year 2	0.35	0.23
Expected benefits for year 3	0.34	0.23
Expected benefits for year 4	0.34	0.23
Expected benefits for year 5	0.33	0.22
Expected benefits for year 6	0.32	0.21
Expected benefits for year 7	0.30	0.20
Expected benefits for year 8	0.28	0.20
Expected benefits for year 9	0.32	0.19
Expected benefits for year 10 and above	2.90	2.13

The estimate of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The weighted average duration of the defined benefit obligation is 7.24 years (2024: 7.45 years)

33 Capital management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or preference and/or convertible shares as may be appropriate.

The Company determines the amount of capital required on the basis of its product, capital expenditure, operations and strategic investment plans. Equity is given in the table below :

Particulars	Rupees crores	
	2026	2025
Total shareholder's equity as reported in Balance Sheet	7,134.69	5,251.74
Less :		
Current investments	1,752.54	1,412.52
Cash and Bank Balances	929.88	508.72
Total Capital deployed	4,452.27	3,330.50

34 Financial instruments

Financial Risk Management Framework

In the course of its business, the Company is exposed to a certain financial risks namely credit risk, market risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The financial risks are managed in accordance with the risk management policy as approved by Board of Directors of the Company.

(a) Market Risk Management

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Company's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

Notes to the financial statements for the year ended 31 March, 2026

(b) Currency Risk

The Company's exposure to currency risk relates primarily to the company's operating activities i.e.. Purchases where the transactions are denominated in a currency other than the Company's functional currency.

The Company's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Company's hedges its foreign currency risk mainly by way of Forward Covers. Other derivative instruments may be used if deemed appropriate.

The carrying amounts of the company's foreign currency exposure at the end of the reporting period are as follows:

Particulars	Euro	Pounds	USD Dollar	Rupees crores Total
As at 31 March, 2026				
Financial Liabilities	10.93	11.41	93.27	115.62
As at 31st March, 2025				
Financial Liabilities	38.48	16.27	129.58	184.33

The Company's outstanding forward exchange contracts are not accounted as hedges. Notional value of the same is as given below:

Particulars	2026	2025
Buy currency		
- USD/INR	—	99.75
- EUR/INR	—	—
- GBP/INR	—	4.10

Sensitivity Analysis of unhedged foreign currency exposure

Foreign Currency Sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant

Particulars	10% Increase - 2026	Effect on profit before tax 10% Decrease - 2026	10% Increase - 2025	10% Decrease - 2025
US Dollars	9.33	9.33	2.98	2.98
Euro	1.09	1.09	3.85	3.85
Pounds	1.14	1.14	1.22	1.22

(b) Credit Risk Management

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has dealing with government organisations for subsidy related transaction and for private non-government counterparties, the company have obtained sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

(c) Liquidity risk management - Maturity profile of non - derivative financial liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
As at 31 March, 2026				
Trade payables	1,845.45	—	—	—
Other financial liabilities	562.61	—	—	—
Total	2,408.06	—	—	—
As at 31 March, 2025				
Trade payables	716.34	—	—	—
Other financial liabilities	962.35	—	—	—
Total	1,678.69	—	—	—

Notes to the financial statements for the year ended 31 March, 2026

(d) Maturity profile of derivative financial liabilities

The following table details the Company's liquidity analysis for its derivative financial liabilities.

Particulars	Rupees crores		
	Less than 1 year	1-3 Years	3 years to 5 Years
As at 31 March, 2026			
Financial Liabilities	–	–	–
As at 31 March, 2025			
Financial Liabilities	0.48	–	–

(e) Offsetting of balances: The Company has not offset financial assets and financial liabilities.

(f) Fair Value Disclosures

(i) Financial Instruments regularly measured using fair value - recurring items

		Rupees crores				
Financial assets/ financial liabilities	Financial assets / financial liabilities	Fair Value Category	As at 31 March 2026	As at 31 March 2025	Fair value hierarchy	Valuation technique(s)
1) Investment in Mutual Funds	Financial Assets	Financial instrument measured at FVTPL	1,752.54	1,412.52	Level 1	Net asset value available for immediate redemption
2) Foreign Currency forward	Financial Assets	Financial instrument measured at FVTPL	–	0.48	Level 2	Discounted Cash Flow
3) Compulsorily Convertible Preference Shares (CCPS)	Financial Liability	Financial instrument measured at FVTPL	2,972.76	3,056	Level 3	Income Approach - Discounted Cash Flow/ Market Multiple

* Key inputs

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

Level 2 - Discounted cash flow - Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at rate that reflects the credit risk of various counter parties

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Reconciliation of Level 3 fair value measurements of financial instruments measured at fair value

Particulars	Rupees crores	
	2026	2025
Opening Balance	(3,056.40)	(1,500.00)
Total gains or losses recognised:		
a) in profit / (loss)	83.64	(6.40)
b) in other comprehensive income.		
Issued during the period	–	(1,550)
Closing balance	(2,972.76)	(3,056.40)

(ii) Financial Instruments measured using amortised cost

Particulars	Carrying Value	Fair value	Rupees crores		
			Fair value		
As at 31 March, 2026			Level 1	Level 2	Level 3
Financial assets					
a) Other financial assets	1,454.22	1,454.22	–	1,454.22	–
b) Cash and Bank Balance	423.88	423.88	423.88	–	–
Total	1,878.10	1,878.10	423.88	1,454.22	–
Financial liabilities					
a) Trade Payable	1,845.45	1,845.45	–	1,845.45	–
b) Other Financial Liabilities	484.25	484.25	–	484.25	–
Total	2,329.70	2,329.70	–	2,329.70	–

Notes to the financial statements for the year ended 31 March, 2026

Rupees crores

Particulars	Carrying Value	Fair value	Fair value		
			Level 1	Level 2	Level 3
As at 31 March, 2025					
Financial assets					
a) Other financial assets	119.54	119.54	–	119.54	–
b) Cash and Bank Balance	508.72	508.72	508.72		–
Total	628.26	628.26	508.72	119.54	–
Financial liabilities					
a) Trade Payable	716.34	716.34	–	716.34	–
b) Other Financial Liabilities	962.35	962.35	–	962.35	–
Total	1,678.69	1,678.69	–	1,678.69	–

There were no transfers between Level 1 and Level 2 during the year/period.

35 Related party disclosures

(a) Names of related parties where transactions have taken place during the year:

(i) Holding Company, Fellow Subsidiaries and Investor

S.No.	Name of the Entity	Relationship
1	Mahindra & Mahindra Limited	Holding company
2	Tech Mahindra Limited	Associate of holding company
3	Golde Pune Automotive India, Pvt Ltd.	Associate of holding company
4	Tech Mahindra (Shanghai) Co. Ltd	Associate of holding company
5	CIE Automotive India Limited	Associate of holding company
6	Mahindra Logistics Limited	Fellow subsidiary
7	Mahindra Integrated Business Solutions Private Limited	Fellow subsidiary
8	Lords Freight (India) Private Limited	Fellow subsidiary
9	Mahindra Accelo Limited	Fellow subsidiary
10	Fifth Gear Ventures Limited (Entity has been merged with Mahindra First Choice Wheels Limited)	Fellow subsidiary
11	NBS International Limited	Fellow subsidiary
12	Mahindra First Choice Wheels Limited	Fellow subsidiary
13	Mahindra Auto Steel Private Limited	Fellow subsidiary
14	Mahindra and Mahindra Financial Services limited	Fellow subsidiary
15	Pininfarina S.P.A.	Fellow subsidiary
16	Bristlecone India Private Limited	Fellow subsidiary
17	Satyam Venture Engineering Service Private Limited	Associate of holding company
18	British International Investment PLC (BII)	Investor

(ii) Key Management Personnel (KMP) :

S.No.	Name of KMP	Designation
1	Velusamy R	Managing Director
2	Nalinikanth Gollagunta	Executive Director
3	Rajesh Jejurikar	Director
4	Abanti Sankarnarayanan	Director
5	Dr. Anish Shah	Director
6	Isha Dalal	Director
7	Abhinav Sinha	Director (Nominee of BII)
8	Vikram Singh Mehta	Independent Director
9	Shikha Sharma	Independent Director
10	Bhavesh Shah	Chief Financial Officer
11	Amit Dodani	Company Secretary

Notes to the financial statements for the year ended 31 March, 2026

(b) The related party transactions are as under :

Rupees crores											
S.No.	Nature of Transactions	Holding Company		Fellow Subsidiary		Associate of Holding Company		BII		KMP	
		2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
1	Purchases :										
	Goods										
	Mahindra Auto Steel Private Limited	–	–	24.89	17.38	–	–	–	–	–	–
	Mahindra Accelo Limited	–	–	3.04	0.24	–	–	–	–	–	–
	Mahindra & Mahindra limited	12,314.54	2,061.31	–	–	–	–	–	–	–	–
	Golde Pune Automotive India, Pvt Limited	–	–	–	–	0.11	–	–	–	–	–
	CIE Automotive India Limited	–	–	–	–	0.03	–	–	–	–	–
	Property, plant & equipment										
	Mahindra & Mahindra Limited	98.47	207.86	–	–	–	–	–	–	–	–
	Intangible assets under development										
	Mahindra & Mahindra Limited	–	229.00	–	–	–	–	–	–	–	–
	Services										
	Mahindra & Mahindra limited	858.41	557.15	–	–	–	–	–	–	–	–
	Mahindra Logistics Limited	–	–	91.02	10.00	–	–	–	–	–	–
	Tech Mahindra Limited	–	–	11.31	4.51	–	–	–	–	–	–
	Tech Mahindra (Shanghai) Co. Ltd	–	–	–	–	0.87	–	–	–	–	–
	Lords Freight (India) Private Limited	–	–	3.72	3.77	–	–	–	–	–	–
	Fifth Gear Ventures Limited	–	–	–	1.21	–	–	–	–	–	–
	Satyam Venture Engineering Service Private Limited	–	–	–	–	0.13	0.18	–	–	–	–
	Mahindra Integrated Business Solutions Private Limited	–	–	223.42	311.10	–	–	–	–	–	–
	Mahindra and Mahindra Financial Services limited	–	–	–	0.20	–	–	–	–	–	–
	NBS International Limited	–	–	0.02	0.00	–	–	–	–	–	–
	Mahindra First Choice Wheels Limited	–	–	3.84	–	–	–	–	–	–	–
	Bristlecone India Private Limited	–	–	0.03	–	–	–	–	–	–	–
	Pininfarina S.P.A.	–	–	0.27	–	–	–	–	–	–	–
2	Sales of Goods										
	Goods										
	Mahindra & Mahindra limited	2.70	68.57	–	–	–	–	–	–	–	–
	Mahindra and Mahindra Financial Services limited	–	–	22.50	3.11	–	–	–	–	–	–
	NBS International Limited	–	–	399.68	33.06	–	–	–	–	–	–
	Mahindra Integrated Business Solutions Private Limited	–	–	1.06	–	–	–	–	–	–	–
	Property, Plant and Equipment										
	Mahindra & Mahindra Limited	–	44.36								
	Royalty Income										
	Mahindra & Mahindra limited	6.00	–								
2	Finance :										
	Issue of Shares										
	Mahindra & Mahindra Limited	1,496.00	2,255.00	–		–	–	–	–	–	–
	Issue of Compulsorily Convertible Preference Shares										
	British International Investment Plc	–	–	–	–	–	–	–	650.00	–	–
3	Managerial remuneration	–	–	–	–	–	–	–	–	3.80	4.86
4	Commission and Other benefits (to independent director)	–	–	–	–	–	–	–	–	0.09	0.08

Notes to the financial statements for the year ended 31 March, 2026

Rupees crores

S.No.	Nature of Transactions	Holding Company		Fellow Subsidiary		Associate of Holding Company		BII		KMP	
		2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
5	Other Transactions :										
	Reimbursements made from parties										
	Mahindra & Mahindra limited	77.42	14.82	-	-	-	-	-	-	-	-
	NBS International Limited	-	-	0.88	0.22	-	-	-	-	-	-
	Reimbursements made to parties										
	Mahindra & Mahindra limited	33.33	187.44	-	-	-	-	-	-	-	-
	NBS International Limited	-	-	2.74	-	-	-	-	-	-	-
	Lease										
	Mahindra And Mahindra Financial Services Limited	-	-	1.52	-	-	-	-	-	-	-
6	Receivables / (Payable):										
	Mahindra & Mahindra limited	(1,311.21)	(726.98)	-	-	-	-	-	-	-	-
	Fifth Gear Ventures Limited	-	-	-	-	-	-	-	-	-	-
	Lords Freight (India) Private Limited	-	-	(1.89)	(0.10)	-	-	-	-	-	-
	Mahindra Accelo Limited	-	-	(0.18)	(0.00)	-	-	-	-	-	-
	Mahindra Auto Steel Private Limited	-	-	(4.44)	7.59	-	-	-	-	-	-
	Mahindra Integrated Business Solutions Private Limited	-	-	(72.57)	(80.79)	-	-	-	-	-	-
	Mahindra Logistics Limited	-	-	(9.15)	(2.98)	-	-	-	-	-	-
	Mahindra First Choice Wheels Limited	-	-	(0.54)	-	-	-	-	-	-	-
	Satyam Venture Engineering Service Private Limited	-	-	-	-	(0.05)	(0.02)	-	-	-	-
	Golde Pune Automotive India, Pvt Ltd.	-	-	-	-	(0.12)	-	-	-	-	-
	Mahindra and Mahindra Financial Services limited	-	-	0.73	1.50	-	-	-	-	-	-
	NBS International Limited	-	-	(0.66)	0.00	-	-	-	-	-	-
	Tech Mahindra (Shanghai) Co. Ltd	-	-	-	-	(0.60)	-	-	-	-	-
	CIE Automotive India Limited	-	-	-	-	(0.04)	-	-	-	-	-
	Pininfarina S.P.A.	-	-	(0.26)	-	-	-	-	-	-	-
	Tech Mahindra Limited	-	-	-	(1.01)	-	-	-	-	-	-

36 Compulsorily Convertible Preference Shares

Mahindra & Mahindra Limited (M&M), the holding company, executed a Securities Subscription Agreement and Shareholders' Agreement with British International Investment Plc ('BII'), whereby BII has invested Rs 1,850 crores in Compulsorily Convertible Preference Shares till Mar'26.

Mahindra & Mahindra Limited and Jongsong Investments Pte Limited (Temasek) have executed a binding agreement with Temasek. Temasek have invested Rs. 1,200 crores Series A Compulsorily Convertible Preference Shares till Mar'26.

Compulsorily Convertible Preference Shares is convertible compulsorily and automatically into such number of equity shares determined as per a pre-determined formula at the conversion date, as per terms and conditions of the agreement(s) entered between the Company, BII and Temasek. Since the Compulsorily Convertible Preference Shares is convertible into variable number of equity shares of MEAL, it has been classified as financial liability at fair value through profit or loss in the financial statements of the Company. The fair value of Compulsorily Convertible Preference Shares issued as at 31 March 2026 is Rs. 2,972.76 crores (2025: Rs 3056.4 crores).

Subsequent to year end, Subject to approval of the board and in accordance with and subject to the terms and conditions stipulated in the Securities Subscription Agreement and Shareholders Agreement entered with British International Investment Plc (BII) and Jongsong Investments Pte Ltd ("Temasek"), Company has proposed the conversion for 305,00,000 0.001 % Compulsory convertible preference shares of face value 1000 each into 35,18,42,120 equity shared of Face Value 10 each.

37 Contingent liability and Commitment

- (a) There are no contingent liability as on 31 March 2026.
- (b) The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 March 2026 is Rs. 888.01 crores (2025: 1,069.42 crores)

38 Segment reporting

The Company currently operates in a single reportable segment of four wheeler electric passenger vehicles. Consequently, the requirement for a separate disclosure under Ind AS 108 - "Operating Segments" is not applicable. For geographical disclosure of revenue refer note 23. All non current assets are located in India.

39 Leases

The Company has taken on lease vehicles during the period for its operation. Leases of motor vehicles generally have lease terms between 2 and 5 years.

In accordance with the requirements under Ind AS 116, Leases, the Company has recognized the lease liability and ROU assets at the present value of the future lease payments discounted at the incremental borrowing rate prevailing during the period.

The movement in carrying value of right of use assets during the period ended 31 March 2026 is provided in Note 4.

Notes to the financial statements for the year ended 31 March, 2026

The following is the movement in lease liabilities during the period ended 31 March 2026

Sr No	Particulars	Rupees crores	
		2026	2025
1)	Balance at the beginning of the period	1.86	—
2)	Additions during the period	12.47	2.12
3)	Finance cost accrued during the period	0.56	0.06
4)	Payment of lease liabilities	(1.56)	(0.22)
5)	Deletions/ Lease modification during the period	0.06	(0.10)
6)	Balance at the end of the period	13.39	1.86

The Break-up of current and non-current lease liabilities as at 31 March 2026 is provided in Note 18

The following are the amounts recognised in profit or loss:

Sr No	Particulars	Rupees crores	
		2026	2025
1)	Depreciation charge for ROU assets (Refer Note 4)	1.94	0.22
2)	Interest expense on lease liabilities (Refer Note 27)	0.29	0.06
3)	Expense related to variable and short term leases not included in measurement of lease liabilities	0.17	0.0
4)	Gain on sale of ROU asset	(0.02)	(0.01)

- 40 The Ministry of Environment, Forest and Climate Change has notified the Environment Protection (End-of-Life Vehicles) Rules, 2025 ("ELV Rules"), which are effective from April 1, 2025. As per these rules, Extended Producer Responsibility (EPR) obligations are imposed on producers ("vehicle manufacturers") for the scrapping of End-of-Life Vehicles and such obligations are to be fulfilled through the purchase of EPR certificates from registered Vehicle Scrapping Facilities via a Centralised Online Portal. The implementation details and operational procedures of the ELV rules including the modalities of the pricing mechanism for the EPR certificates are yet to be developed.

Consequently, the Company is currently unable to reliably estimate a range of possible outcomes and the potential impact of these rules. The Company will continue to assess the ability to measure its obligations pursuant to the ELV Rules, as and when the aforesaid details of implementation framework are available.

41 Ratio

Particulars	Numerator	Denominator	2026	2025
Current Ratio	Total Current Asset	Total Current Liabilities	1.70	1.39
Return on equity (ROE)	Net profits / (loss) after taxes	Average Total Equity for the period	6.25%	(4.97%)
Return on investment	Income earned on investment	Average investment for the period	6.97%	6.96%
Return on capital employed (ROCE)	Profit before interest and tax	Average Total Equity + Average Total Debt for the period	5.33%	(3.34%)
Net Profit Margin	Net profits / (loss) after taxes	Total Revenue	2.64%	(8.97%)
Trade Receivables Turnover	Revenue from sale of goods and services	Average Trade Receivable for the period	491.19	116.41
Trade Payable Turnover	Purchase of goods and service + Other expenses	Average trade payable for the period	10.28	6.59

Other ratios are not applicable

42 Other Disclosures

Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013

- Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company has not revalued its property, plant and equipment or intangible assets or both during the current year/period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year/period in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- The Company does not have any borrowings from banks and financial institutions on the basis of security of current assets.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- The Company has also availed non-fund based facilities viz, bank guarantees and letter of credit.

In terms of our report attached.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No. 101248W/W-100022

Venkataramanan Vishwanath

Partner

Membership No: 113156

Mumbai, 28 April, 2026

For Mahindra Electric Automobile Limited

CIN U34103MH2022PLC392623

Mr. Velusamy Ramasamy

Managing Director

DIN: 09774151

Mr. Bhavesh Shah

Chief Financial Officer

Membership No: 117290

Mumbai, 28 April, 2026

Mr. Nalinikanth Gollagunta

Executive Director

DIN: 07906313

Amit Dodani

Company Secretary

FCS No.: A22345

Mumbai, 28 April, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of NBS International Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **NBS International Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the 'Financial Statements').

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

Basis for Opinion

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

Key Audit Matter

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for the financial year ended March 31, 2026. There are no Key Audit Matters to be reported during the year.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of other information. This other information comprises the information included in the Board's Report (including annexures thereto) and Management Discussion and Analysis ("MD&A") (collectively referred to as "Other Information"), but does not include the Financial Statements and our Auditors' 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 communicate the matter to those charged with governance. We have nothing to report in this regard.

Management Responsibilities for the Financial Statements

The accompanying Financial Statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Financial Statements in place and the operating effectiveness of such controls based on our audit;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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; and
2. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. As required by Section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying Financial Statements;
 - 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, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ('the Rules');
 - c) The Financial Statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Financial Statements comply with Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors and 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 controls with reference to Financial Statements of the Company as on March 31, 2026 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2026 in Note No. 30;
 - 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 during the year ended March 31, 2026.
 - iv. In respect of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014,
 - 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 securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the

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.

Other Matter

These Financial Statements include the figures for the year ended March 31, 2025 which were audited by predecessor auditors who expressed an unmodified opinion as relevant on those Financial Statements vide their audit report dated April 17, 2025. Our opinion on the Financial Statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its director during the year in accordance with Section 197 read with Schedule V to the Act.

- 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination, which included test checks, the Company has used various accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, which have operated throughout the year for all relevant transactions recorded in the software, except that the audit trail was not enabled at the database level to log any direct data changes for one software for the period April 01, 2025 to April 07, 2025 and for logs maintained after April 07, 2025 of direct data changes, the earlier values were not retained. Based on our procedures performed, we did not notice any instance of the audit trail feature being tampered with. In respect of the software, in the absence of audit trail for the said period, the question of our commenting on whether the audit trail was tampered with, does not arise. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **M. P. Chitale & Co.**
Chartered Accountants
ICAI FRN.101851W

Ashutosh Pednekar
Partner

Place: Mumbai
Date: April 20, 2026

ICAI Membership No.: 041037
UDIN: 26041037DCWKJG2253

ANNEXURE I REFERRED TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF NBS INTERNATIONAL LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-Of-Use assets.
(B) According to the information and explanations given to us and on the basis of our verification of the records maintained by the Company, the Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment so as to cover all the assets once every three years. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, Property, Plant and Equipment were physically verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right- Of- Use assets) and intangible assets during the year and hence reporting under clause 3(i) (d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. (a) During the year, the management has carried out physical verification of inventory. In our opinion the frequency of such verification is reasonable and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores by banks and financial institutions, in aggregate on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause 3(iii) of the Order is not applicable.
- iv. According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security to parties covered under section 185 and 186 of the Act during the year.
- v. As the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- vii. a. In our opinion, and according to the information and explanations given to us, undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues, as applicable, have been regularly deposited with the appropriate authorities by the Company. According to the information and explanations given to us, no undisputed amounts payable were outstanding, at the year end, 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 on the basis of our examination of the records of the Company, there were no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), which have not been recorded in the books of account.
- ix. a. According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or other borrowings or in the payment of interest thereon to any lender during the year.
b. According to the information and explanations given to us including representation received from the management of the Company, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
c. According to the information and explanations given to us, the Company has not obtained any term loan and there are no unutilized term loans at the beginning of the year. Accordingly, reporting under section 3(ix)(c) of the Order is not applicable.
d. According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

- e. According to the information and explanations given to us, the Company did not have any subsidiary or associate or joint ventures during the year. Accordingly, reporting under clause 3(ix)(e) and 3(ix)(f) of the Order are not applicable.
- x. a. According to the information and explanation given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b. According to the information and explanation given to us and as verified by us, the Company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, 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 and according to the information and explanations given to us, we report that no fraud by or on the Company has been noticed or reported during the year.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. As confirmed by the management there are no whistleblower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act and all details have been disclosed in the Financial Statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- xiv. a. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- xv. According to the information and explanation given to us, and based on our examination of the records, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, reporting under paragraph 3(xv) of the Order is not applicable.
- xvi. a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a) of the Order is not applicable.
- b. According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.
- c. According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- d. Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has 4 CICs forming part of the Group.
- xvii. According to the information and explanations given to us, the Company has not incurred any cash losses in the financial year as well as the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the reasons for the resignation.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the plans of the Board of Directors and management, 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. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, the Company has spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Act or special account in compliance with Section 135(6) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For M. P. Chitale & Co.
Chartered Accountants
ICAI FRN.101851W

Ashutosh Pednekar
Partner

Place: Mumbai
Date: April 20, 2026

ICAI Membership No.: 041037
UDIN: 26041037DCWKJG2253

Annexure II to the Independent Auditor's Report of even date to the members of NBS International Limited on the Financial Statements for the year ended March 31, 2026

Report on the internal financial controls with reference to the Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements')

In conjunction with our audit of the Financial Statements of **NBS International Limited** ('the Company') as at and for the year ended **March 31, 2026**, we have audited the internal financial controls with reference to Financial Statements of the Company as at that date.

Board of Director's Responsibilities for Internal Financial Controls

The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of

material misstatement of the Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Financial Statements and such controls were operating effectively as at March 31, 2026, based on the internal financial controls with reference to Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **M. P. Chitale & Co.**
Chartered Accountants
ICAI FRN.101851W

Ashutosh Pednekar
Partner

Place: Mumbai
Date: April 20, 2026

ICAI Membership No.: 041037
UDIN: 26041037DCWKJG2253

BALANCE SHEET AS AT 31 MARCH 2026

		(Currency: Indian Rupees in Lakhs)	
	Note No.	As at 31 March 2026	As at 31 March 2025
I Assets			
Non-current assets			
(a) Property, plant and equipment.....	3	443.21	317.43
(b) Right-of-use assets	4	286.87	470.95
(c) Capital work-in-progress	5	6.85	—
(d) Intangible assets	6	—	—
(e) Intangible assets under development.....	6	—	17.24
(f) Financial assets			
(i) Other assets.....	7	59.29	30.86
(g) Deferred tax assets (net)	8	—	—
(h) Income tax asset (net)	9	125.54	141.38
(i) Other non-current assets	10	1.76	5.98
Total non-current assets		923.52	983.84
Current assets			
(a) Inventories.....	11	7,380.84	5,513.42
(b) Financial assets			
(i) Trade receivables.....	12	4,143.92	2,070.33
(ii) Cash and cash equivalents	13a	78.11	17.25
(iii) Bank Balance other than (ii) above.....	13b	1.14	1.09
(iv) Other assets.....	7	—	370.93
(c) Other current assets	10	369.66	449.71
Total current assets		11,973.67	8,422.73
Total assets		12,897.19	9,406.57
II Equity and liabilities			
Equity			
(a) Equity share capital.....	14	4,455.05	4,455.05
(b) Other equity.....		(908.33)	(1,923.79)
Total equity		3,546.72	2,531.26
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	31	94.34	274.74
(b) Provisions.....	15	169.54	140.36
Total non-current liabilities		263.88	415.10
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	6,412.29	3,464.98
(ii) Lease liabilities.....	31	243.58	262.17
(iii) Trade payables	17	—	—
- total outstanding dues of micro enterprises and small enterprises; and....		—	—
- total outstanding dues of creditors other than micro enterprises and small enterprises.....		591.15	330.02
(iv) Other financial liabilities	18	30.49	170.26
(b) Other current liabilities	19	1,701.35	2,066.86
(c) Provisions.....	15	107.73	165.92
Total current liabilities		9,086.59	6,460.21
Total equity and liabilities		12,897.19	9,406.57

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For M. P. Chitale & Co.
Chartered Accountants
ICAI Firm's Registration No. 101851W

Ashutosh Pednekar
Partner

ICAI Membership No. 041037
Place: Mumbai
Date: 20th April 2026

For and on behalf of the Board of Directors of NBS International Limited
Nalinikanth Gollagunta
DIN: 07906313
Chairman
Tarakarama Pavana Kumar Padullaparti
DIN: 11129403
Whole Time Director
Sunil Johnson
CEO
Aditya Dixit
CFO
Ayushi Shah
Company Secretary
Membership No. ACS A58747
Place: Mumbai
Date: 20th April 2026

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

		(Currency: Indian Rupees in Lakhs)	
		For the year ended 31 March 2026	For the year ended 31 March 2025
Particulars	Note No.		
Income			
I Revenue from operations.....	20	97,030.79	54,292.76
II Other income.....	21	64.05	108.03
III Total income (I + II)		97,094.84	54,400.79
IV Expenses			
(a) Purchases of stock-in-trade	22(a)	92,830.60	50,254.50
(b) Changes in inventories of stock-in-trade	22(b)	(1,867.42)	(511.90)
(c) Employee benefit expenses.....	23	2,226.43	1,856.93
(d) Finance costs.....	24	312.85	246.94
(e) Depreciation and amortisation expenses	3, 4 & 6	372.22	429.56
(f) Other expenses.....	25	2,211.47	1,360.90
V Total expenses		96,086.15	53,636.93
VI Profit before tax (III - V)		1,008.69	763.86
VII Tax Expense			
(a) Current tax		-	-
(b) Deferred tax	8	-	-
Total tax expense		-	-
VIII Profit for the year (VI - VII)		1,008.69	763.86
IX Other comprehensive income			
(a) Items that will not be reclassified subsequently to profit or loss -Remeasurement of the defined benefit plan		6.78	(2.40)
X Total comprehensive income for the year (VIII + IX)		1,015.46	761.46
XI Earnings per equity share:			
(Face Value Rs. 10/- per share)			
(a) Basic (Rs.)	26	2.28	1.71
(b) Diluted (Rs.)	26	2.28	1.71

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For M. P. Chitale & Co.
Chartered Accountants
ICAI Firm's Registration No. 101851W

Ashutosh Pednekar
Partner

ICAI Membership No. 041037
Place: Mumbai
Date: 20th April 2026

For and on behalf of the Board of Directors of NBS International Limited
Nalinikanth Gollagunta Chairman
DIN: 07906313
Tarakarama Pavana Kumar Padullaparti Whole Time Director
DIN: 11129403
Sunil Johnson CEO
Aditya Dixit CFO
Ayushi Shah Company Secretary
Membership No. ACS A58747
Place: Mumbai
Date: 20th April 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

	(Currency: Indian Rupees in Lakhs)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Particulars		
Cash flows from operating activities		
Profit before tax for the year	1,008.69	763.86
Adjustments for:		
Finance costs	312.85	246.94
Property, plant and equipments written-off	-	2.57
(Gain)/loss on disposal of property, plant and equipment	(9.20)	(13.47)
Gain on sale of current investment	-	(1.96)
Net gain/(loss) on actuarial valuation	6.78	(2.40)
Interest income	(27.76)	(70.71)
Bad debts/provision for doubtful debt	10.67	(28.14)
Depreciation and amortisation	372.22	429.56
	1,674.25	1,326.25
Movements in working capital:		
(Increase)/decrease in trade receivables	(2,085.07)	65.14
(Increase)/decrease in inventories	(1,867.42)	(511.90)
(Increase)/decrease in other assets	482.02	118.79
Increase/(decrease) in trade and other payables	261.13	(1,743.87)
Increase/(decrease) in provisions	(29.00)	107.15
Increase/(decrease) in other liabilities	(505.28)	611.65
Cash generated by / (used in) operations	(2,069.37)	(26.79)
Income taxes (paid)/refund (net)	120.63	115.49
Net cash generated by / (used in) operating activities	(1,948.74)	88.70
Cash flows from investing activities		
Proceeds from sale of current investment	-	3,101.81
Payment for purchase of current investment	-	(3,099.85)
Investments made in fixed deposits	(0.05)	(0.08)
Payments for purchase of property, plant and equipment	(292.43)	(77.60)
Proceeds from disposal of property, plant and equipment	18.07	21.09
Interest received	27.76	70.71
Net cash generated by / (used in) investing activities	(246.65)	16.08
Cash flows from financing activities		
Repayment of lease liabilities	(287.38)	(362.45)
Repayment of borrowings	(64,900.00)	(37,700.00)
ICD taken	67,700.00	37,902.56
Interest paid	(312.85)	(246.94)
Trade advance taken	3,423.00	3,656.60
Trade advance repaid	(3,422.08)	(3,616.18)
Net cash generated by / (used in) financing activities	2,200.70	(366.40)
Net increase / (decrease) in cash and cash equivalents	5.31	(261.62)
Cash and cash equivalents at the beginning of the year	(126.11)	135.52
Cash and cash equivalents at the end of the year	(120.79)	(126.11)
Reconciliation of cash and cash equivalents as per the cash flow statement		
	For the year ended 31 March 2026	For the year ended 31 March 2025
Particulars		
Cash and cash equivalents (Refer note 13 a)	78.11	17.25
Borrowings (Refer note 16)	(198.90)	(143.36)
Balances as per statement of cash flows	(120.79)	(126.11)

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For M. P. Chitale & Co.
Chartered Accountants
ICAI Firm's Registration No. 101851W

Ashutosh Pednekar
Partner

ICAI Membership No. 041037
Place: Mumbai
Date: 20th April 2026

For and on behalf of the Board of Directors of NBS International Limited
Nalinikanth Gollagunta
DIN: 07906313
Chairman
Tarakarama Pavana Kumar Padullaparti
DIN: 11129403
Whole Time Director
Sunil Johnson
CEO
Aditya Dixit
CFO
Ayushi Shah
Membership No. ACS A58747
Place: Mumbai
Date: 20th April 2026
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

(Currency: Indian Rupees in Lakhs)

a. Equity share capital (ESC)

Particulars	Opening balance	Changes in ESC due to prior period errors	Restated balance	Changes in ESC during the year	Closing balance
For the year ended 31 March 2026	4,455.05	—	—	—	4,455.05
For the year ended 31 March 2025	4,455.05	—	—	—	4,455.05

b. Other Equity

Particulars	Reserves and surplus	Items of other comprehensive income	Total
	Retained earnings	Remeasurement of the defined benefit plan	
Balance as at 1 April 2025	(2,676.11)	(9.14)	(2,685.25)
Profit for the year	763.86	—	763.86
Other comprehensive income / (loss)	—	(2.40)	(2.40)
Total Comprehensive Income for the year	763.86	(2.40)	761.46
Balance as at 31 March 2025	(1,912.25)	(11.54)	(1,923.79)
Profit for the year	1,008.69	—	1,008.69
Other comprehensive income / (loss)	—	6.78	6.78
Total comprehensive income for the year	1,008.69	6.78	1,015.47
Balance as at 31 March 2026	(903.56)	(4.76)	(908.33)

Description of the nature and purpose of Other Equity:

- Retained earnings:** Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to / from other reserves from time to time. The reserve can be utilized or distributed by the Company in accordance with the provisions of the Companies Act, 2013.
- Remeasurement of defined benefit plan:** Remeasurement Gain of Rs. 6.78 lakhs (31 March 2025: Loss of Rs. 2.40 lakhs) has been recognised during the year.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For M. P. Chitale & Co.
Chartered Accountants
ICAI Firm's Registration No. 101851W

Ashutosh Pednekar
Partner

ICAI Membership No. 041037
Place: Mumbai
Date: 20th April 2026

For and on behalf of the Board of Directors of NBS International Limited
Nalinikanth Gollagunta Chairman
DIN: 07906313
Tarakarama Pavana Kumar Padullaparti Whole Time Director
DIN: 11129403
Sunil Johnson CEO
Aditya Dixit CFO
Ayushi Shah Company Secretary
Membership No. ACS A58747
Place: Mumbai
Date: 20th April 2026

Notes to the financial statements for the year ended 31 March 2026

1. A) General Information:

NBS International Limited ('the Company'), is a wholly owned subsidiary of Mahindra & Mahindra Limited having its registered office at 10, Stone Building, Opp Chowpatty Sea Face, Mumbai- 400007. The Company is engaged in the business of sales & servicing of motor vehicles.

2. Summary of Material Accounting Policies

1) Statement of compliance and basis for preparation and presentation of financial statements

The financial statements of the Company have been prepared in accordance with and in compliance, in all material aspects, with the Indian Accounting Standards (Ind AS) (i.e. the Companies (Indian Accounting Standards) Rules, 2015 as amended) notified under the section 133 of the Companies Act, 2013 (the Act) and is in conformity with the accounting principles generally accepted in India other relevant provisions of the Act.

These financial statements of the Company for the year ended 31st March 2026 were approved by the Company's Board of Directors and authorised for issue on 20th April 2026.

The accounting policies are applied consistently to all the periods presented in the financial statements.

All assets and liabilities have been classified as current or non-current as per the Companies normal operating cycle and other criteria set out in the Division II of Schedule III of the Act. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

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
- It is held primarily for the purpose of trading
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- 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

All other liabilities are classified as non-current.

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

2) Functional and presentation currency

The financial statements are presented in Indian Rupees (Rs.) which is also the Company's functional currency. All values are rounded to the nearest lakhs (and decimal thereof), unless otherwise indicated.

3) Basis of measurement

The financial statements have been prepared on accrual basis and in accordance with historical cost convention, except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

4) Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

5) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

In the process of applying the Company's accounting policies, management has made the following judgements, estimates and assumptions which have significant risk of causing a material adjustment to the carrying amounts recognised in the financial statements:

(i) **Useful lives of property, plant and equipment and intangible assets**

The Company reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This re-assessment may result in change in depreciation and amortisation expense in future periods.

(ii) **Provision for doubtful trade receivables**

The Company is not significantly exposed to credit risk. At present, the Company provides for credit loss/ doubtful receivables as required under Ind AS 109 'Financial Instrument' on the basis of ageing of receivables and judgement about recoverability of amount on evaluation of individual receivables.

(iii) **Deferred tax assets**

Deferred tax assets are recognised to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of carry forward of unused tax losses or unused tax credit have been recognised to the extent of available taxable temporary differences.

(iv) **Defined benefit plans**

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increase and mortality rates, etc. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to change in these assumptions. All assumptions are assumed at each reporting date.

(v) **Going Concern**

The financial statements of the Company are prepared on a going concern basis for the year ended 31st March 2026.

The management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

6. Property, plant & equipment (PPE)

Property, plant & equipment are carried at cost of acquisition or construction less accumulated depreciation/amortisation and accumulated impairment losses, if any. Cost of acquisition includes the purchase price (including duties & non-refundable taxes), borrowing cost, any directly attributable cost of bringing the asset to its working condition and location for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured.

Other repairs and maintenance costs are expensed off as and when incurred.

Advances paid towards the acquisition of PPE (excluding lease improvements) outstanding at each balance sheet date are disclosed separately as 'Capital Advances' under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date and cost of leasehold improvements. Capital work-in-progress is stated at cost, net of impairment loss, if any. On completion of work related to leasehold property improvements, the relevant cost is capitalized and the same is amortized over the lease term.

Depreciation is provided on straight-line basis so as to expense the depreciable amount, i.e. the cost less estimated residual value, over its estimated useful life, except assets costing less than or equal to Rs. 5,000 which are depreciated fully in the year of purchase.

The estimated useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on a prospective basis. The management's estimate of useful lives is in accordance with Schedule II of the Companies Act, 2013, other than the following asset classes, based on the Company's expected usage pattern supported by technical assessment:

<u>Asset Class</u>	<u>Useful lives</u>
(i) Certain items of plant and machinery	1 - 15 years
(ii) Office equipment	1 - 5 years
(iii) Vehicles	5 years
(iv) Furniture & Fixtures	1 - 5 years

Leasehold Improvements are amortized over the period of lease or estimated period of useful life of such improvement, whichever is lower.

When an asset is scrapped or otherwise disposed off the cost and relevant accumulated depreciation are removed from the books of accounts and resultant profit or loss, if any, is reflected in statement of profit and loss.

7. Intangible Assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment loss, if any.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

Intangible assets representing computer software are amortised using the straight-line method over a period of 5 years, which is the Management's estimate of useful life. Amortization methods, useful lives and residual values are reviewed in each financial year, and changes, if any, are accounted for prospectively.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

8. Impairment of assets

At the end of each reporting period, the management reviews the carrying amounts of its property, plant & equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the management estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

1. Inventories

Inventories are measured at the lower of cost or net realisable value. The cost of inventory comprise of all costs of purchase and other costs incurred in bringing the inventories 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. Finished goods (vehicles) cost is determined using specific identification of cost. Spare parts & accessories cost is determined using weighted average cost formula.

2. Revenue from contract with customer

The Company derives revenues primarily from sale and servicing of motor vehicles.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five-step application approach to be followed for revenue recognition.

- Identify the contract(s) with a customer;
- Identify the performance obligations;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Recognise revenue when or as an entity satisfies performance obligation.

Revenue from contract with customer is recognised when control of the goods or services are transferred to the customer at an amount that reflect the consideration to which the Company expects to be entitled in exchange of the goods and services. Revenue excludes amount collected on behalf of the third parties. Revenue is net of discounts, duties and GST. 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.

Sales of goods:

The Company recognizes revenue from sale of goods measured at the fair value of the consideration received or receivable, upon satisfaction of performance obligation which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods.

Sale of services:

Service income is recognized as per the terms of the contract on satisfaction of performance obligation towards rendering of such services.

Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Other income:

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

3. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significant judgement. The Company also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Company is reasonably certain based on relevant facts and circumstances that the option to extend or terminate will be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

The discount rate is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and restoration cost, less any lease incentives received.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. When a lease liability is remeasured, the corresponding adjustment of the lease liability is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

4. Employee Benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and gratia. Short-term employee benefit obligations are measured on an undiscounted basis and these are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans – Provident fund, ESIC and Labour welfare fund

The Company's contribution paid/payable during the year to Provident fund, ESIC and Labour welfare fund are recognised in profit or loss.

Defined benefit plan - Gratuity

Company's liability towards gratuity is determined by an independent actuary, using the projected unit credit method. Past services are

recognised at the earlier of the plan amendment/curtailment and the recognition of related restructuring costs/termination benefits. Remeasurement of defined benefit plans, comprising of actuarial gains or losses are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. Remeasurements are not reclassified to profit or loss in subsequent period.

Long - term compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method by an independent actuary and based on the rules as per the leave policy of the Company. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

5. Finance costs

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments which include inter-corporate deposits, bank overdrafts and trade advances.

Finance costs are charged to the Statement of profit and loss.

6. Taxation

Tax expense for the period comprise of current and deferred tax. Tax expense is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(i) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred Tax

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

7. Provisions and contingent liabilities:

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to

settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The disclosure of contingent liability is made when there is a possible obligation or present obligation that may, but probably will not, require an outflow of resources.

8. Segment

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. The Company's business activity primarily falls within a single business segment, i.e., Automotive as primarily

segment. There is no geographical segment, thus there are no additional disclosures to be provided under Ind AS 108 - "Operating Segments". There have been no other reportable segments identified by chief operating decision makers.

a) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As on 31st March 2026, there is no new standard notified or amendment to any of the existing standards under Companies (Indian Accounting Standards) Rules, 2015 that has an impact on the Company.

Note No. 3 - Property, plant and equipment

(Currency: Indian Rupees in Lakhs)

Particulars	Leasehold improvements	Plant and equipments	EDP equipments	Office equipments	Furniture and fixtures	Vehicles	Total
I. Gross carrying amount							
Balance as at 1 April 2025	202.47	312.89	85.82	119.90	69.04	235.92	1,026.04
Additions	3.34	20.97	27.25	43.51	13.87	20.93	129.87
Deletion	—	(51.90)	(0.52)	(13.07)	(7.95)	(70.35)	(143.79)
Balance as at 31 March 2025	205.81	281.96	112.55	150.35	74.96	186.50	1,012.12
Additions	15.09	65.16	40.22	22.88	1.02	90.66	234.99
Deletion	—	(8.76)	(18.56)	(3.50)	—	(64.06)	(94.86)
Balance as at 31 March 2026	220.90	338.37	134.21	169.73	75.98	213.10	1,152.25
II. Accumulated depreciation and impairment							
Balance as at 1 April 2025	101.79	245.57	71.81	93.09	59.12	178.50	749.88
Depreciation expense for the year	6.74	21.65	13.78	14.05	6.04	13.64	75.90
Deletion	—	(45.02)	(0.52)	(10.34)	(7.55)	(67.66)	(131.09)
Balance as at 31 March 2025	108.53	222.20	85.07	96.80	57.61	124.48	694.69
Depreciation expense for the year	7.75	21.49	20.18	19.41	5.32	25.59	99.74
Deletion	—	(8.22)	(17.89)	(2.74)	—	(56.54)	(85.39)
Balance as at 31 March 2026	116.28	235.47	87.36	113.47	62.93	93.54	709.04
III. Net carrying amount (I-II)							
Balance as at 31 March 2025	97.29	59.76	27.48	53.55	17.34	62.01	317.43
Balance as at 31 March 2026	104.62	102.90	46.84	56.26	13.04	119.57	443.21

Note No. 4 - Right-of-use assets

(Currency: Indian Rupees in Lakhs)

Particulars	Total	Particulars	Total
I. Gross carrying amount		II. Accumulated amortisation and impairment	
Balance as at 1 April 2025	1,405.82	Balance as at 1 April 2025	730.98
Additions	149.77	Amortisation expense for the year	353.66
Deletion	—	Deletion	—
Balance as at 31 March 2025	1,555.59	Balance as at 31 March 2025	1,084.64
Additions	88.39	Amortisation expense for the year	272.48
Deletion	—	Deletion	—
Balance as at 31 March 2026	1,643.98	Balance as at 31 March 2026	1,357.12
		III. Net carrying amount (I-II)	
		Balance as at 31 March 2025	470.95
		Balance as at 31 March 2026	286.87

Note No. 5 - Capital work-in-progress (CWIP)

(Currency: Indian Rupees in Lakhs)

	As at 31 March 2026	As at 31 March 2025
Opening Balance	–	8.52
Additions during the year	6.85	–
Transfer to PPE	–	(8.52)
Closing Balance	6.85	–

Ageing of CWIP as at 31 March 2026

(Currency: Indian Rupees in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6.85	–	–	–	6.85
Projects temporarily suspended	–	–	–	–	–
TOTAL	6.85	–	–	–	6.85

Ageing of CWIP as at 31 March 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	–	–	–	–	–
Projects temporarily suspended	–	–	–	–	–
TOTAL	–	–	–	–	–

Note: There is no capital work-in-progress, where completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2026 and 31 March 2025.

Note No. 6 - Intangible assets

(Currency: Indian Rupees in Lakhs)

Particulars	Computer Software	Intangible assets under development
I. Gross carrying amount		
Balance as at 1 April 2025	5.96	–
Additions	–	17.24
Deletion	–	–
Balance as at 31 March 2025	5.96	17.24
Additions	–	–
Deletion	–	17.24
Balance as at 31 March 2026	5.96	–
II. Accumulated amortisation and impairment		
Balance as at 1 April 2025	5.96	–
Amortisation expense for the year	–	–
Balance as at 31 March 2025	5.96	–
Amortisation expense for the year	–	–
Balance as at 31 March 2026	5.96	–
III. Net carrying amount (I-II)		
Balance as at 31 March 2025	–	17.24
Balance as at 31 March 2026	–	–

Ageing of Intangible assets under development as at 31 March 2026

Particulars	Amount of Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	–	–	–	–	–
Projects temporarily suspended	–	–	–	–	–
TOTAL	–	–	–	–	–

Ageing of Intangible assets under development as at 31 March 2025

Particulars	Amount of Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17.24	–	–	–	17.24
Projects temporarily suspended	–	–	–	–	–
TOTAL	17.24	–	–	–	17.24

Note: There is no Intangible assets under development whose completion is overdue or has exceeded its cost as compare to its original plan as at 31 March 2026 and 31 March 2025.

Note No. 7 - Other financial assets

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Non-Current	Current	Non-Current	Current
Carried at amortised cost				
Security deposits	59.29	–	30.86	21.64
Insurance claim receivable	–	–	–	349.29
Total	59.29	–	30.86	370.93

Refer Note 27 for disclosures related to credit risk, impairment under expected credit loss model and related financial instrument disclosures.

Note No. 8 - Deferred tax asset (Net)

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Tax effect of items constituting deferred tax assets		
Depreciation	33.85	33.60
Provision for employee benefits	72.04	59.97
Provision for doubtful debts & advances	18.14	17.47
Carried forward losses	228.82	434.39
Others	13.61	22.24
Total	366.46	567.67
Less : Tax effect of items constituting deferred tax liabilities		
Allowance on right of use of assets and lease liability	12.85	16.60
Deferred tax asset/(liabilities) net	353.61	551.07
Less : Deferred tax asset not recognised in absence of certainty of utilisation	353.61	551.07
Deferred tax asset (net) as per balance sheet	-	-

Income tax recognised in profit or loss

Particulars	As at 31 March 2026	As at 31 March 2025
Current tax:		
In respect of current year	-	-
In respect of prior years	-	-
Deferred tax:	-	-
Total Income tax recognised in profit or loss	-	-

The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Profit before tax	1,008.69	763.86
Income tax expense calculated at 25.17% (PY 26%)	253.89	192.26
Effect of tax expense savings due to brought forward losses utilisation	(253.89)	(192.26)
Income tax expense recognised in profit or loss	-	-

Note No. 9 - Income tax assets (net)

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Income tax assets (net)	125.54	141.38
Total	125.54	141.38

Note No. 10 - Other assets

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
(a) Capital advances	- 54.63	4.05
(b) Advances other than capital advances		
(i) Balances with government authorities	- 141.21	-
(ii) Prepaid expenses	1.76 15.08	1.93 8.44
(iii) Advance against salary	- 0.00	-
(iv) Advances to vendors	- 63.32	- 282.96
(c) Receivable for insurance income	-	- 3.59
(d) Warranty claims receivable	-	- 20.72
(e) GST receivable on goods in transit	- 95.42	- 133.99
Unsecured, considered doubtful		
(a) Advances to vendors	- 9.59	- 1.81
Less- Provision for doubtful advances	- (9.59)	- (1.81)
Total	1.76 369.66	5.98 449.71

Note No. 11 - Inventories

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Stock-in-trade [includes in transit Rs. 476.35 lakhs (31 March 2025 Rs. 655.95 lakhs)]	7,380.84	5,513.42
Total	7,380.84	5,513.42

a) The cost of inventories recognised as an expense during the year was Rs. 90,963.18 lakhs (31 March 2025 Rs. 49,742.60 lakhs) includes write-down of inventories to net realisable value of Rs. 157.69 lakhs (31 March 2025: Rs. 44.49 lakhs).

b) Mode of valuation of inventories is stated in Note 2 (e)(3).

Note No. 12 - Trade receivables

(Currency: Indian Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables		
(a) Considered good-secured	-	-
(b) Considered good-unsecured	- 4,143.92	- 2,070.33
(c) Trade receivables which have significant increase in credit risk	- 62.51	- 67.59
(d) Trade receivables - credit impaired	-	-
Less: Allowance for expected credit loss	- (62.51)	- (67.59)
Total	- 4,143.92	- 2,070.33

Reconciliation of allowance for expected credit loss:

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balance as at beginning of the year	67.59	95.73
Additions during the year	10.67	–
Amounts written back/utilised during the year	(15.76)	(28.14)
Balance as at end of the year	62.50	67.59

Ageing of trade receivables

As at 31 March 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables						
(i) Considered good	4,124.83	19.09	–	–	–	4,143.92
(ii) Which have significant increase in credit risk	–	19.09	28.67	14.53	0.22	62.51
(iii) Credit impaired	–	–	–	–	–	–
Less: Allowance for expected credit loss	–	(19.09)	(28.67)	(14.53)	(0.22)	(62.51)
Total (A)- Undisputed trade receivables	4,124.83	19.09	–	–	–	4,143.92
Disputed trade receivables						
(i) Considered good	–	–	–	–	–	–
(ii) Which have significant increase in credit risk	–	–	–	–	–	–
(iii) Credit impaired	–	–	–	–	–	–
Less: Allowance for expected credit loss	–	–	–	–	–	–
Total (B) - Disputed trade receivables	–	–	–	–	–	–
Total trade receivables (A + B)	4,124.83	19.09	–	–	–	4,143.92

As at 31 March 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables						
(i) Considered good	2,062.75	4.25	3.34	–	–	2,070.33
(ii) Which have significant increase in credit risk	–	4.25	59.91	1.24	2.19	67.59
(iii) Credit impaired	–	–	–	–	–	–
Less: Allowance for expected credit loss	–	(4.25)	(59.91)	(1.24)	(2.19)	(67.59)
Total (A)- Undisputed trade receivables	2,062.75	4.25	3.34	–	–	2,070.33
Disputed trade receivables						
(i) Considered good	–	–	–	–	–	–
(ii) Which have significant increase in credit risk	–	–	–	–	–	–
(iii) Credit impaired	–	–	–	–	–	–
Less: Allowance for expected credit loss	–	–	–	–	–	–
Total (B) - Disputed trade receivables	–	–	–	–	–	–
Total trade receivables (A + B)	2,062.75	4.25	3.34	–	–	2,070.33

Note No. 13(a) - Cash and cash equivalents

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
(a) Balances with banks	50.76	1.55
(b) Cash on hand	27.35	15.70
Total	78.11	17.25

Note No. 13(b) - Bank Balances other than Cash and Cash Equivalents

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
(a) Fixed deposit with bank	1.14	1.09
Total	1.14	1.09

Note No. 14 - Equity share capital

(Currency: Indian rupees in lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
	No. of shares	No. of shares
Authorised:		
Equity shares of Rs. 10 each	45,000,000	45,000,000
Issued, subscribed and fully paid		
Equity shares of Rs. 10 each	44,550,476	44,550,476

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	Opening Balance	Fresh Issue	Closing Balance
Equity Shares			
For the year ended 31 March 2026			
No. of Shares	44,550,476	—	44,550,476
Amount	4,455.05	—	4,455.05
For the year ended 31 March 2025			
No. of Shares	44,550,476	—	44,550,476
Amount	4,455.05	—	4,455.05

(ii) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, except in case of interim dividend, is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(iii) Details of shares held by the holding company, its subsidiaries and associates:

Particulars	No. of Equity Shares with Voting rights
As at 31 March 2026	
Mahindra & Mahindra Limited, (the holding company)	44,550,476
As at 31 March 2025	
Mahindra & Mahindra Limited, (the holding company)	44,550,476

(iv) Details of shares held by each shareholder holding more than 5% shares:

(Currency: Indian Rupees in Lakhs)

Class of shares/Name of shareholder	As at 31 March 2026	As at 31 March 2025
	Number of shares held	Number of shares held
Equity shares with voting rights		
Mahindra & Mahindra Limited, (the holding company)	44,550,476	44,550,476

(v) Shares held by Promoter and promoter group

(Currency: Indian Rupees in Lakhs)

Promoter name	Number of equity shares held	% holding in that class of shares	Number of shares	% of total shares
As at 31 March 2026				
- Mahindra & Mahindra Limited	44,550,476	100.00%	—	0.00%
- Mahindra Holding Limited (Subsidiary of Mahindra & Mahindra Limited)	—	0.00%	—	0.00%
As at 31 March 2025*				
- Mahindra & Mahindra Limited	44,550,476	100.00%	10	0.01%
- Mahindra Holding Limited (Subsidiary of Mahindra & Mahindra Limited)	—	0.00%	(10)	-0.01%

* Note: Mahindra Holding Limited transferred 100% of their shareholding i.e. 10 shares having face value of Rs.10 each to Mahindra & Mahindra Limited on 19th March 2025.

(vi) For the period of five years immediately preceding the date of balance sheet, no shares were allotted as fully paid pursuant to contract without payment being received in cash or as bonus shares and no shares were bought back by the Company.

Note No. 15 - Provisions

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
	Non-Current	Current
Provision for long term employee benefits		
- Gratuity	143.37	79.75
- Compensated absences	26.17	27.98
Provision for loss by fire	—	—
Total	169.54	107.73

Note No. 16 - Borrowings

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured carried at amortised cost		
From Banks		
Bank Overdraft	198.89	143.36
From related parties		
Trade advance (Mahindra & Mahindra Financial Limited)	211.18	119.05
ICD (Mahindra & Mahindra Limited)	6,002.22	3,202.57
Total	6,412.29	3,464.98

Note No. 16.1 - Details of Borrowing

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Bank Overdraft		
Repayment terms	On demand	On demand
Rate of interest	9.20% to 9.50% p.a.	9.30% to 9.55% p.a.
ICD		
Repayment terms	30 days	30 days
Rate of interest for ICD	7.50% p.a.	8.14% p.a.
Trade Advance		
Repayment terms	On demand	On demand
	Nil till 45 days, beyond 45 days 12% p.a.	Nil till 45 days, beyond 45 days 12% p.a.
Rate of interest		

Note No. 17 - Trade payables

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Non Current	Current	Non Current	Current
Total outstanding dues of micro enterprises and small enterprises	—	—	—	—
Total outstanding dues of creditors other than micro enterprises and small enterprises	—	591.15	—	330.02
Total	—	591.15	—	330.02

**Ageing of trade payables
As at 31 March 2026**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	—	—	—	—	—
Others	506.26	63.56	12.96	8.37	591.15
Disputed dues (MSME)	—	—	—	—	—
Disputed dues (Others)	—	—	1.16	8.43	9.59
Allowance for disputed dues	—	—	(1.16)	(8.43)	(9.59)
Total	506.26	63.56	12.96	8.37	591.15

As at 31 March 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	—	—	—	—	—
Others	326.27	2.56	0.69	0.50	330.02
Disputed dues (MSME)	—	—	—	—	—
Disputed dues (Others)	—	—	—	1.18	1.18
Allowance for disputed dues	—	—	—	(1.18)	(1.18)
Total	326.27	2.56	0.69	0.50	330.02

Note:

- (A) Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.
- (B) The fair values (Level 2) of trade payables carried at amortised cost is considered to approximate its carrying value due to its short-term nature.
- (C) Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below:

Particulars	As at 31 March 2026	As at 31 March 2025
(a) Dues remaining unpaid at the end of each accounting year for micro and small enterprises		
- Principal	—	—
- Interest on above	—	—
(b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
- Principal paid beyond the appointed date	—	—
- Interest paid in terms of Section 16 of the MSMED Act	—	—
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	—	—

Particulars	As at 31 March 2026	As at 31 March 2025
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- (d) Further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises
- (e) Amount of interest accrued and remaining unpaid

— —
— —

Note No. 18 - Other financial liabilities

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Other financial liabilities measured at amortised cost		
- RTO taxes/charges payable	21.38	99.88
- Insurance charges payable	6.91	52.14
- Capital creditors	—	17.24
- Security deposits	2.20	1.00
Total	30.49	170.26

Note No. 19 - Other current liabilities

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Non-Current	Current	Non-Current	Current
(a) Advances received from customers	—	1,342.88	—	1,612.05
(b) Statutory dues				
- TDS	—	139.34	—	97.63
- Provident fund and ESIC	—	17.56	—	13.15
- GST	—	—	—	125.20
(c) Employee benefits payable	—	11.21	—	64.57
(d) Other payables	—	190.37	—	154.26
Total	—	1,701.36	—	2,066.86

Note No. 20 - Revenue from operations

(Currency: Indian Rupees in Lakhs)

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
(a) From contract with customers for products and services				
(i) Sale of products (vehicle, spares and accessories)	94,210.71		52,163.78	
(ii) Sale of services (servicing of vehicles)	1,478.25		1,278.57	
(b) Other operating revenue				
(i) Income from sale of scrap	33.04		32.34	
(ii) Commission	330.64		226.77	
(iii) Insurance income	609.21		331.56	
(iv) Dealer incentive	340.64		195.49	
(v) Other operating income	28.30		64.28	
Total	97,030.79		54,292.76	

Reconciliation of revenue recognised in the statement of profit and loss with contracted price

(Currency: Indian Rupees in Lakhs)

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
Revenue from contract with customer as per the contract price	96,531.40		53,802.32	
Less: Trade discounts	(842.43)		(359.97)	
Revenue from contract with customer as per the statement of profit and loss	95,688.97		53,442.35	

Note No. 21 - Other Income

(Currency: Indian Rupees in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest income on security deposit (On financial instrument carried at amortised cost)	—	—
Gain on sale of financial asset	—	1.96
Interest on income tax refund	27.76	70.71
Profit on sale of property, plant and equipments	9.20	13.47
Other non-operating income	27.09	21.89
Total	64.05	108.02

Note No. 22(a) - Purchase of stock-in-trade

(Currency: Indian Rupees in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchase (Vehicle, Spares and Accessories)	92,830.60	50,254.50

Note No. 22(b) Changes in inventories of stock-in-trade

(Currency: Indian Rupees in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventories at the end of the year:		
- Stock-in-trade	7,380.84	5,513.42
Inventories at the beginning of the year:		
- Stock-in-trade	5,513.42	5,001.52
Net (increase) / decrease	(1,867.42)	(511.90)

Note No. 23 - Employee benefits expenses

(Currency: Indian Rupees in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries and wages, including bonus and incentives	1,977.45	1,687.68
Contribution to provident/ ESIC funds	93.43	88.23
Gratuity expense	67.13	30.53
Staff welfare expenses	88.42	50.49
Total	2,226.43	1,856.93

(a) Defined contribution plan

The Company's contribution to provident fund aggregating Rs.76.88 lakhs (31 March 2025 : Rs.76.88 lakhs) has been recognised in the statement of profit or loss under the head employee benefits expense.

(b) Defined benefit plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company. There are no minimum funding requirements for a gratuity plan and the Company has chosen not to fund the gratuity liabilities. A provision based on actuarial valuation as at year end using projected unit credit method is accounted. The only regulatory framework which applies to such plans is if the Company is covered by the Payment of Gratuity Act, 1972 then the Company is bound to pay the statutory minimum gratuity as prescribed under this Act. The plan is of defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining

to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience can result in an increase cost of providing these benefits to employees in future. Since the benefits are lumpsum in nature the plan is not subject to any longevity risks.

Defined benefit plans – as per actuarial valuation as at year end

(Currency: Indian Rupees in Lakhs)

Particulars	Gratuity (Unfunded)	
	31st March, 2026	31st March, 2025
(i) Amounts recognised in profit or loss		
- Current service cost	25.04	21.80
- Past service cost	32.04	—
- Net interest expense	9.98	8.73
Total amount included in employee benefits expense	67.06	30.53
(ii) Amounts recognised in other comprehensive income		
Remeasurement (gains)/losses	—	—
Actuarial (gains)/losses arising from changes in		
- Financial assumptions	(0.61)	2.59
- Experience adjustments	(6.17)	(0.19)
Total amount recognised in other comprehensive income	(6.78)	2.40
(iii) Changes in the defined benefit obligation		
Opening defined benefit obligation	176.21	150.63
Current Service Cost	25.04	21.80
Past Service Cost	32.04	—
Interest Expense (Income)	9.98	8.73
Remeasurements (gains)/ losses arising from changes in		
i. Financial Assumptions	(0.61)	2.59
ii. Experience Adjustments	(6.17)	(0.19)
Benefits Paid	(13.36)	(7.35)
Closing defined benefit obligation	223.13	176.21
Current portion of the above	79.75	63.92
Non current portion of the above	143.38	112.29
Actuarial Assumptions and Sensitivity		
(iv) Actuarial assumptions		
Discount rate	6.70%	6.60%
Salary escalation rate	7.00%	7.00%
Attrition rate	35.00%	35.00%
(v) Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:		
100 bps increase in discount rate	217.23	171.56
100 bps decrease in discount rate	229.34	181.11
100 bps increase in salary escalation rate	229.26	181.04
100 bps decrease in salary escalation rate	217.19	171.53
100 bps increase in attrition rate	222.76	175.91
100 bps decrease in attrition rate	223.49	176.51

Note No. 24 - Finance Cost

(Currency: Indian Rupees in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest on lease liabilities	42.94	62.15
Other Interest expense	269.91	184.79
Total	312.85	246.94

Note No. 25 - Other Expenses

(Currency: Indian Rupees in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) Power and fuel	128.18	97.26
(b) Rent including lease rentals	255.86	97.76
(c) Rates and taxes	17.34	13.51
(d) Repairs to:		
- Machinery	90.54	51.93
- Others	105.86	93.28
(e) Insurance	74.11	24.72
(f) Sales promotion expenses	279.85	236.39
(g) Travelling and conveyance expenses	76.18	40.41
(h) Hire and service charges	630.56	427.58
(i) Postage and telephone	25.71	16.22
(j) Printing and stationery	65.53	53.09
(k) Provision for doubtful debts and advances	10.67	(28.14)
(l) Legal and other professional costs	313.48	88.14
(m) Auditors remuneration		—
- Statutory Audit	7.00	4.00
- Out of pocket expenses	—	0.20
(n) Property, plant and equipments written-off	—	2.57
(o) CSR expenses (refer note 35)	14.00	10.34
(p) Loss by fire	54.09	76.33
(q) Miscellaneous expenses	62.51	55.31
Total	2,211.47	1,360.90

Note No. 26 - Earnings per share

(Currency: Indian Rupees in Lakhs)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit for the year	1,015.46	761.46
Weighted average number of equity shares	44,550,476	44,550,476
Basic and diluted earnings per share (Rs.)	2.28	1.71

The Company did not have any potentially dilutive shares in any of the years presented.

Note No. 27 - Financial instruments

a) Capital management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of equity and debt as may be appropriate. The Company ensure adequate capital at all time and manage its capital so as to safeguard its ability to continue as a going concern and optimise return to its shareholders. The Board of Directors monitors the return on capital as well as dividend, to shareholders. The Company will take appropriate steps in order to maintain or if necessary adjust its capital structure.

There is no change in the overall capital risk management strategy of the Company compared to last year. Total capital of the company is as under :

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Total Equity	3,546.72	2,531.26
Debt		
- Short term borrowings	6,412.29	3,464.98
Total	9,959.01	5,996.23

Note:

The Company is not subject to externally enforced capital regulation.

b) Categories of financial assets and financial liabilities

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Amortised Costs	FVTPL	Total	Amortised Costs	FVTPL	Total
Non-current assets						
Other assets	59.29	—	59.29	30.86	—	30.86
Current assets						
Trade receivables	4,143.92	—	4,143.92	2,070.33	—	2,070.33
Cash and cash equivalents	78.11	—	78.11	17.25	—	17.25
Bank Balance other than cash and cash equivalents	1.14	—	1.14	1.09	—	1.09
Other assets	—	—	—	370.93	—	370.93
Other current assets	369.66	—	369.66	449.71	—	449.71
Non-current liabilities						
Lease liability	94.34	—	94.34	274.74	—	274.74
Current liabilities						
Borrowings	6,412.29	—	6,412.29	3,464.98	—	3,464.98
Trade payables	591.15	—	591.15	330.02	—	330.02
Lease liability	243.58	—	243.58	262.17	—	262.17
Other financial liabilities	30.49	—	30.49	170.26	—	170.26
Other current liabilities	1,701.35	—	1,701.35	2,066.86	—	2,066.86

c) Financial risk management framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

(i) Market risk

Market risk is the risk that changes in market prices – such as interest rates will affect the entity's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. There has been no significant changes to the entity's exposure to market risk or the methods in which they are managed or measured.

(ii) 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's exposure to the risk of changes in market interest rates relates primarily to the Company's current debt obligations with floating interest rates.

Interest rate sensitivity

The sensitivity analyses below have been determined based on exposure to interest rate for both derivative and non-derivative instruments at the end of reporting period.

(Currency: Indian Rupees in Lakhs)

Particulars	Increase / decrease in basis points	Effect on profit / (loss) for the year
	+100	(3.00)
31st March, 2026	-100	3.00
	+100	(3.00)
31st March, 2025	-100	3.00

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

(iii) Credit risk

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date. The Company continuously monitors defaults of customers and the other counter parties, identified either individually or by Company and incorporates this information into its credit risk controls. The Company's management considers that all the financial assets are not impaired for each of the reporting date under review, are of good credit quality, including those that are past due.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Concentration of credit risk to any counterparty did not exceed 10% of gross monetary assets at any time during the year.

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses. In respect of financial assets, the maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial asset.

Liquidity Risk

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include 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 the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Currency: Indian Rupees in Lakhs)

Particulars	Less than 1 Year Rs.	1-3 Years Rs.	3 Years to 5 Years Rs.	5 years and above Rs.
31st March, 2026				
- Borrowings	6,412.29	-	-	-
- Lease liability	243.58	247.79	19.58	7.36
- Trade payable	591.15	-	-	-
- Other financial liabilities	30.49	-	-	-
Total	7,277.50	247.79	19.58	7.36
31st March, 2025				
- Borrowings	3,464.98	-	-	-
- Lease liability	262.17	247.79	19.58	7.36
- Trade payable	330.02	-	-	-
- Other financial liabilities	170.26	-	-	-
Total	4,227.42	247.79	19.58	7.36

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

(Currency: Indian Rupees in Lakhs)

Particulars	As at 31 March 2026 Rs.	As at 31 March 2025 Rs.
Unsecured bank overdraft facility		
- Expiring within one year	3,301.11	3,356.64
- Expiring beyond one year	-	-
	3,301.11	3,356.64

Note No. 28 - Segment information

(a) The Company's business activity falls within a single operating business segment viz. 'Automotive'. This operating segment is reported in a manner consistent with the internal reporting provided to the Whole Time Director of the Company regarded as the Chief Operating Decision Maker ("CODM"). The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segment. The CODM reviews revenue and gross profit as the performance indicator for this segment. All other activities of the Company revolve around this operating segment. Hence there are no separate reportable primary segments. Company deals into trading and servicing of vehicles.

(b) All the non-current assets of the Company are located in India.

(c) Revenue from major products and services

(Currency: Indian Rupees in Lakhs)		
Particulars	As at 31 March 2026	As at 31 March 2025
Sale & service of vehicles and other operating income	97,030.79	54,292.76

(d) Revenues from transactions with a single external customer does not amount to 10% or more of an entity's revenues during the year ended 31 March 2026 and 31 March 2025.

(e) Since there is single segment there is no difference in measurement of profit & loss and measurement of assets and liabilities.

Note No. 29 - Related party disclosure

(i) Related parties

(Currency: Indian Rupees in Lakhs)	
Description of relationship	Names of related parties
Holding Company of the Company	Mahindra & Mahindra Limited
Fellow subsidiary	Mahindra & Mahindra Financial Services Limited
Fellow subsidiary	Mahindra First Choice Wheels Limited
Fellow subsidiary	Mahindra Accelo Limited (Formerly Known as Mahindra Intertrade Limited)
Fellow subsidiary	Mahindra Logistics Limited
Fellow subsidiary	Mahindra Susten Private Limited
Fellow subsidiary	Mahindra Holidays & Resorts India Limited
Fellow subsidiary	Mahindra Rural Housing Finance Limited
Fellow subsidiary	Mahindra Insurance Brokers Limited
Fellow subsidiary	Mahindra Integrated Business Solutions Private Limited
Fellow subsidiary	MLL Mobility Private Limited (Formerly known as MERU Mobility Tech Private Limited)
a subsidiary of a holding company to which it is also a subsidiary	Mahindra Agri Solutions Limited
a subsidiary of a holding company to which it is also a subsidiary	Mahindra Lifespace Developers Limited
Fellow subsidiary	Mahindra Defence Systems Limited
JV of Holding Company	Mahindra Summit Agrisciences Limited
JV of Holding Company	Mahindra Manulife Investment Management Private Limited
JV of Holding Company	Classic Legends Private Limited
a subsidiary of a holding company to which it is also a subsidiary	Mahindra Last Mile Mobility Limited
Fellow subsidiary	MAHINDRA MSTC RECYCLING PRIVATE LIMITED
a subsidiary of a holding company to which it is also a subsidiary	Mahindra Electric Automobile Limited
KMP - Independent director	Mr. Arun Malhotra (upto 17 April 2025)
KMP - Independent director	Mr. Rahul Asthana (upto 15th January 2025)
KMP - Whole Time Director	Mr. Pavana Kumar (w.e.f. 15 July 2025)
KMP - Company secretary	Ms. Ayushi Shah
KMP - CEO	Mr. Rajiv Walunj (upto 15th February 2025)
KMP - CEO	Mr. Sunil Johnson (w.e.f. 15 August 2025)
KMP - CFO	Mr Aditya Dixit

(ii) Details of transactions during the year between the Company and its related parties are disclosed below:

(Currency: Indian Rupees in Lakhs)			
Nature of Transaction	Name of Related Party	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchase of goods	Mahindra & Mahindra Limited	51,443.48	45,910.76
	Mahindra Last Mile Mobility Limited	465.18	520.67
	Mahindra Electric Automobile Limited	39,968.00	3,306.12
Sale of goods	Mahindra & Mahindra Limited	-	127.92
	Mahindra & Mahindra Financial Services Limited	1,345.80	225.81
	Mahindra Logistics Limited	-	2.56
	MLL Mobility Private Limited (Formerly known as MERU Mobility Tech Private Limited)	-	8.97
	Mahindra Susten Private Limited	-	0.85
	Mahindra Rural Housing Finance Limited	32.63	5.21
	Mahindra Defence Systems Limited	-	0.34
	Mahindra Manulife Investment Management Private Limited	23.42	18.36
	Classic Legends Private Limited	-	0.30
	Mahindra MSTC Recycling Private Limited	-	0.15
	Mahindra Holidays & Resorts India Limited	-	0.35
	Mahindra Insurance Brokers Limited	483.02	353.25
	Mahindra Accelo Limited (Formerly Known As Mahindra Intertrade Limited)	-	1.79
	Mahindra & Mahindra Limited	50.25	127.23
	Mahindra Electric Automobile Limited	2.13	-
Sale of service	MLL Mobility Private Limited (Formerly known as MERU Mobility Tech Private Limited)	3.16	6.04
	Mahindra Susten Private Limited	0.69	0.76
	Mahindra Rural Housing Finance Limited	6.54	0.84
	Mahindra Manulife Investment Management Private Limited	-	0.30
	Classic Legends Private Limited	0.40	-
	Mahindra & Mahindra Financial Services Limited	85.70	41.96
	Mahindra Logistics Limited	1.73	3.51
	Mahindra Accelo Limited (Formerly Known As Mahindra Intertrade Limited)	29.41	0.85
	Mahindra Holidays & Resorts India Limited	0.63	0.10
	Mahindra First Choice Wheels Limited	1.14	-
Receiving of services	Mahindra Integrated Business Solutions Private Limited	38.68	35.53
	Mahindra First Choice Wheels Limited	-	1.12
Lease expenses	Mahindra & Mahindra Limited	431.29	433.92
Interest expenses	Mahindra & Mahindra Limited	201.94	143.83
	Mahindra Last Mile Mobility Limited	-	5.82
Other expenses	Mahindra First Choice Wheels Limited	7.24	7.00
	Mahindra MSTC Recycling Private Limited	0.62	0.35
Other income	Mahindra & Mahindra Limited	157.61	-
Interest Income	Mahindra Electric Automobile Limited	-	0.28
Inter corporate deposit taken	Mahindra & Mahindra Limited	67,700.00	36,450.00
	Mahindra Last Mile Mobility Limited	-	1,450.00
Inter corporate deposit paid	Mahindra Last Mile Mobility Limited	-	1,450.00
	Mahindra & Mahindra Limited	64,900.00	36,250.00
Trade advance taken	Mahindra & Mahindra Financial Services Limited	3,423.00	3,656.60
Trade advance repaid	Mahindra & Mahindra Financial Services Limited	3,422.08	3,616.18
Reimbursement made	Mahindra & Mahindra Limited	256.91	207.27
	Mahindra Electric Automobile Limited	87.54	-

(Currency: Indian Rupees in Lakhs)			
Nature of Transaction	Name of Related Party	For the year ended 31 March 2026	For the year ended 31 March 2025
Salary including perquisites	Mr. Rajiv Walunj	–	91.46
	Mr. Sunil Johnson	67.06	–
	Mr. Pavana Kumar	10.00	–
	Mr. Aditya Dixit	54.92	48.69
	Ms. Aayushi Shah	14.19	9.84
Director sitting fees	Mr. Rahul Asthana	–	3.30
	Mr. Arun Malhotra	0.27	3.30
Reimbursement received	Mahindra & Mahindra Limited	1,492.16	1,077.97
	Mahindra Electric Automobile Limited	274.13	22.06
	Mahindra Last Mile Mobility Limited	50.60	25.59
	Mahindra & Mahindra Financial Services Limited	–	709.22
	Mahindra Electric Automobile Limited	–	5.01
	Mahindra Rural Housing Finance Limited	–	17.67
	Mahindra Manulife Investment Management Private Limited	–	4.77
	Mahindra Insurance Brokers Limited	99.61	2.46
	Mahindra Accelo Limited (Formerly Known As Mahindra Intertrade Limited)	–	5.52

(iii) Details of balances at year end between the Company and its related parties are disclosed below:

Particulars	Name of Related Party	For the year ended 31 March 2026	For the year ended 31 March 2025
Trade payables	Mahindra & Mahindra Limited	7.02	–
	Mahindra Last Mile Mobility Limited	144.23	–
	Mahindra Electric Automobile Limited	–	0.24
	Mahindra Integrated Business Solutions Private Limited	5.65	2.65
	Mahindra First Choice Wheels Limited	0.64	0.19
	Mahindra Logistics Limited	0.32	–
	Mahindra Manulife Investment Management Private Limited	0.03	–
Other balances-receivables	Mahindra & Mahindra Limited	142.77	185.01
	Mahindra Electric Automobile Limited	66.27	–
	Mahindra Last Mile Mobility Limited	–	30.16
	Mahindra Holidays & Resorts India Limited	–	0.48
	Mahindra Agri Solutions Limited	–	1.41
	Mahindra Insurance Brokers Limited	5.71	3.82
	Mahindra Lifespace Developers Limited	0.08	0.08
	Mahindra Accelo Limited (Formerly Known As Mahindra Intertrade Limited)	0.04	0.27
	Mahindra Rural Housing Finance Limited	–	0.56
	Mahindra Logistics Limited	–	0.42
	Mahindra & Mahindra Financial Services Limited	135.44	101.84
	MLL Mobility Private Limited (Formerly known as MERU Mobility Tech Private Limited)	–	0.60
	Mahindra Susten Private Limited	0.53	0.08
	Mahindra Manulife Investment Management Private Limited	4.26	–
Inter corporate deposit	Mahindra & Mahindra Limited	6,000.00	3202.57
Trade advance	Mahindra & Mahindra Financial Services Limited	211.18	119.05

Note No. 30 - Contingent liabilities and commitments

(Currency: Indian Rupees in Lakhs)		
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
(a) Contingent liabilities (to the extent not provided for)		
Income tax matter: demands against the Company not acknowledged as debts and not provided for, relating to issues of taxability and deductibility, in respect of which the Company is in appeal.	143.43	143.43
Landlord filed a suit against the company, for alleged unlawful occupation post-lease (2010), seeking eviction, injunctions, and mesne profits. The Company asserts the lease remains valid until 2040, conferring no termination rights to the landlord.	2,340.00	–
(b) Capital Commitment		
The estimated amount of contracts remaining to be executed on capital account and not provided.	16.51	–
(c) Lease Commitment		
Lease commitments are future cash outflows from the lease contract which are not recorded in the measurement of lease liabilities. These includes potential future payments related to lease of low value asset, lease which are for period less than 12 months and variable lease.		
- Not later than one year	–	17.80
- later than one year and not later than five years	–	–
- later than five years	–	–

Note No. 31 - Leases

As a Lessee

Most of the leases contracted by the Company are related to office premises, godown and item of equipment, as the lessee.

Disclosure Requirement as per Para 53 of the Ind AS -116 : Leases

(A) Additions to right of use assets:

(Currency: Indian Rupees in Lakhs)		
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Right-of-use assets (Refer Note 4)	88.39	149.77

(B) Amounts recognised in balance sheet:

(Currency: Indian Rupees in Lakhs)		
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Right-of-use assets	286.87	470.95
Lease liabilities		
Non-current	94.34	274.74
Current	243.58	262.17
Total	337.92	536.91

(C) Movement in lease liabilities during the year

(Currency: Indian Rupees in Lakhs)		
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Balance at the beginning of the year	536.90	749.58
Additions	88.39	149.77
Deletions	–	–
Finance cost accrued during the year	42.94	62.15
Payment of lease liabilities	(330.32)	(424.60)
Balance at the end of the year	337.91	536.90

(D) Amounts recognised in the statement of profit or loss:

(Currency: Indian Rupees in Lakhs)		
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Amortisation expense for the year	272.48	353.66
Interest expense on lease liabilities	42.94	62.15
Expenses relating to short-term leases	255.86	97.76

(E) Amounts recognised in the statement of cash flows:

(Currency: Indian Rupees in Lakhs)		
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Cash outflow for leases	287.38	362.45

(F) Maturity analysis of lease liabilities

(Currency: Indian Rupees in Lakhs)		
Maturity analysis – contractual undiscounted cash flow	For the year ended 31 March 2026	For the year ended 31 March 2025
Less than one year	226.01	298.02
One to five years	71.62	290.04
More than five years	–	7.59
Total undiscounted lease liabilities	297.63	595.65

Note No. 32 - Ratio disclosure

(Currency: Indian Rupees in Lakhs)						
Particulars	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	% Variance	Reason for Variance more than +/- 25%
a) Current ratio (in times)	Current assets	Current liabilities	1.32	1.30	1%	
b) Debt-equity ratio (in times)	Total debt (Borrowings + lease liability)	Shareholder's equity	1.90	1.58	20%	Decrease due to increase in shareholder's equity during the current year.
c) Debt service coverage ratio (in times)	Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease payments + Principal repayments	2.89	2.40	20%	
d) Return on equity (in times)	Net Profits after taxes	Average shareholder's equity	0.33	0.36	-7%	Decrease due to increase in shareholder's equity during the current year.
e) Inventory turnover ratio (in times)	Cost of goods sold	Average inventory = (Opening + Closing balance / 2)	14.11	9.46	49%	
f) Trade receivables turnover ratio (in times)	Total sales	Average trade debtors = (Opening + Closing balance / 2)	31.23	25.99	20%	
g) Trade payables turnover ratio (in times)	Total purchases	Average trade payable = (Opening + Closing balance / 2)	201.55	41.81	382%	Increase due to higher purchases and decrease in average trade payables in current year.
h) Net capital turnover ratio (in times)	Total sales	Average Working capital = (Opening WC+ Closing WC/2) WC= Current assets - Current liabilities	40.02	36.92	8%	Decrease due to increase in average working capital during the current year.
i) Net profit ratio (in %)	Net profit	Total sales	1.0%	1.4%	-26%	
j) Return on capital employed (in %)	Earnings before interest and taxes	Capital employed = Net worth + Total debt	13%	17%	-21%	
k) Return on investment (in %)	Income earned on Investment	Average Investment	0%	0%	0%	No outstanding investment as at current and previous year end.

Note No. 33 - Unhedged Foreign Currency Exposure

There is no unhedged foreign currency exposure as on 31 March 2026 and 31 March 2025.

Note No. 34 - Other Statutory Information

- a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- c) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:-
 - i) 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
 - ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- d) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i) 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
 - ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- e) The Company does not have any transaction which is previously not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- f) The Company is not declared wilful defaulter by any bank or financials institution or lender during the year.
- g) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- h) The Company does not have any transactions with companies which are struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- i) The Company has used various accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, which have operated throughout the year for all relevant transactions recorded in the software, except that the audit trail was not enabled at the database level to log any direct data changes for one software for

the period April 01, 2025 to April 07, 2025 and for logs maintained after April 07, 2025 of direct data changes, the earlier values were not retained. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Note No. 35 - Corporate social responsibility (CSR)

As per section 135 of the Companies Act, 2013, the Company is required to spend 2% of its average net profit of the immediately three preceding financial years on CSR.

(Currency: Indian Rupees in Lakhs)		
Particulars	As at 31 March 2026	As at 31 March 2025
a) Gross amount required to be spent by the Company during the year based on 2% of average net profits of preceeding three financial years.	14.00	10.34
b) Amount spent during the year on:		
i) Construction / acquisition of assets held by the Company	-	-
ii) On purposes other than above	14.00	10.34
c) Unspent amount at the end of the year	-	-
Driven by the core purpose and in line with CSR vision, Company continued to focus on investing in education of girls ("Nanhi Kali"). The said amount is paid to K.C. Mahindra Education Trust (Related Party). Amount recognised as expense in statement of profit or loss is Rs. 14 lakhs (31 March 2025: Rs. 10.34 lakhs).		

Note No. 36 - Code on Social Security, 2020

The Indian Parliament had approved the Code on Social Security, 2020 which could impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will complete its evaluation once the rules are notified and will give appropriate impact in the financial statements in the period in which the Code and related rules becomes effective. The impact due to past service cost on Gratuity and Leave Encashment is Rs. 32 lakhs. This is on account of new labour code.

Note No. 37 - Others

Previous year's figures have been regrouped/reclassified wherever necessary.

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached
For M. P. Chitale & Co.
Chartered Accountants
ICAI Firm's Registration No. 101851W

Ashutosh Pednekar
Partner
ICAI Membership No. 041037
Place: Mumbai
Date: 20th April 2026

For and on behalf of the Board of Directors of NBS International Limited.
Nalinikanth Gollagunta
DIN: 07906313
Chairman
Tarakarama Pavana Kumar Padullaparti
DIN: 11129403
Whole Time Director
Sunil Johnson
CEO
Aditya Dixit
CFO
Ayushi Shah
Membership No. ACS A58747
Company Secretary
Place: Mumbai
Date: 20th April 2026

INDEPENDENT AUDITOR'S REPORT

To the members of Mahindra Automotive Australia Pty Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mahindra Automotive Australia Pty Ltd (the Company), which comprises the statement of financial position as at 31 March 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, and the directors' declaration.

In our opinion the accompanying financial report of Mahindra Automotive Australia Pty Ltd, is in accordance with the Corporations Act 2001, including:

- (i) Giving a true and fair view of the Company's financial position as at 31 March 2026 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards – Simplified Disclosures and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Company in accordance with the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' report, but does not include the financial report and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Simplified Disclosures and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian Auditing Standards 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 this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

Randall Bryson

Director

Brisbane, 14 April 2026

DIRECTORS' DECLARATION FOR 31 MARCH 2026

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards-Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 March 2026 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Sachin Arolkar

Director

India, 14th April, 2026

Ashutosh Vidwans

Director

India, 14th April, 2026

AUDITOR'S INDEPENDENCE DECLARATION 31 MARCH 2026

DECLARATION OF INDEPENDENCE BY RANDALL BRYSON TO THE DIRECTORS OF MAHINDRA AUTOMOTIVE AUSTRALIA PTY LTD

As lead auditor of Mahindra Automotive Australia Pty Ltd for the year ended 31 March 2026, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Mahindra Automotive Australia Pty Ltd during the period.

BDO Audit Pty Ltd

Randall Bryson

Director

Brisbane, 14th April, 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 \$	2025 \$
Revenue	3	154,336,819	144,361,943
Other income.....	4	95,888	148,042
Expenses			
Purchases and change in inventories of finished goods and work in progress.....		(132,623,604)	(129,093,944)
Advertising expense		(3,754,954)	(4,585,380)
Depreciation and amortisation expense.....	5	(783,381)	(910,894)
Employee benefits expense	5	(4,252,653)	(2,901,439)
Finance costs	5	(291,236)	(295,469)
Freight and cartage	5	(2,704,526)	(2,447,823)
Storage expenses	5	(7,005,999)	(1,729,662)
Other expenses		(2,223,167)	(2,022,112)
Profit before income tax expense		793,187	523,262
Income tax expense	6	(237,956)	(156,979)
Profit after income tax expense for the year		555,231	366,283
Other comprehensive income for the year, net of tax		—	—
Total comprehensive income for the year		555,231	366,283

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Note	2026 \$	2025 \$
ASSETS			
Current assets			
Cash and cash equivalents.....	7	1,938,624	1,724,151
Trade and other receivables	8	17,536,700	8,824,007
Inventories	9	93,408,146	64,546,290
Income tax refund due	6	—	474,500
Other assets	10	1,678,204	1,384,961
Total current assets		114,561,674	76,953,909
Non-current assets			
Property, plant and equipment.....	11	1,566,390	1,086,348
Right-of-use assets	12	1,437,962	2,084,691
Deferred tax	6	2,357,799	1,845,178
Other assets	10	338,333	63,333
Total non-current assets		5,700,484	5,079,550
Total assets		120,262,158	82,033,459
Liabilities			
Current liabilities			
Trade and other payables.....	13	98,780,470	64,232,560
Borrowings.....	14	3,000,000	3,000,000
Lease liabilities.....	15	621,936	613,321
Income tax payable.....	6	298,477	—
Provisions	16	8,194,804	4,759,823
Total current liabilities		110,895,687	72,605,704
Non-current liabilities			
Lease liabilities.....	15	901,960	1,534,371
Provisions	16	167,415	151,519
Total non-current liabilities		1,069,375	1,685,890
Total liabilities		111,965,062	74,291,594
Net assets		8,297,096	7,741,865
Equity			
Issued capital	17	4,575,000	4,575,000
Retained profits		3,722,096	3,166,865
Total equity		8,297,096	7,741,865

The above statement of financial position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

	Issued Capital	Retained profits	Total equity
	\$	\$	\$
Balance at 1 April 2024	4,575,000	2,800,582	7,375,582
Profit after income tax expense for the year	—	366,283	366,283
Other comprehensive income for the year, net of tax	—	—	—
Total comprehensive income for the year	—	366,283	366,283
Balance at 31 March 2025	4,575,000	3,166,865	7,741,865
 Balance at 1 April 2025	 4,575,000	 3,166,865	 7,741,865
Profit after income tax expense for the year	—	555,231	555,231
Other comprehensive income for the year, net of tax	—	—	—
Total comprehensive income for the year	—	555,231	555,231
Balance at 31 March 2026	4,575,000	3,722,096	8,297,096

The above statement of changes in equity should be read in conjunction with the accompanying notes.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 \$	2025 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		159,654,746	150,967,046
Payments to suppliers and employees (inclusive of GST)		(158,026,836)	(151,017,978)
		1,627,910	(50,932)
Interest received.....		95,888	148,042
Interest and other finance costs paid		(291,236)	(295,469)
Income taxes refunded/(paid)		22,400	(471,709)
Net cash from/(used in) operating activities		1,454,962	(670,068)
Cash flows from investing activities			
Payments for property, plant and equipment.....	11	(616,693)	(303,480)
Net cash used in investing activities		(616,693)	(303,480)
Cash flows from financing activities			
Proceeds/(repayment) of leases		(623,796)	(625,654)
Net cash used in financing activities		(623,796)	(625,654)
Net increase/(decrease) in cash and cash equivalents		214,473	(1,599,202)
Cash and cash equivalents at the beginning of the financial year		1,724,151	3,323,353
Cash and cash equivalents at the end of the financial year	7	1,938,624	1,724,151

The above statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Note 1. Material accounting policy information

The accounting policies that are material to the company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

Mahindra Automotive Australia Pty Ltd (the company) has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities.

The company does not have 'public accountability' as defined in AASB 1053 Application of Tiers of Australian Accounting Standards and is therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards.

Revenue recognition

The company recognises revenue as follows:

(i) Sale of goods

Revenue from the sale of agricultural equipment, motor vehicles, parts, and accessories is recognised at the point in time when control of the goods transfers to the customer in accordance with AASB 15.

For certain transactions, including those subject to floor plan or similar financing arrangements, control transfers upon invoicing and settlement where legal title passes and the Company has an unconditional right to payment. Where physical delivery occurs after invoicing, revenue is recognised only when the bill-and-hold criteria under AASB 15 are satisfied. Subsequent delivery does not affect the timing of revenue recognition once control has transferred.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

All other revenue is recognised in accordance with AASB 15 Revenue from contracts with customers (AASB 15), when performance obligation is satisfied and control is transferred. All revenue is stated net of the amount of goods and services tax (GST).

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Pillar Two income taxes

The company is within the scope of the OECD Pillar Two model rules, and it applies the AASB 112 exception to recognising and disclosing information about

deferred tax assets and liabilities related to Pillar Two income taxes. The group will incur top-up taxes due to the Pillar Two legislation that became effective 1 January 2025. Under the legislation, the company is liable to pay a top-up tax for the difference between its GloBE effective tax rate in each jurisdiction and the 15% minimum rate.

The company has estimated that the effective tax rates exceed 15% in all jurisdictions in which it operates. Considering the impact of specific adjustments in the Pillar Two legislation, the company does not have a Pillar Two tax liability for the year ended 31 March 2026.

Trade and other receivables

The average credit period on sales of goods is 60 days. No interest is charged on outstanding trade receivables.

The company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

New vehicles

New vehicles are valued at the lower of cost and net realisable value on a unit by unit basis.

Spare parts and accessories

Vehicle spare parts and accessories and agriculture equipment are valued at the lower of cost and net realisable value.

Costs for vehicles comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Property, plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment.

Depreciation is calculated on a straight-line or diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	10-20%
Computer equipment	20-40%
Furniture and fittings	10-20%
Motor vehicles	20-30%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss on a straight line basis.

Trade and other payables

The amounts are unsecured and are usually paid within 30 days of recognition, except for related party payables which are on terms of between 60 and 180 days.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

cost using the effective interest method.

Loans and borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount and any consideration paid is recognised in profit or loss.

Lease liabilities

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Reclassification of Comparative Balances

During the current financial year, the Company reviewed the presentation of certain line items within the financial statements to ensure consistency with the Company's accounting policies and to enhance the relevance and reliability of the information presented.

As a result of this review, Dealer Incentives previously presented as Advertising has been reclassified to Purchases in the statement of profit or loss and other comprehensive income. This reclassification was made to align the comparative information with the current-year presentation.

The reclassification had no impact on the Company's net assets, profit after tax, or cash flows for the comparative period.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Net realisable value of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Warranty provision

In determining the level of provision required for warranties the company has made judgements in respect of the expected performance of the vehicles, the number of customers who will actually claim under the warranty and how often,

and the costs of fulfilling the conditions of the warranty. The provision is based on estimates made from historical warranty data associated with similar products and services.

Note 3. Revenue

	2026 \$	2025 \$
Revenue from contracts with customers		
New vehicle sales	143,754,817	134,328,377
Parts sales	10,549,926	9,681,466
	<u>154,304,743</u>	<u>144,009,843</u>
Other revenue		
Other revenue	32,076	352,100
Revenue	<u>154,336,819</u>	<u>144,361,943</u>

Disaggregation of revenue from contracts with customers

The disaggregation of revenue from contracts with customers is as follows:

	2026 \$	2025 \$
Timing of revenue recognition		
Goods transferred at a point in time	154,304,743	144,009,843
	<u>154,304,743</u>	<u>144,009,843</u>

Note 4. Other income

	2026 \$	2025 \$
Interest received	95,888	148,042

Note 5. Expenses

	2026 \$	2025 \$
Profit before income tax includes the following specific expenses:		
Freight and cartage	2,704,526	2,443,078
Storage expenses (relating the storage of inventories)	7,005,999	1,729,662
<i>Amortisation and depreciation expense</i>		
Amortisation on right-of-use assets	646,729	646,723
Depreciation expense	136,652	264,171
Depreciation and amortisation expense	<u>783,381</u>	<u>910,894</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	165,949	146,785
Interest and finance charges paid/payable on lease liabilities	125,287	148,684
Finance costs expensed	<u>291,236</u>	<u>295,469</u>
Superannuation expense	388,959	282,815
Employee benefits expense excluding superannuation	3,863,694	2,618,624
Employee benefits expense	<u>4,252,653</u>	<u>2,901,439</u>

Note 6. Income tax

	2026 \$	2025 \$
<i>Income tax expense</i>		
Current tax	750,577	538,920
Deferred tax - origination and reversal of temporary differences	(512,621)	(381,941)
Aggregate income tax expense	<u>237,956</u>	<u>156,979</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	2026 \$	2025 \$
Deferred tax included in income tax expense comprises:		
Increase in deferred tax assets	(512,621)	(381,941)
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Profit before income tax expense	793,187	523,262
Tax at the statutory tax rate of 30%	237,956	156,979
Income tax expense	237,956	156,979
<i>Deferred tax asset</i>		
Deferred tax asset comprises temporary differences attributable to:		
Prepaid expenses	(3,483)	(3,768)
Property, plant and equipment	(32,292)	–
Right of use asset	431,388	622,471
Lease liability	(457,169)	(644,307)
Provisions	2,110,667	1,743,192
Accrued expenses	308,688	127,590
Deferred tax asset	2,357,799	1,845,178
Movements:		
Opening balance	1,845,178	1,463,237
Credited to profit or loss	512,621	381,941
Closing balance	2,357,799	1,845,178
	2026 \$	2025 \$
<i>Income tax refund due</i>		
Income tax refund due	–	474,500
	2026 \$	2025 \$
<i>Income tax payable</i>		
Provision for income tax	298,477	–

Note 7. Cash and cash equivalents

	2026 \$	2025 \$
<i>Current assets</i>		
Cash at bank	1,938,624	1,724,151

Note 8. Trade and other receivables

	2026 \$	2025 \$
<i>Current assets</i>		
Trade receivables	16,354,140	8,824,007
Other receivables	1,182,560	–
	17,536,700	8,824,007

Note 9. Inventories

	2026 \$	2025 \$
<i>Current assets</i>		
New vehicles	82,667,033	12,396,218

	2026 \$	2025 \$
Stock in transit- at cost	5,008,504	46,916,756
Spare parts and accessories	6,430,024	5,799,383
Less: Provision for obsolescence	(697,415)	(566,067)
Spare parts and accessories - at net realisable value	5,732,609	5,233,316
	93,408,146	64,546,290

During the year obsolescence of inventory was charged of \$131,348 (2025: \$17,729), this is recognised through changes in inventories in the statement of profit and loss.

Note 10. Other assets

	2026 \$	2025 \$
<i>Current assets</i>		
Prepayments	202,384	1,384,961
Reimbursement asset	1,475,820	–
	1,678,204	1,384,961
	2026 \$	2025 \$
<i>Non Current assets</i>		
Other deposits	338,333	63,333
	2,016,537	1,448,294

The reimbursement asset relates to a recoverable expense from the parent entity for the repairs required to inventories on hand at 31 March 2026. The related reimbursement income has been presented as a reduction of repair expense in profit or loss.

Note 11. Property, plant and equipment

	2026 \$	2025 \$
<i>Non-current assets</i>		
Plant and equipment - at cost	250,274	245,722
Less: Accumulated depreciation	(130,643)	(114,109)
	119,631	131,613
Fixtures and fittings - at cost	993,348	866,837
Less: Accumulated depreciation	(416,867)	(376,969)
	576,481	489,868
Motor vehicles - at cost	952,950	597,371
Less: Accumulated depreciation	(264,773)	(159,954)
	688,177	437,417
Computer equipment - at cost	146,348	113,145
Less: Accumulated depreciation	(94,987)	(85,695)
	51,361	27,450
Work in progress - at cost	130,740	–
	1,566,390	1,086,348

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Plant and equipment \$	Furniture and fittings \$	Motor Vehicles \$	Computer equipment \$	Work in progress \$	Total \$
Balance at 1 April 2025	131,613	489,868	437,417	27,450	–	1,086,348
Additions	4,552	126,510	321,690	33,202	130,740	616,694
Depreciation expense	(16,534)	(39,897)	(70,930)	(9,291)	–	(136,652)
Balance at 31 March 2026	119,631	576,481	688,177	51,361	130,740	1,566,390

Note 12. Right-of-use assets

	2026 \$	2025 \$
<i>Non-current assets</i>		
Land and buildings - right-of-use	2,960,755	2,960,755
Less: Accumulated depreciation	(1,531,063)	(894,119)
	<u>1,429,692</u>	<u>2,066,636</u>
Plant and equipment - right-of-use	53,137	53,137
Less: Accumulated depreciation	(44,867)	(35,082)
	<u>8,270</u>	<u>18,055</u>
	<u>1,437,962</u>	<u>2,084,691</u>

The company leases property, plant and equipment under agreements of between 5 to 10 years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Land & Buildings \$	Plant & Equipment \$	Total \$
Balance at 1 April 2025	2,066,636	18,055	2,084,691
Depreciation expense	(636,944)	(9,785)	(646,729)
Balance at 31 March 2026	1,429,692	8,270	1,437,962

Note 13. Trade and other payables

	2026 \$	2025 \$
<i>Current liabilities</i>		
Trade payables	96,303,565	61,615,124
Accrued expenses	1,402,885	1,204,096
Other payables	1,074,020	1,413,340
	<u>98,780,470</u>	<u>64,232,560</u>

Note 14. Borrowings

	2026 \$	2025 \$
<i>Current liabilities</i>		
Bank loans	3,000,000	3,000,000

Bank loan

(i) The bank loan is a short term loan provided to the company under an uncommitted trade advance facility agreement. The current term of the loan is 178 days and will expire on 24 July 2026. The loan is not secured and the variable interest rate is 6.0208% (2025: 6.066%), interest is charged daily.

There have been no breaches of terms or default of principal, interest, sinking fund or redemption terms during the current or prior reporting periods.

Note 15. Lease liabilities

	2026 \$	2025 \$
<i>Current liabilities</i>		
Lease liability	621,936	613,321
<i>Non-current liabilities</i>		
Lease liability	901,960	1,534,371
	<u>1,523,896</u>	<u>2,147,692</u>
<i>Future lease payments</i>		
Future lease payments are due as follows:		
Not later than one year	752,429	749,083
Later than one and not later than five years	964,893	1,717,322
	<u>1,717,322</u>	<u>2,466,405</u>

Significant leasing arrangements

Lease liabilities are secured by the assets leased and represent the discounted future rentals payable by the company. Leased assets include property, plant and equipment. These leases are negotiated for an average term of 10 years and are fixed for an average of 5 years with an option to extend for a further 5 years at the then prevailing market rate.

Note 16. Provisions

	2026 \$	2025 \$
<i>Current liabilities</i>		
Annual leave	252,237	215,426
Warranties	–	227,618
Vehicle repairs	1,475,820	–
Dealer support - Registration and third party insurance	2,254,600	2,178,492
Roadside assistance	1,514,093	1,255,451
Dealer support - Incentives	1,945,562	762,836
Other	752,492	120,000
	<u>8,194,804</u>	<u>4,759,823</u>
<i>Non-current liabilities</i>		
Long service leave	167,415	151,519
	<u>8,362,219</u>	<u>4,911,342</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Vehicle repairs

The provision represents the future repair costs of the inventory on hand, the company has a present obligation arising from past events and it is probable that future repair costs will be incurred. The provision is measured at the estimated expenditure required to repair the inventory.

Roadside assistance

The provision is recognised at the time of vehicle sale for the estimated costs of providing roadside assistance services included as part of the manufacturer-backed sale arrangements. The provision is measured based on historical claims experience and expected utilisation rates and is reviewed at each reporting date to reflect the current best estimate of expenditure required.

Dealer support

The provision represents the present value of the estimated costs that will be incurred with respect to supporting the dealers as per the current dealer agreements. This provision covers a reimbursement to the dealers of registration and third party insurance costs, the estimated costs of signage to be installed at the dealers premises and other general incentives estimated to be payable to the dealers. Each dealer support provision is estimated based on current stock held with the dealers at the end of the period.

Movements in provisions

Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

	Warranties	Vehicle repairs	Roadside assistance	Dealer support-registration	Dealer support-incentives	Other
	\$	\$	\$	\$	\$	\$
2026						
Carrying amount at the start of the year	227,618	–	1,255,451	2,178,492	762,836	120,000
Additional provisions recognised	–	1,529,500	3,091,152	13,625,866	9,129,349	752,492
Amounts used	–	(53,680)	(2,102,086)	(13,549,758)	(7,673,563)	(120,000)
Unused amounts reversed	(227,618)	–	(730,424)	–	(273,060)	–
Carrying amount at the end of the year	–	1,475,820	1,514,093	2,254,600	1,945,562	752,492

Note 17. Issued capital

	2026 Shares	2025 Shares	2026 \$	2025 \$
Ordinary shares - fully paid	4,575,000	4,575,000	4,575,000	4,575,000

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

Note 18. Dividends

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Franking credits

There were no dividends paid, recommended or declared during the current or previous financial year.

	2026 \$	2025 \$
Franking credits available for subsequent financial years based on a tax rate of 30%	4,067,930	3,317,354

The above amounts represent the balance of the franking account as at the end of the financial year, adjusted for:

- franking credits that will arise from the payment of the amount of the provision for income tax at the reporting date
- franking debits that will arise from the payment of dividends recognised as a liability at the reporting date
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date

Note 19. Key management personnel disclosures

Compensation

The aggregate compensation made to members of key management personnel of the company is set out below:

	2026 \$	2025 \$
Aggregate compensation	558,010	477,681

In addition to this other directors and key management of the entity are paid compensation at ultimate parent level.

Note 20. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Ltd, the auditor of the company, and its network firms:

	2026 \$	2025 \$
<i>Audit services - BDO Audit Pty Ltd</i>		
Audit of the financial statements	69,000	65,000
<i>Other services - BDO Services Pty Ltd</i>		
Preparation of the financial statements and tax return	16,500	12,500
Tax compliance and reviews	18,850	17,950
Other accounting and advisory work	9,295	1,500
	44,645	31,950

Note 21. Contingent assets

At 31 March 2026, the company has no contingent assets (2025: \$Nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Note 22. Contingent liabilities

In the opinion of the directors, the company did not have any contingent liabilities at 31 March 2026 (2025: \$Nil).

Note 23. Commitments

At 31 March 2026, the entity had not entered into any contractual capital commitments (2025: \$Nil).

Note 24. Related party transactions

Parent entity

Mahindra & Mahindra Limited is the ultimate parent entity, a publically listed company based in Mumbai, India.

Key management personnel

Disclosures relating to key management personnel are set out in note 19.

Transactions with related parties

The following transactions occurred with related parties:

	2026	2025
	\$	\$
Payment for goods and services:		
Purchase of goods from controlling entity and it's subsidiaries	<u>139,066,213</u>	<u>120,091,198</u>
Payment for other expenses:		
Other expenses paid to other related party	<u>-</u>	<u>77,716</u>

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2026	2025
	\$	\$
Current payables:		
Trade payables to controlling entity and it's subsidiaries	<u>91,538,914</u>	<u>57,584,166</u>

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 25. Events after the reporting period

No matter or circumstance has arisen since 31 March 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS AT 31 MARCH 2025
PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE 39/2010
TO THE SHAREHOLDER OF MAHINDRA EUROPE S.R.L.

Report on the audit of the financial statements

Opinion

We have audited the accompanying Financial Statements of Mahindra Europe S.r.l. ("the Company"), which comprises the Balance Sheet as at March 31st, 2026, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended.

In our opinion, the annual Financial Statements for the year ended March 31, 2026, taking into account the provisions of the paragraph "Significant uncertainty and loss of continuity of the going concern assumption," provide a true and fair view of the Company's financial position, results of operations, and cash flows for the year then ended in accordance with the Italian regulations governing their preparation.

Basis of opinion

We carried out the audit in accordance with international auditing standards (ISA Italy). Our responsibilities under these standards are further described in the Responsibilities of the independent auditors for auditing the financial statements section of this report. We are independent of the Company in accordance with the rules and principles in matters of ethics and independence applicable in the Italian legal system to the auditing of balance. We believe that we have obtained sufficient appropriate audit evidence upon which to base our opinion.

Significant uncertainty and loss of continuity of the going concern assumption

The automotive market, as set out in Explanatory Note to which reference is made, continues to experience significant change linked to European legislation that continues to favor engines that use renewable energy over traditional fuels. In this context, the Company had already communicated to its sales network, composed of distributors and dealers, the termination of its commercial relationships with 24 months' notice, which expired last year and were renewed for a further year, until March 2026. During the year, Mahindra & Mahindra Ltd. consensually decided to terminate the distribution contract in accordance with the law and requested the identification of third parties for after-sales assistance and distribution of spare parts, in order to fulfill its legal obligations towards its customers. The Company will therefore gradually transfer its operations to new independent operators, both for spare parts management and service, by the first quarter of next year. Based on the findings, we believe that the conditions for maintaining the going concern assumption do not exist, as the uncertainties are numerous and significant, and it is difficult to fully assess their impact on the company's assets. The Company began to

realign some of its assets to their actual realizable value as of March 31, 2026, and both the income statement and equity are affected by this write-down activity.

Responsibility of the Directors and of the Statutory auditor for the financial statements

The Directors are responsible for preparing the financial statements that provide a true and fair view in compliance with the Italian regulations governing the accounting criteria, preparation and, within the terms established by law, for that part of the internal control they deem necessary to enable the preparation of financial statements that do not contain material errors due to fraud or unintentional behavior or events. The Directors are responsible for assessing the Company's ability to continue operate as a going concern and, in preparing the financial statements, for the appropriateness of the use of the going concern assumption, as well as for an adequate information on the subject. The Directors use the going concern assumption in preparing the financial statements unless they have assessed that the conditions exist for the liquidation of the Company or for the interruption of the activity or they have no realistic alternatives to such choices.

The Statutory auditor is responsible for supervising, within the terms established by law, the process of preparing the Company's financial information.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to acquire reasonable assurance that the financial statements as a whole do not contain significant errors, due to fraud or unintentional behavior or events, and to issue an audit report that includes our opinion. Reasonable certainty means a high level of certainty which, however, does not provide the guarantee that an audit carried out in accordance with international auditing standards (ISA Italy) will always identify a significant error, if any. Errors may derive from fraud or from unintentional behavior or events and are considered significant if it can reasonably be expected that they, individually or as a whole, are able to influence the economic decisions taken by users on the basis of the financial statements. As part of the audit performed in accordance with international auditing standards (ISA Italy), we exercised professional judgment and maintained professional skepticism throughout the duration of the audit. Furthermore,

- we have identified and assessed the risks of significant errors in the financial statements, due to fraud or unintentional behavior or events; we have designed and performed audit procedures in response to these risks; we have obtained sufficient appropriate audit evidence on which to base our opinion. The risk of not detecting

a material misstatement due to fraud is higher than the risk of not detecting a material misstatement resulting from unintentional behavior or events, as fraud may involve the existence of collusion, forgery, intentional omissions, misrepresentations or overrides of internal control;

- we have acquired an understanding of the internal control relevant for the purposes of the audit in order to define appropriate audit procedures in the circumstances and not to express an opinion on the effectiveness of the Company's internal control;
- we have reached a conclusion on the appropriateness of the use by the directors of the going concern assumption and, based on the audit evidence obtained, on the possible existence of a significant uncertainty regarding events or circumstances that may give rise to significant doubts on the ability of the Company to continue to operate as a going concern. In the presence of a material uncertainty, we are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to reflect this circumstance in the formulation of our opinion. Our conclusions are based on the audit evidence obtained up to the date of this report. However, subsequent events or circumstances may cause the Company to cease to operate as a going concern;
- we have evaluated the presentation, structure and content of the financial statements as a whole, including the information, and whether the financial statements represent the underlying transactions and events in order to provide a correct representation.

We have communicated to those charged with governance, identified at an appropriate level as required by the Italy ISAs, among other matters, the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal control identified in the course of the audit.

Report on other laws and regulations

Judgment pursuant to art. 14, paragraph 2, letter e), of Legislative Decree 39/2010

The Directors of Mahindra Europe S.r.l. are responsible for preparing the management report of Mahindra Europe S.r.l. as at 31 March 2026, including its consistency with the related financial statements and its compliance with the law. We have carried out the procedures indicated in the auditing standard (SA Italia) n° 720B in order to express an opinion on the consistency of the management report with the financial statements of Mahindra Europe S.r.l. as at 31 March 2026 and on its compliance with the law, as well as to issue a statement on any material misstatements.

In our opinion, the management report is consistent with the financial statements of Mahindra Europe S.r.l. as at 31 March 2026 and is drawn up in compliance with the law. With reference to the declaration referred to in Article 14, paragraph 2, letter e), of Legislative Decree 39/2010, issued on the basis of the knowledge and understanding of the company and the related context acquired during the auditing activity, we have nothing to report.

Roberto Mallardo
RB AUDIT Italia - Audit Partner
(Registration n. 135061)

Rome, 29th April 2026

Financial statement as on 31/03/2026

Balance Sheet	3/31/2026		3/31/2025	
	Euro	INR/Lakhs	Euro	INR/Lakhs
Assets				
A) Accounts receivable from shareholders in respect of unpaid share capital	0	0.00	0	0.00
B) Fixed assets				
I. Intangible assets				
3) Industrial patents & intellectual property rights	0	0.00	0	0.00
7) Others	0	0.00	1,719	1.86
Total I	0	0.00	1,719	1.86
II. Tangible assets				
2) Plant & Machinery	2,761	2.98	13,880	15.00
3) Industrial & commercial equipment	0	0.00	77	0.08
4) Other Assets	9,979	10.78	35,224	38.06
Total II	12,740	13.77	49,181	53.14
III. Financial assets				
1) Equity investments in other companies	392	0.42	262	0.28
2) Receivables				
d) Other companies due beyond 12 months	0	0.00	10,555	11.41
Total III	392	0.42	10,817	11.69
Total fixed assets	13,132	14.19	61,717	66.69
C) Current assets				
I. Stock				
4) Finished goods	404,830	437.44	2,983,291	3,223.62
5) Advance	0	0.00	0	0.00
Total I	404,830	437.44	2,983,291	3,223.62
II. Accounts receivable				
1) Trade within 12 months	120,439	130.14	163,384	176.55
4) Parent Company within 12 months	12,697	13.72	653,911	706.59
4-bis) Tax receivables within 12 months	26,372	28.50	31,533	34.07
4-ter) Deferred Tax assets within 12 months	0	0.00	0	0.00
5) Others				
due within 12 months	5,715	6.18	907	0.98
due beyond 12 months	12,268	13.26	13,053	14.10
Total II	177,491	192	862,788	932
III. Financial assets other than fixed assets				
IV. Liquid assets				
1) Bank & Post office deposit	1,270,335	1,372.67	4,822,372	5,210.86
2) Bank cheque	0	0.00	0	0.00
3) Cash on hand	10,944	11.83	5,922	6.40
Total IV	1,281,279	1,384.50	4,828,294	5,217.26
Total current assets	1,863,600	2,013.73	8,674,373	9,373.18
D) Accrued income and prepaid expenses				
Total accrued income and prepaid expenses	38,857	41.99	53,297	57.59
Total assets	1,915,589	2,069.91	8,789,387	9,497.46

Financial statement as on 31/03/2026 (Cont.)

	3/31/2026		3/31/2025	
	Euro	INR/Lakhs	Euro	INR/Lakhs
Liabilities				
A) Shareholders' equity				
I. Share capital	1,421,151	1,535.64	1,421,151	1,535.64
II. Share premium reserve				
III. Revaluation reserve				
IV. Legal reserve	80,188	86.65	75,132	81.18
V. Reserve for Treasury shares				
VI. Reserves provided for by the articles on association				
VII. Other reserves				
Extraordinary reserve	314,236	339.55	314,236	339.55
Advance for share capital				
Rounding off reserve			1	
Reserve for social initiatives		0.00		0.00
VIII. Retained earnings (loss) carry forwards	0	0.00	0	0.00
IX. Profit (loss) for the year	(783,910)	(847.06)	5,056	5.46
Total shareholders' equity	1,031,665	1,114.78	1,815,576	1,961.84
B) Provisions for liabilities and charges				
I. Retirement benefits & similar obligations				
II. Taxes, including deferred				
III. Other	164,772	178.05	259,959	280.90
Total provision for liabilities & charges	164,772	178.05	259,959	280.90
C) Employees' leaving indemnity				
Total employees' leaving indemnity	127,267	137.52	140,868	152.22
D) Debt and Payables				
4) Banks within 12 months	174	0.19	1,097	1.19
7) Trade within 12 months	420,216	454.07	756,922	817.90
11) Parent Company within 12 months	0	0.00	5,358,995	5,790.72
12) Tax payables within 12 months	27,866	30.11	119,424	129.04
13) Social security within 12 months	34,096	36.84	34,882	37.69
14) Other within 12 months	104,040	112.42	296,196	320.06
Total Debt & payables	586,392	633.63	6,567,516	7,096.60
E) Accrued liabilities and deferred income				
Total accrued liabilities and deferred income	5,494	5.94	5,468	5.91
Total shareholders' equity and liabilities	1,915,589	2,069.91	8,789,387	9,497.46

Profit and loss account

	3/31/2026		3/31/2025	
	Euro	INR/Lakhs	Euro	INR/Lakhs
A) Revenues				
1) From sales and services	2,520,815	2,723.89	5,448,542	5,887.48
2) Changes in stocks of work in process, semi-finished and finished products				
3) Work in progress on order				
4) Capitalised internal work in progress				
5) Other revenues and income				
a) Other revenues and income	1,222,696	1,321.20	1,786,328	1,930.23
b) Contribution on trading account				
Total revenues	3,743,510	4,045.09	7,234,870	7,817.71
B) Expenses				
6) Raw materials, subsidiary materials, consumables and goods	(375,130)	(405.35)	(1,286,699)	(1,390.36)
7) Services	(735,638)	(794.90)	(949,341)	(1,025.82)
8) Rent/lease	128,480	(138.83)	(135,158)	(146.05)
9) Personnel costs				
a) salaries and wages	449,301	(485.50)	(521,332)	(563.33)
b) social contributions	128,362	(138.70)	(153,176)	(165.52)
c) employees' leaving indemnity	(29,183)	(31.53)	(31,820)	(34.38)
d) accruals for pension and similar costs				
e) other costs	(660)	(0.71)	(928)	(1.00)
Total 9)	(607,506)	(656.45)	(707,256)	(764.23)
10) Depreciation and value adjustments				
a) depreciation of intangible assets	1,719	(1.86)	(1,082)	(1.17)
b) depreciation of tangible assets	37,408	(40.42)	(23,421)	(25.31)
c) other value adjustments				
d) write down of accounts receivable recorded among current assets and liquid assets	0	0.00	0	0.00
Total 10)	(39,126)	(42.28)	(24,503)	(26.48)
11) Changes in raw materials, subsidiary materials, consumables and goods	(2,578,461)	(2,786.18)	(4,039,428)	(4,364.84)
12) Accruals to provisions for liabilities and charges	(25,112)	(27.14)	0	0.00
13) Other accruals	0	0.00	0	
14) Other operating costs	37,888	(40.94)	(54,807)	(59.22)
Total expenses	(4,527,342)	(4,892.06)	(7,197,192)	(7,777.00)
Difference between revenues and expenses (A-B)	(783,831)	(846.98)	37,678	40.71
C) Financial income and expense				
15) Income from shareholdings:				
– in controlled undertakings				
– in affiliated undertakings				
– other income		0.00		0.00
Total 15)	0	0.00	0	0.00
16) Other financial income:				
a) from accounts receivable recorded among fixed assets				
a1) controlled undertakings				
a2) from affiliated undertakings				
a3) from controlling companies				
a4) other financial income				
b) from securities recorded among fixed assets				
c) from securities recorded among current assets				

Profit and loss account (Cont.)

	3/31/2026		3/31/2025	
	Euro	INR/Lakhs	Euro	INR/Lakhs
d) other income:				
d1) from controlled undertakings				
d2) from affiliated undertakings				
d3) from controlling companies				
d4) other income.....	41	0.04	65	0.07
Total d)	41	0.04	65	0.07
Total 16)	41	0.04	65	0.07
17) Interest and other financial costs:				
a) from controlled undertakings				
b) from affiliated undertakings				
c) from controlling companies				
d) others financial costs.....	(23)	(0.03)	0	0.00
Total 17)	(23)	(0.03)	0	0.00
17-bis) Current and deferred exchange gains and losses.....	(4)	0.00	96	0.10
Total financial income and expense	14	0.01	161	0.17
D) Value adjustments of financial assets				
18) Write-ups:				
a) of shareholdings				
b) of financial fixed assets				
c) of securities recorded among current assets				
19) Write downs:				
a) of shareholdings				
b) of financial fixed assets		0.00		0.00
c) of securities recorded among current assets....				
Total value adjustments to financial assets ..	0	0.00	0	0.00
E) Extraordinary income and costs				
20) Income:				
– capital gains on disposals of assets				
– other extraordinary income.....	0	0.00	0	0.00
Total 20)	0	0.00	0	0.00
21) Expenses:				
– losses on disposals of assets	0	0.00	0	0.00
– taxes of previous years		0.00	0	0.00
– other extraordinary costs	0	0.00	0	0.00
Total 21)	0	0.00	0	0.00
Total extraordinary income and costs	0	0.00	0	0.00
Result before taxes (A–B±C±D±E)	(783,818)	(846.96)	37,839	40.89
20) Taxes on the income for the year				
a) Current business year taxes	(92)	(0.10)	(32,783)	(35.42)
b) Taxes on last business year.....		0.00		0.00
c) Deferred tax liabilities and (assets).....		0.00		0.00
23) Profit (loss) of the year	(783,910)	(847.06)	5,056	5.46

“EURO amounts are translated for convenience into Indian Rupees at the exchange rate of Rs 108.056 = Euro 1 which is the average of the telegraphic transfer buying

and selling rates quoted by the Mumbai Branch of State Bank of India on 31st March 2026”.

A lakh is a unit in the Indian numbering system equal to one hundred thousand (100.000).

This Financial Statement is in agreement with results of accountant records.

For The Board of Directors:

Sachin Arolkar

Chairman

Mumbai, 14th April 2026

Notes to the financial statements at 31/03/2026

Indian Rupees at the exchange rate of INR 108,056 = Eur 1

A lakh is a unit in the Indian numeric system equivalent to one hundred thousand (100.000).

Introduction

Dear Quotaholder,

The financial statements for the fiscal year ended 31/03/2026 is submitted for your verification and approval. The fiscal year FY2026 ended with a losses equal to Euro 783.910 / INR 847,06 Lakhs, after depreciation of Euro 25.112/INR 27,14 and amortization for a total of Euro 39.126 / INR 42,28

Area of Business

Mahindra Europe Srl carries out its activities in the sector of distribution of motor vehicles and spare parts, as official importer of Mahindra vehicles in the European markets like Italy, Spain, & other Eastern Europe countries.

Major events occurred during the company's fiscal year

The significant events that occurred during the year are as follows:

In February 2022, the Board of Directors approved a two-year review and restructuring of Mahindra Europe's European business model in response to changing market dynamics and shifts in customer preferences. In accordance with prevailing market practice in Europe, Mahindra Europe gave dealers/distributors two years' notice of termination of the existing relationship.

At the end of the notice period in April 2024, which was subsequently renewed for an additional year, it entered into new commercial agreements with the sales network for the resale of spare parts and after-sales service. At the end of March 2026, the company notified the distribution network that, upon expiration of the existing agreement, it would terminate the commercial relationship with Mahindra Europe.

The company confirmed its commitment to ensuring the continuity and proper fulfillment of all warranty obligations relating to Mahindra-branded products, as well as the supply of original spare parts and accessories and, more generally, the provision of customer support services as required by applicable regulations.

The company received a letter of termination from Mahindra & Mahindra Ltd. terminating the distribution agreement and requiring it to identify a third-party service provider for after-sales service and spare parts distribution, in order to fulfill its customer service obligations.

In this regard, the Mahindra Group is implementing a new operational structure for after-sales and spare parts management in the territories in which it operates. As part of this reorganization, Mahindra Europe will gradually transfer its operations to the new independent operators by the first quarter of the next fiscal year.

Vehicle sales continued until the first quarter of the fiscal year ended March 31, 2026, through individual agreements with rental companies.

Since the company's main operating activities will cease in May 2026, the Board of Directors recommends the shareholder to liquidate the company voluntarily.

Layout criteria

The financial statements submitted to you are prepared in abbreviated form as they meet the requirements of Article 2435-bis, paragraph 1. However, in order to provide more comprehensive and comprehensive information on the company's operating performance, within the scope of its operations, it was deemed appropriate to accompany them with the abbreviated Management Report.

The financial statements figures are expressed in euros by rounding the relevant amounts. Any rounding differences have been reported under the item "Euro rounding reserve" included in the equity items and "roundings from euros" under "extraordinary income and expenses" in the income statement.

Pursuant to Article 2423, paragraph 5, of the Italian Civil Code, the notes to the financial statements have been prepared in euros and, pursuant to the provisions of Article 2435-bis, paragraph 1, of the Italian Civil Code. 2427 bis of the Civil Code, provides the information required by the first paragraph of Article 2427, numbers 1), 2), 6) (for the latter, limited to debts only without indicating the geographical distribution), 8), 9), 13), 15) (for the latter, even omitting the distribution by category), 16), 22-bis), 22-ter), (for the latter, even omitting the information regarding the patrimonial, financial and economic effects), 22-quater), 22-sexies) (for the latter, even omitting the indication of the place where the copy of the consolidated financial statements is available), as well as by the first paragraph of Article 2427-bis, number 1).

In cases where offsetting is permitted by law (offsetting tax receivables and payables, government grants recognized as a reduction in the value of fixed

assets, foreign exchange gains and losses reported under item 17-bis of the Income Statement, deferred tax assets and liabilities included under item 20 of the Income Statement), the gross amounts subject to offsetting are indicated in the notes to the financial statements, as required by Article 2423-ter, paragraph 6 of the Italian Civil Code.

The criteria used in the preparation and valuation of the financial statements closed on March 31, 2026, take into account the changes introduced into national law by Legislative Decree 139/2015, which implemented Directive 2013/34/EU. As a result of Legislative Decree 139/2015, the Italian National Accounting Standards (OIC) were amended.

Furthermore, the preparation of the financial statements took into account, where required, the changes made to the accounting principles with the amendments approved in March 2024 to OIC 16/31 (decommissioning and restoration obligations), 25 (OECD Pillar II), 12/15/19 (treatment of discounts on revenues), as well as Interpretative Document 11 regarding "Accounting aspects relating to the valuation of trading securities."

For financial statements for the years ending January 1, 2025, the new accounting principle OIC 34 applies, regarding the recognition and measurement of revenues and the disclosure of information to be provided in the notes to the financial statements.

Valuation criteria

(article 2427(1)(1) of the Civil Code, OIC 12)

The valuation of balance sheet items was based on general principles of prudence and accruals accounting, as it is believed that the current organization and management prospects allow for a business horizon of at least two months and subsequently during any liquidation period. Therefore, despite the adoption of operational criteria, the valuation of the items took into account the fact that the business will only last another two months.

The application of the principle of prudence required the individual valuation of the components of the individual items or items of assets or liabilities, to avoid offsetting between losses that should have been recognized and profits that should not have been recognized because they were unrealized.

In compliance with the accruals accounting principle, the effect of transactions and other events was recognized and attributed to the financial year to which such transactions and events relate, and not to the year in which the related cash movements (receipts and payments) occurred.

The company was not required to apply the materiality principle, as no cases arose in which the recognition, measurement, presentation, and disclosure requirements were not met when compliance would have had an immaterial effect on providing a true and fair view.

The consistent application of the measurement criteria over time is a necessary element for the comparability of the company's financial statements from year to year, with the exception of the following financial statement items, where the principle of prudence was deemed necessary:

- Intangible assets and residual multi-year maintenance expenses were fully amortized in the financial year, as their multi-year usefulness ceased.
- Tangible assets and their portions were recalculated considering the residual useful life of the assets, which is now limited to the period preceding their sale or disposal (maximum 1 year).
- Spare parts inventories, net of the sale of spare parts to the new distributor, take into account the fact that the realizable value may be lower than cost, due to the difficulties in quickly disposing of them, typical of the liquidation phase.
- Multi-year deferrals have been adjusted to the operating life of the company and any potential real estate lease redemption.
- Risk provisions: we have taken into account provisions for contingent liabilities related to future termination (e.g., settlements for early termination of contracts or severance costs).

The recognition and presentation of financial statement items have been made taking into account the substance of the transaction or contract.

Exceptional cases pursuant to art. 2423, fifth paragraph, of the Civil Code
(article 2423 (5) of the Civil Code)

There have been no exceptional cases that have made it necessary to resort to exceptions pursuant to art. 2423 paragraph 5 of the Civil Code.

Changes in accounting principles

The Company has not changed its accounting principles, however, these criteria must inevitably take into account the possible liquidation and cessation of the company.

As regards the application of the national accounting standards OIC 15 (credits) and OIC 19 (debts), relatively

the application of the amortized cost criterion and the discounting of the expected cash flow of the correspondent nominal value of the credit / debit, the company makes use of the relevant presumptions of irrelevance for credits and debts with a maturity of less than twelve months, the effects being irrelevant with respect to the results that would be obtained with the pre-reform criteria, since the sale and purchase transactions are negotiated with deferred payments at market rates and with a negligible amount of transaction costs.

Problems of comparability and adaptation

The valuation criteria adopted in the preparation of the financial statements closed on 31/03/2026 were the same as those used for the preparation of the financial statements of the previous financial year, with the exception of what is reported above, therefore, it was not necessary to calculate the cumulative effect of the change in principle.

Appraisal criteria applied

(Ref. Art. 2426, first paragraph, Civil Code)

Fixed assets

Intangible assets

They are recorded at historical acquisition cost and shown net of depreciation incurred over the years and allocated directly to the individual items.

Multi-year costs (extraordinary maintenance expenses) that will not be useful beyond the remaining two months were fully depreciated during the financial year ending March 31, 2026.

Tangible assets

They are recorded at purchase or production cost and adjusted by the corresponding accumulated depreciation. The carrying amount in the balance sheet takes into account incidental expenses and costs incurred for the use of the asset, reducing the cost by significant trade discounts and cash discounts. Depreciation charges, charged to the income statement, were calculated based on the use, purpose, and useful life of the assets, based on the residual useful life criterion, which we considered well represented by the residual value to be depreciated for one year.

Finance lease transactions

Finance lease transactions are shown in the financial statements using the net asset method, by charging the lease payments to the profit and loss account on an accrual's basis. The additional information required by the law on the representation of finance lease agreements under the financial method is contained in a specific section of the notes.

The Company did not take advantage of the suspension of the payment of leasing fees as provided for in Article 56, paragraph 2, letter c), of Law Decree no. 18/2020 (converted by law no.27 of 24 April 2020), therefore the Company has not rescheduled the duration of the financial lease.

Accounts receivable

The amortised cost method was not applied since its effects are immaterial for the purpose of giving a true and fair view. Therefore, accounts receivables have been recorded at their presumed realisable value, without prejudice for the possibility to apply time discounting. The adjustment of the nominal value of receivables to the assumed realizable value is obtained through a reserve for bad debts, taking into consideration the general and industrial economic conditions and country risk.

Accounts receivable recorded in the financial statements before the fiscal year starting 1 January 2016 have been recorded at their presumed realisable value since, as provided by accounting principle OIC 15, it was decided not to apply the amortised cost method and time discounting.

The nominal value of the accounts receivable was adjusted to the presumed realisable value by a bad debt reserve, having regard also to any indicators of permanent impairment.

Accounts receivable originally due within one year and subsequently transformed into long-term receivables were recorded in the balance sheet among financial assets.

Accounts receivables are written off when the contractual rights to receive the relevant cash flows have been extinguished or when the risks in connection with the payment of the receivables have been transferred.

Accounts payable

The amortised cost method was not applied since its effects are immaterial for the purpose of giving a true and fair view. Therefore, accounts payable have been recorded at their nominal value, without prejudice for the possibility to apply time discounting.

Accounts payable recorded in the financial statements before the fiscal year starting 1 January 2016 have been recorded at their nominal value since, as provided by accounting principle OIC 19, it was decided not to apply the amortised cost method and time discounting.

Accrued income/liabilities – pre payments / deferred income

These have been determined on an accruals basis.

With regard to accrued income / liabilities and prepayments/deferred income of a duration exceeding one year, we checked the conditions for their original entry and adopted any necessary changes.

Inventory

Raw materials, auxiliary materials, and finished goods are recognized at the lower of purchase or production cost and their estimated realizable value based on market trends. Spare parts inventories are adjusted to their net realizable value, if lower than the weighted average cost, taking into account the costs of rapid disposals and agreements with the new independent distributor.

As of March 31, 2026, there are no products in progress and no contract work in progress.

Securities

The company does not hold any securities.

Shareholdings

The company does not hold any shareholdings in subsidiary and affiliated.

The shareholdings included among current assets, which do not represent a long-term investment, have been valued at the lower of purchase cost and realisable value as inferred from market trend.

Treasury shares

The company does not hold any treasury shares.

Derivative financial instruments

The company does not hold any derivative financial instruments.

Provisions for contingent liabilities and charges

These provisions are set aside for the coverage of losses or liabilities that are certain or likely to arise, but whose amount or date of occurrence could not be determined at the year-end.

The provisions have been measured on a prudential and accruals basis and no generic funds without economic justification were created.

Any potential liabilities were carried to the financial statements and recorded in the relevant provisions as they were considered likely to arise and their amount could be reasonably estimated.

Provision for employees' leaving indemnity (TFR)

This consists of the amounts actually accrued in favour of the employees pursuant to the law and the current collective bargaining agreements, taking into account any elements of remuneration paid on a continuous basis.

The provision includes the total payments accrued for employees at the year-end net of any advances paid, and assuming termination of their employment relationship at such date.

The provision does not include any amounts accrued starting from 1 January 2007 that have been paid into complementary pension schemes pursuant to legislative decree no. 252 dated 5 December 2005 (or transferred to the special-purpose fund managed by the Italian social security authority - INPS).

Income taxes

The provision for taxes has been set aside on an accruals basis and includes the following:

- accruals in respect of the taxes paid or to be paid for the year, determined at the current rates and in accordance with the rules in force;
- the amount of deferred tax assets or liabilities in respect of temporary differences which arose or were written off in the year;
- any adjustments to the balance of deferred taxes to account for changes in the tax rates occurred/for the introduction of the new tax during the year.

Deferred IRES assets and liabilities are calculated on the temporary differences between the assets and liabilities determined in accordance with civil code principles and the corresponding tax values, solely with regard to the company.

Current IRAP and any deferred IRAP assets and liabilities are determined solely with regard to the company.

Recognition of income

Proceeds from sales are recognised at the time of the transfer of ownership which usually coincides with the delivery or forwarding of the goods;

Financial income and income from the provision of services is recognised on an accruals basis.

Revenue and proceeds, costs and charges related to transactions in foreign currency are determined at the exchange rate in force at the date when the relevant transaction takes place.

Only the accrued portion of the income and costs related to buy/sell-back transactions, including the difference between the spot price and the forward price, is recognised.

Adjustment criteria

The company not applied the adjustment criteria.

Criteria for the translation of accounts in foreign currency

Accounts payable and receivable denominated in foreign currency and recorded at the exchange rates in force on the date of the transaction, are retranslated at the exchange rates ruling at the year-end as determined by Bank of Italy.

In particular, assets and liabilities which constitute assets and liabilities in foreign currency are recorded at the spot exchange rate ruling at the year-end and the relevant exchange gains and losses have been taken to the Profit and Loss Account under item 17bis "Exchange gains and losses".

Any net gain deriving from the adjustment of the items in foreign currency to the year-end exchange rates is included in the result for the year and, at the time of the financial statements approval and appropriation of the operating result to the legal reserve, the part which is not offset against the loss for the year, if any, is apportioned to a reserve which is not distributable until the gain is realised.

Non-current assets and liabilities in foreign currency are recorded at the exchange rate ruling at the time of purchase.

No significant effects of the changes to the exchange rates occurred between the year-end and the financial statements preparation date. (article 2427(1)(6-bis) of the Civil Code).

Commitments, guarantees and potential liabilities

Commitments, which are not recorded in the balance sheet, consist of obligations assumed by the company vis-à-vis third parties and arising from legal arrangements with mandatory effects but not yet implemented by either party. Commitments include both commitments in respect of which both the relevant execution and amount is known (for instance, on buy/sell-back transactions) and commitments which are definitely going to be executed but whose amount is unknown (for example, agreement with a price adjustment clause). The amount of the commitments is their nominal value as inferred from the relevant documentation.

The company didn't provide guarantees include personal guarantees and collaterals.

I. Intangible assets

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
0	1.719	(1.719)
INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
0	1,86	(1,86)

Analysis of changes in intangible assets

(article 2427(1)(2) of the Civil Code)

	Industrial patent rights	Other intangible assets	EUR Total intangible assets
Opening balance			
Purchase value		1.719	1.719
Value in Balance sheet		1.719	1.719
Changes in the Year			
Reclassification		0	0
Amortization in the year		1.719	1.719
Total changes		(1.719)	(1.719)
Closing balance			
Purchase value		0	0
Value in Balance Sheet		0	0

	Industrial patent rights	Other intangible assets	INR Total intangible assets
Opening balance			
Purchase value		1,86	1,86
Value in Balance sheet		1,86	1,86
Changes in the Year			
Reclassification		0	0
Amortization in the year		1,86	1,86
Total changes		(1,86)	(1,86)
Closing balance			
Purchase value			
Value in Balance Sheet			

The Company did not deem it appropriate to suspend the amortization rates for the year 2022 and did not make use of the right to re-value intangible assets or exemptions from the statutory valuation criteria.

In this Financial Statement, multi-year expenses have been fully amortized.

Reclassifications

(article 2427(1)(2) of the civil code)

No reclassification has been made from the prior year's financial statements presentation.

Write-downs and reversals of write-downs made during the year

(article 2427(1)(2) and (3-bis) of the Civil Code)

No write-down and reversals of write-downs has been made during the year.

Composition of start-up and expansion costs and development costs

(Article 2427(1)(3) of the civil code)

No Start-up and expansion costs and Development costs has been made.

Contributions toward investments

The Company has not received capital grants from Government.

II. Tangible assets

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
12.740	49.181	(36.441)
INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
13,77	53,14	(39,38)

				EUR
	Plant and machinery	Industrial and commercial equipment	Other tangible assets	Total tangible assets
Opening balance				
Purchase value	115.877	165.712	231.525	513.114
Accumulated depreciation	101.997	165.634	196.301	463.912
Book Value	13.880	78	35.224	49.181
Changes during the year				
Increases in the year	601	0	366	967
Reclassifications (of Book Value)				
Decreases for disposals and divestments (of the book value)				
Amortization for the year	11.720	78	25.611	37.408
Total changes	(11.119)	(78)	(25.245)	(36.441)
Closing balance				
Purchase value	116.478	165.711	231.890	514.079
Accumulated depreciation	113.717	165.711	221.911	501.339
Book Value	2.761	0	9.979	12.740

	Plant and machinery	Industrial and commercial equipment	Other tangible assets	INR Total tangible assets
Opening balance				
Purchase value	125,21	179,06	250,18	554,45
Accumulated depreciation	110,21	178,98	212,12	501,28
Book Value	15,00	0,08	38,06	53,14
Changes during the year				
Increases in the year	0,65	0,00	0,40	1,04
Reclassifications (of Book Value)				
Decreases for disposals and divestments (of the book value)				
Amortization for the year	12,66	0,08	27,67	40,42
Total changes	(12,01)	(0,08)	(27,28)	(39,38)
Closing balance				
Purchase value	125,86	179,06	250,57	555,49
Accumulated depreciation	122,88	179,06	239,79	541,73
Book Value	2,98	0,00	10,78	13,77

The Company has not made use of the right not to charge the depreciation rates for the year 2022 to the income statement, furthermore the Company has not made use of the right to obtain the revaluation of tangible fixed assets.

The amortization schedules have been revised to reflect the residual usability of the assets in the short period prior to liquidation (two months).

Increases and decreases refers to the purchase and sale of company vehicles.

Write-downs and reversals of write-downs made during the year

(article 2427(1)(2) and (3-bis) of the Civil Code)

No tangible fixed assets were subject to previous revaluations or devaluations.

Total revaluations of tangible assets at the year-end

(Article 2427(1)(2) of the civil code)

No monetary revaluations has been made.

Contributions toward investments

The company during the year ended 31/03/2025 has not applied for contributions toward investments.

Finance lease transactions

The company has in place one main finance lease agreements. We set out below the information regarding the lease agreements pursuant to article 2427 (1)(22) of the civil code:

- lease agreement no. 00928065/001 dated 09/06/2009;
- term of the agreement 216 months;

- asset industrial building;
- cost of the asset in INR/Lakhs 1.835,12/ Euro 1.698.300
- initial higher lease payment (maxicanone) of INR/Lakhs 275,27/ Euro 254.745 made on 11/06/2009;

	EUR
Description	Amount
Aggregate amount of finance leased assets at the year-end	832.167
Amount of depreciation that would have been charged in the year	50.949
Value adjustments and write-ups that would have been recognised in the year	(16.856)
Net present value of outstanding finance lease payments at the year-end	284.482
Financial costs accrued for the year based on the effective interest rate	14.095

Description	INR Amount
Aggregate amount of finance leased assets at the year-end	899,21
Amount of depreciation that would have been charged in the year	55,05
Value adjustments and write-ups that would have been recognised in the year	(18,21)
Net present value of outstanding finance lease payments at the year-end	307,40
Financial costs accrued for the year based on the effective interest rate	15,23

The company has not requested the suspension of the leasing installments provided for in Article 56 of Law Decree no. 18/2020.

III. Financial assets

Balance at 31/03/2026	Balance at 31/03/2025	Difference
392	10.817	(10.425)

Balance at 31/03/2026	Balance at 31/03/2025	Difference
0,42	11,69	(11,26)

Movements in equity investments, other securities and fixed asset derivative financial instruments

	Undertakings under control by the controlling companies	Total shareholdings
Opening balance		
Purchase value	262	262
Balance at	262	262
Closing balance		
Purchase value	262	262
Balance at	262	262

	Undertakings under control by the controlling companies	Total shareholdings
Opening balance		
Purchase value	0,28	0,28
Balance at	0,28	0,28
Closing balance		
Purchase value	0,28	0,28
Balance at	0,28	0,28

Securities

The securities recorded among financial fixed assets constitute a long-term strategic investment for the company.

The securities in other companies are recorded at the purchase or subscription cost.

The securities recorded at purchase cost have not been written down as a result of a permanent value impairment and no cases occurred in which the original value of a written-down securities was restored.

The company don't has securities in controlled or affiliated companies.

No destination of securities under fixed assets was changed.

No restrictions are put by any investing company on securities recorded under fixed assets, nor pre-emptive or preferential rights exist thereupon.

No significant transaction was carried out with companies belonging to CONAI, CONOU and Ecotyre Groups.

No fixed equity investments have undergone a change of destination.

Variations and Accounts Receivables

	Other companies	Total accounts receivable
Opening balance	10.555	10.555
Changes during the year		
Closing balance	130	130
Due within one year		
Due after more than one year		

	Other companies	Total accounts receivable
Opening balance	11,41	11,41
Changes during the year		
Closing balance	0,14	0,14
Due within one year		
Due after more than one year		

No revaluations, write-downs and write-backs were made.

Receivables of a commercial nature have been entered in the item receivables from others for an amount of Euro 130 / INR 0,12 Lakhs refer to the caution deposits made to Italian suppliers of Electricity, Water & Gas, originally collectable at the end of the existing contract according to the conditions normally applied on the market.

The changes that occurred during the year are as follows.

	31/03/2025	Changes	EUR 31/03/2026
Other companies	10.555	(10.425)	130
Total	10.555	(10.425)	130

	31/03/2025	Changes	INR 31/03/2026
Other companies	11,41	(11,26)	0,14
Total	11,41	(11,26)	0,14

Eur 10,425 / INR 9,41 refers to the payment of a security deposit of sums potentially owed at the Social Court of Madrid.

The company has not signed a centralized group Treasury contract to optimize the use of financial resources (cash pooling contract).

Breakdown of the accounts receivable by geographical area

The following table shows a breakdown of the accounts receivable at 31/03/2025 by geographical area (article 2427(1)(6) of the Civil Code).

Accounts receivable by geographical area	From other companies	Total
Italy	130	130
Total	130	130

Accounts receivable by geographical area	From other companies	INR
		Total
Italy	0,14	0,14
Total	0,14	0,14

The financial statements do not include financial fixed assets whose amount is higher than their fair value.

C) Current assets

I. Inventory

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
404.830	2.983.291	(2.578.461)

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
437,44	3.223,62	(2.786,18)

EUR			
Description	Opening balance	Changes during the year	Closing balance
Finished products and goods	2.983.291	(2.578.461)	404.830
Total	2.983.291	(2.578.461)	404.830

EUR					
Description	Opening balance	Changes during the year	Closing balance	Due within one year	Due after more than one year
From customers	163.384	(42.945)	120.439	120.439	
From controlling companies	653.911	(641.214)	12.697	12.697	
Tax credits	31.533	(5.161)	26.372	26.372	
Deferred tax assets					
Other accounts receivable	13.959	4.024	17.983	17.983	
Total	862.788	(685.297)	177.491	177.491	

INR					
Description	Opening balance	Changes during the year	Closing balance	Due within one year	Due after more than one year
From customers	176,55	(46,40)	130,14	130,14	
From controlling companies	706,59	(692,87)	13,72	13,72	
Tax credits	34,09	(5,58)	28,50	28,50	
Deferred tax assets					
Other accounts receivable	15,08	4,35	19,43	19,43	
Total	932,29	(740,50)	191,79	191,79	

The company took advantage of the possibility not to follow the amortised cost method and not to time discount accounts receivable.

Therefore, accounts receivable have been recognised at their presumed realisable value.

The item "Credits towards the Controlling company" includes the credit for repairs and services rendered on behalf or to the benefit of the parent company.

Description	Opening balance	Changes during the year	INR
			Closing balance
Finished products and goods	3.223,61	(2.786,18)	437,44
Total	3.223,61	(2.786,18)	437,44

Accounting policies have been applied consistently with the prior year as explained in the introduction to these notes.

As of March 31, 2026, there were no vehicles in stock, the sale of which was completed during the financial year.

The valuation criteria adopted for spare parts have changed compared to the previous financial year and are explained in the first part of these Notes.

The valuation adopted differs from that carried out using the weighted average cost criterion by an amount of €778,716 (Article 2426, first paragraph, no. 9, of the Italian Civil Code).

II. Accounts receivable

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
177.491	862.788	(685.297)

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
191,79	932,29	(740,50)

Changes and expiration of receivables entered in the circulating assets

Break-down of the accounts receivable by geographical area

The following table shows a break-down of the accounts receivable at 31/03/2025 by geographical area (article 2427(1)(6) of the Civil Code).

EUR		
Accounts receivable by geographical area	From customers	From controlling company
ITALY	120.439	
INDIA		12.697
TOTAL	120.439	12.697

INR		
Accounts receivable by geographical area	From customers	From controlling company
ITALY	130,14	
INDIA		13,72
TOTAL	130,14	

The nominal value of the accounts receivable has been adjusted by a bad debts reserve that during the year had no movements

EUR		
Description	Bad debt reserve pursuant to article 2426 of the civil code	Total
Balance at 31/03/2025	35.630	35.630
Balance at 31/03/2026	35.630	35.630

INR		
Description	Bad debt reserve pursuant to article 2426 of the civil code	Total
Balance at 31/03/2025	38,50	38,50
Balance at 31/03/2026	38,50	38,50

No account receivable with significant amount, not transferred with recourse and not accounts receivable put up as collateral of own accounts payable or commitments.

There are not receivables sold "with recourse" as at 31/03/2026.

IV. Cash-in-hand, cash-at-bank and cash equivalents

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
1.281.279	4.828.294	(3.547.015)

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
1.384,50	5.217,26	(3.832,76)

EUR			
Description	Opening balance	Changes during the year	Closing balance
Bank and postal deposits	4.822.372	(3.552.037)	1.270.335
Cash and cash equivalents	5.922	5.022	10.944
Total	4.828.294	(3.547.015)	1.281.279

INR			
Description	Opening balance	Changes during the year	Closing balance
Bank and postal deposits	5.210,86	(3.838,19)	1.372,67
Cash and cash equivalents	6,40	5,43	11,83
Total	5.217,26	(3.832,76)	1.384,50

The balance reflects the cash-in-hand, cash-at-bank and cash equivalents at the year-end.

D) Accrued income/prepayments

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
38.857	53.297	(14.440)

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
41,99	57,59	(1,56)

They constitute the adjustment to costs and income pertaining to more than one fiscal year, incurred and earned before actual payment or collection and calculated on an accrual basis.

The criteria adopted for the recognition and translation of items in foreign currency have been reported in the first part of these notes.

At 31/03/2026, there were no accrued income/prepayments of a duration exceeding two years.

EUR		
	Prepayments	Total
Opening balance	53.297	53.297
Changes during the year	(14.440)	(14.440)
Closing balance	38.857	38.857

INR		
	Prepayments	Total
Opening balance	57,59	57,59
Changes during the year	(15,60)	(15,60)
Closing balance	41,99	41,99

Liabilities**A) Shareholder equity**

(article 2427(1)(4),(7) and (7-bis) of the Civil Code)

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
1.031.664	1.815.576	(783.912)

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
1.114,77	1.961,84	(847,06)

								EUR
	Opening balance	Allocation of the profit for the previous fiscal year		Other changes			Profit for the fiscal year	Closing balance
		Allocation of dividends	Other allocations	increases	Decreases	Reclassifications		
Share capital	1.421.151							1.421.151
Legal reserve	75.132			5.056				80.188
Extraordinary reserve	314.236							314.236
Others ...	1	(2)						(1)
Total various other reserves	314.237	(2)						314.235
Retained earnings (losses carried forward)								
Profit (Loss) for the year	5.056					(5.056)	(783.910)	(783.910)
Total	1.815.576	(2)		5.056		(5.056)	(783.910)	1.031.664

								INR
	Opening balance	Allocation of the profit for the previous fiscal year		Other changes			Profit for the fiscal year	Closing balance
		Allocation of dividends	Other allocations	Increases	Decreases	Reclassifications		
Share capital	1.535,64			5,46				1.535,64
Legal reserve	81,18							86,65
Extraordinary reserve	339,55							339,55
Others ...	0,00	(0)						(0,00)
Total various other reserves	339,55	(0)						339,55
Retained earnings (losses carried forward)	0,00							0,00
Profit (Loss) for the year	5,46					(5,46)	(847,06)	(847,06)
Total	1.961,84	(0)		5,46		(5,46)	(847,06)	1.114,77

Use of shareholders' equity

The items of the shareholders' equity are broken down as follows according to their origin, possible use, distributability and use made in the three prior years (article 2427(1)(7-bis) of the Civil Code)

							EUR
Nature/description	Amount	Origin/nature	Possible use (*)	Available amount (**)	Amount used for cover losses	Amount used for other reasons	
Share capital	1.421.151	Subscription of Company Quote	B				
Share premium reserve			A,B,C,D				
Revaluation surplus			A,B				
Legal reserve	80.188	Profit	A,B		80.188		
Reserves provided for by the articles of association							
Other reserves	–						
Extraordinary reserve	314.236	Profit	A,B,C,D		314.236		
Various other reserves	(1)				(1)		
Total various other reserves	314.237				314.235		
Retained earnings (losses carried forward)							
Total	1.815.574						
Non-distributable share							
Residual distributable share							

Nature/description	Amount	Origin/nature	Possible use (*)	Available amount (**)	Amount used for cover losses	Amount used for other reasons	INR
Share capital	1.535,64		B				
Share premium reserve			A,B,C,D				
Revaluation surplus			A,B				
Legal reserve	86,65	Profit	A,B		86,65		
Reserves provided for by the articles of association							
Other reserves							
Extraordinary reserve	339,55				339,55		
Various other reserves							
Total various other reserves	339,55						339,55
Retained earnings (losses carried forward)							
Total	1.961,84						
Non-distributable share							
Residual distributable share							

(*) A: for capital increase; B: for loss coverage; C: for distribution to shareholders; D: for other obligations imposed by the articles of association

(**) After deduction of the negative reserve for treasury shares, if any, and of tax loss carryovers.

The share capital amounts to Euro 1.421.151 - INR/Lakhs 1.535,64 and is made up of quotas with a nominal value of 1 Euro, held by and fully available to the sole shareholder as no burdens exist on them. At year-end the shares subscribed are paid in as the total amount of the share capital was fully paid-up.

B) Provision for contingent liabilities and charges

(article 2427(1)(4) of the Civil Code)

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
164.772	259.959	(95.187)
INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
178,05	280,90	(102,86)

	Provision for pension and similar benefits	Provision for taxes, including deferred taxes	Derivative financial instruments	Other provisions companies	EUR Total
Value at the beginning of the year				259.959	259.959
Changes in the year:					
Increases as a result of changes in the fair value				25.112	25.112
Decreases as a result of changes in the fair value				(95.187)	(95.187)
Total changes				(69.875)	(69.875)
Value at the end of the year				164.772	164.772

					INR
	Provision for pension and similar benefits	Provision for taxes, including deferred taxes	Derivative financial instruments	Other provisions companies	Total
Value at the beginning of the year				280,90	280,90
Changes in the year:				0,00	0,00
Increases as a result of changes in the fair value				27,14	27,14
Decreases as a result of changes in the fair value				0,00	0,00
Total changes				(102,86)	(102,86)
Value at the end of the year				178,05	178,05

The increases relate to accruals for the year totaling €25,112 INR/Lakhs 27.14, estimated for the termination of employment relationships.

The decreases of €120,299 INR/Lakhs 129.99 relate to the utilization during the year of the €130,007 INR/Lakhs 140.48 risk provision previously set aside to cover legal risks arising in the Spanish market and to cover potential claims raised by a former external professional of the company. The company concluded the case out of court, which was subsequently approved by the Court of Madrid.

The accrual to these provisions was justified by the fact that (i) the other provisions were made to the Warranty fund, because it has been considered not adequate to cover contract discrepancies between what has been acknowledged by the Company and what has been received by the Parent company.

During the year, the value of the provision for warranty was reinstated for a value deemed appropriate.

C) Indemnity for Employees leaving the Company
(article 2427(1)(4) of the Civil Code)

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
127.267	140.868	(13.601)

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
137,52	152,22	(14,70)

The difference can be described as follows.

EUR	
	Indemnity for Employees leaving company
Value at the beginning of the year	140.868
Changes in the year:	15.015
Decrease for utilization	(28.616)
Total changes	(13.601)
Value at the end of the year	127.267
INR	
	Indemnity for Employees leaving company
Value at the beginning of the year	152,22
Changes in the year:	16,22
Decrease for utilization	(30,92)
Total changes	(14,70)
Value at the end of the year	137,52

The provision consists of the amounts payable at 31/03/2026 to the employees on the company's payroll at that date, net of any advances paid.

This consists of the amounts accrued in favour of the employees pursuant to the law and the current collective bargaining agreements, taking into account any elements of remuneration paid on a continuous basis.

The provision includes the total amounts accrued at 31 December 2006 for employees at the year-end, net of any advances paid, and assuming termination of their employment relationship at such date.

The provision does not include any amounts accrued starting from 1 January 2007 that have been paid into complementary pension schemes pursuant to legislative decree no. 252 dated 5 December 2005 (or transferred to the special-purpose fund managed by the Italian social security authority - INPS).

During the year, the company accrued € 29.183 INR/Lakhs 31,53 for this indemnity, of which € 14.168 INR/Lakhs 15,31 transferred to the complementary pension fund and € 15.015 INR/Lakhs 16,22 to the TFR fund. The use of Euro 28.616 INR/Lakhs 30,92 refers to the liquidation of 3 employees who left the job during the year.

In the year after 31/03/2026 employees are not expected to receive an estimated employees' leaving indemnity as a result of incentivised dismissals and corporate reorganisation plans.

D) Accounts payable
(article 2427(1)(4) of the Civil Code)

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
586.392	6.567.516	(5.981.124)

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
633,63	7.096,60	(6.462,96)

The balance can be broken down by due date as follows (article 2427(1)(6) of the Civil Code):

	Value at the beginning of the year	Changes in the year	Value at the end of the year	Falling due within one year
Accounts payable to banks	1.097	(923)	174	174
Prepaid from Client		200.000	200.000	200.000
Accounts payable to suppliers	756.922	(536.706)	220.216	220.216
Accounts payable to controlling companies	5.358.995	(5.358.995)		
Taxes payable	119.424	(91.558)	27.866	17.866
Accounts payable to social security institutions	34.882	(786)	34.096	34.096
Other accounts payable	296.197	(192.157)	104.040	104.040
Total	6.567.516	(5.981.124)	586.392	586.392

	Value at the beginning of the year	Changes in the year	Value at the end of the year	Falling due within one year
Accounts payable to banks	1,19	(1,00)	0,19	0,19
Prepaid from Client	0,00	216,11	216,11	216,11
Accounts payable to suppliers	817,90	(579,94)	237,96	237,96
Accounts payable to controlling companies	6.309,38	(5.790,72)	0,00	0,00
Taxes payable	129,04	(98,93)	30,11	19,31
Accounts payable to social security institutions	37,69	(0,85)	36,84	36,84
Other accounts payable	320,06	(207,64)	112,42	112,42

The balance of the accounts payable to banks at 31/03/2026, in an amount of INR/Lakhs 0,19/ Eur 174 total amount debit for credit card, corresponds to the full payable including principal amount, interest and ancillary charges which have come to maturity and can be collected.

The item "Advances" includes any advances from customers on goods and services not yet supplied or rendered; this item includes advance payments, as earnest money or otherwise, received in connection with the sale of tangible, intangible and financial fixed assets.

Accounts payable from suppliers are recognised at their nominal value of net of trade discounts; cash discounts are recorded upon payment. The nominal value of these payables has been adjusted in case of returns or allowances (invoice adjustments) by the corresponding amount agreed with the other party.

The company took advantage of the possibility not to follow the amortised cost method and/or not to time discount accounts payable since 2016.

The company adopted the following accounting policies: no time discounting of accounts payable due within one year; no time discounting of accounts payable if the effective interest rate does not significantly differ from market rate; no adoption of the amortised cost method for accounts payable due

within one year, no adoption of the amortised cost method if transaction costs, commission fees and any other difference between initial value and value on expiry are of negligible amount.

Regarding the accounts payable to controlled companies and undertakings under control by the controlling companies, we note that they refer to vehicles' and spare parts' supplies under normal market conditions.

The item "Tax liabilities" only includes the actual taxes payable, while any likely tax liabilities or tax liabilities whose amount or date of occurrence is doubtful or deferred tax liabilities, are recorded in item B.2 of the liabilities section of the balance sheet (Provision for taxes).

The accounts payable falling due within one year does not include accounts payable backed by covenants.

No significant changes occurred in the amount of Tax liabilities.

In the tax payables item are registered IVA debt Eur 5.008 INR/Lakhs 5,41 and WHT Eur 22.858 INR/Lakhs 24,70.

E) Accrued liabilities/Deferred income

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
5.494	5.468	26

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
5,94	5,91	0,03

EUR			
	Accrued liabilities	Deferred income	Total
Opening balance	5.468		5.468
Changes during the year	26		26
Closing balance	5.494		5.494

INR			
	Accrued liabilities	Deferred income	Total
Opening balance	5,91		5,91
Changes during the year	0,03		0,03
Closing balance	5,94		5,94

They constitute the adjustment to costs and income calculated on an annual basis.

The criteria adopted for the recognition and translation of items in foreign currency have been reported in the first part of these notes. At 31/03/2026, there were no accrued liabilities/deferred income of a duration exceeding five years.

Profit and loss account

The changes in the income statement items compared to the previous year are shown below.

A) Revenue

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
3.743.511	7.234.870	(3.491.359)

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
4.045,09	7.817,71	(3.772,62)

EUR			
Description	Balance at 31/03/2026	Balance at 31/03/2025	Difference
From sales and services	2.520.815	5.448.542	(2.927.727)
Other revenues and proceeds	1.222.696	1.786.328	(563.632)
Total	3.743.511	7.234.870	(3.491.359)

INR			
Description	Balance at 31/03/2026	Balance at 31/03/2025	Difference
From sales and services	2.723,89	5.887,48	(3.163,58)
Other revenues and proceeds	1.321,20	1.930,23	(609,04)
Total	4.045,09	7.817,71	(3.772,62)

The reason for the changes is explained in the Directors' report.

Services rendered refer to reimbursements for Warranties issued on the European market and for trade incentives or marketing expenses and homologation expenses.

Revenue by activity

(Article 2427(1)(10) of the civil code)

EUR	
Activity	31/03/2026
Sale of vehicles	1.190.724
Sale of spares	1.244.828
Sale of accessories	50.263
Service supplies	35.000
Total	2.520.815

INR	
Activity	31/03/2026
Sale of vehicles	1.286,65
Sale of spares	1.345,11
Sale of accessories	54,31
Service supplies	37,82
Total	2.723,89

Revenue by geographical area

(Article 2427(1)(10) of the civil code)

EUR			
Geographical area	Sales of goods	Other sales	Balance at 31/03/2026
Italia	2.520.815	0	2.520.815
Totale	2.520.815	0	2.520.815

INR			
Geographical area	Sales of goods	Other sales	Balance at 31/03/2026
Italia	2.723,89	0,00	2.723,89
Totale	2.723,89	0,00	2.723,89

The company has not entered revenue of an exceptional amount or incidence.

B) Expenses

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
4.527.343	7.197.192	(2.669.849)

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
4.892,07	7.777,00	(2.884,93)

EUR			
Description	Balance at 31/03/26	Balance at 31/03/25	Difference
Raw materials, subsidiary materials and goods	375.130	1.286.699	(911.569)
Services	735.638	949.341	(213.703)
Rent/lease	128.480	135.158	(6.678)
Salaries and wages	449.301	521.332	(72.031)
Social security contributions	128.362	153.176	(24.814)
Employees' leaving indemnity	29.183	31.820	(2.637)
Other personnel costs	660	928	(268)
Amortisation of intangible assets	1.719	1.082	637
Depreciation of tangible assets	37.408	23.421	13.987
Changes to stocks of raw materials	2.578.461	4.039.428	(1.460.967)
Provision for risks	25.112	0	25.112
Miscellaneous running costs	37.889	54.807	(16.918)
Total	4.527.343	7.197.192	(2.669.849)

INR			
Description	Balance at 31/03/26	Balance at 31/03/25	Difference
Raw materials, subsidiary materials and goods	405,35	1.390,36	(985,00)
Services	795,98	1.025,82	(230,92)
Rent/lease	138,83	146,05	(7,22)
Salaries and wages	485,50	563,33	(77,83)
Social security contributions	138,70	165,52	(26,81)
Employees' leaving indemnity	31,53	34,38	(2,85)
Other personnel costs	0,71	1,00	(0,29)
Amortisation of intangible assets	1,86	1,17	0,69
Depreciation of tangible assets	40,42	25,31	15,11
Changes to stocks of raw materials	2.786,18	4.364,84	(1.578,66)
Provision for risks	27,14	0,00	27,14
Miscellaneous running costs	40,94	59,22	(18,28)
Total	4.892,07	7.777,00	(2.884,93)

Costs of raw materials, subsidiary materials, consumables and goods and costs of services

They are closely related to the information provided in the Directors' report and to point A (Revenue) of the Profit and loss account.

Personnel costs

This item includes all employee costs, including bonuses, promotions, cost-of-living increases, untaken holidays and the provisions made pursuant to the law and the national collective bargaining agreements.

The reduction in personnel costs is due to the leaving of 3 human resources.

Depreciation of tangible assets

Depreciation has been calculated on the basis of the useful life of the assets and their contribution to the production process.

The Company accrued the depreciation related the financial year closed as at 31/03/2026.

Other write-downs of fixed assets

The item is not reflected in the present financial statements.

Write-downs of accounts receivable included among current assets and of liquid assets

The item is not reflected in the present financial statements.

Accruals to provisions for contingent liabilities and charges

The item is not reflected in the current financial statement, amounting to Euro 25,112 INR/Lakhs 27,14 relating to the estimated costs for union conciliations for workers who remain in the workforce.

Other accruals

The item is not reflected in the present financial statements.

Miscellaneous running costs

They refer to taxes other than income tax, subscriptions and other charges. The company has not entered expenses for exceptional amount or incidence.

C) Financial income and costs

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
14	161	(147)

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
0,02	0,17	(0,16)

Financial income

EUR			
Description	Balance at 31/03/2026	Balance at 31/03/2025	Difference
Other income	41	65	(24)
(Interest and other financial costs)	(23)0	0	(23)
Exchange gains and losses	(4)	96	(100)
Total	14	161	(147)

INR			
Description	Balance at 31/03/2026	Balance at 31/03/2025	Difference
Other income	0,04	0,07	(0,03)
(Interest and other financial costs)	(0,02)	0,00	(0,02)
Exchange gains and losses	(0,00)	0,10	(0,11)
Total	0,02	0,17	(0,16)

Exchange gains and losses

The total amount of foreign exchange losses resulting in the income statement equal to Eur 4 INR/Lakhs 0.00 refers to exchange differences between forward contracts and spot contracts on the date the contract was signed.

Revaluations and write-downs of financial assets and liabilities

The item is not reflected in the present financial statements.

Taxes on the income of the period

EUR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
92	32.783	(32.691)

INR		
Balance at 31/03/2026	Balance at 31/03/2025	Difference
0,10	35,42	(35,32)

EUR			
Taxes	Balance at 31/03/26	Balance at 31/03/25	Difference
Current taxes:		32.783	(32.783)
IRES		24.258	(24.258)
IRAP		7.844	(7.844)
withholding taxes	92	681	(589)
Deferred tax liabilities/ (assets)		0	0
previous period taxes			
advance taxes			
IRES			
Total	92	32.783	(32.691)

INR			
Taxes	Balance at 31/03/26	Balance at 31/03/25	Difference
Current taxes:		35,42	(35,43)
IRES		26,21	(26,21)
IRAP		8,48	(8,48)
withholding taxes	0,10	0,74	(0,64)
Deferred tax liabilities/ (assets)		0,00	0,00
previous period taxes		0,00	0,00
advance taxes		0,00	0,00
IRES		0,00	0,00
Total	0,10	35,42	(35,32)

Taxes pertaining to the financial year have been entered.

We set out below the reconciliation between the theoretical tax liability per the financial statements and the tax liability:

Reconciliation between the theoretical tax liability per the financial statements and the tax liability (IRES)

Description	Value	EUR Tax
Pre-tax result	(783.818)	
Theoretical tax liability (%)	24	
Temporary differences taxable in future years:		
Nondeductible share of credit write-off		
Business expenses	909	
Imu	15.527	
deductible interest		
total		
Reversal of temporary differences of prior years		
Leasing auto		
Business expenses	(682)	
Imu	(15.527)	
interest		
Bad Debts utilization	(120.300)	
total		
Differences which will not be reversed in future years		
Capital gain		
Reversal of bad debts		
lper depreciation	(970)	
ACE		
Tax losses from previous years 80%		
Irap		
Indemnity for employees leaving		
Insurance reimbursement		
Not deductible expenses	136.312	
Total	135.342	
Taxable income	(768.549)	
current taxes on income for the year		(184.452)

Description	Value	INR Tax
Pre-tax result	846,96	
Theoretical tax liability (%)	24	
Temporary differences taxable in future years:		
Nondeductible share of credit write-off		
Business expenses	0,98	
Imu	16,78	
deductible interest		
total		
Reversal of temporary differences of prior years		
Leasing auto		
Business expenses	(0,74)	
Imu	(16,78)	
interest		
Bad Debts utilization	(129,99)	
total		
Differences which will not be reversed in future years		
Capital gain		
Reversal of bad debts		

Description	Value	INR Tax
Iper depreciation	(1,05)	
ACE		
Tax losses from previous years 80%		
Irap		0
Indemnity for employees leaving		
Insurance reimbursement		
Not deductible expenses	147,29	
Total	146,25	
Taxable income	(830,46)	
current taxes on income for the year		(199,31)

Determination of the IRAP taxable amount

Description	Value	EUR Tax
Difference between revenue and expenses	(151.214)	
Costs not relevant for IRAP	68.852	
Revenue not relevant for IRAP	(587.766)	
Total	(670.128)	
Theoretical tax liability (%)	4,82	
Temporary difference deductible in future years:	0	
Irap taxable amount	(670.128)	
Current IRAP for the year		(32.300)

Description	Value	INR Tax
Difference between revenue and expenses	(163,40)	
Costs not relevant for IRAP	74,40	
Revenue not relevant for IRAP	(635,12)	
Total	(724,11)	
Theoretical tax liability (%)	4,82	
Temporary difference deductible in future years:		
Irap taxable amount	(724,11)	
Current IRAP for the year		(34,90)

Employee information

(article 2427(1)(15) of the Civil Code)

Compared to the previous year the personnel broken down by category has changed as shown below:

Staff	31/03/2026	31/03/2025	Change
Executives	1	1	
Middle Manager	1	1	
Employees	1	4	(3)
Labourers	1	3	(2)
Others	1	0	1
Total	5	9	(4)

The national collective bargaining agreement for companies in the commercial sector applies.

Industrial relations are good and there are no litigations with employees still working or dismissed.

Remunerations, advances, and credits granted to directors and statutory auditors, as well as commitments assumed on their behalf

	EUR	
	Directors	Statutory Auditor
Remunerations	5.469	14.768
Advances		
Credits		
Commitments assumed on their behalf as a result of any type of guarantee provided		

	INR	
	Directors	Statutory Auditors
Remunerations	5,91	15,96
Advances		
Credits		
Commitments assumed on their behalf as a result of any type of guarantee provided		

Information concerning the Auditor's fees

(article 2427(1)(16-bis) of the civil code)

As required by law, we set out below the amount of fees charged for services rendered by the audit company firm and by entities that are members of its network:

Description	EUR Fee
Audit of annual accounts	12.100
Total fees due to the auditor or audit company	12.100

Description	INR Fee
Audit of annual accounts	13,07
Total fees due to the auditor or audit company	13,07

The members of the Board of Directors renounced the remuneration due for the position held in the Mahindra group companies.

The independent Director's fee is Eur 5.469 INR/Lakhs 5,91.

Information on significant events which occurred after the end of the financial year

The Company has taken all necessary actions in the first days of the new financial year to facilitate the transition of after-sales activities to the market.

Information on the company which prepares the consolidated financial statements for the larger/smaller set of companies which the company is a member of in a capacity as controlled undertaking

As required by law, we set out below the information pursuant to article 2427(1)(22-quinquies and sexies) of the civil code.

Description	Larger set	Smaller set
Company name	Mahindra Overseas Investment Company Ltd	Mahindra Overseas Investment Company Ltd
Registered office	India	Mauritius
Tax code		
Place of filing of a copy of the consolidated financial statements	India	Mauritius

Group

Mahindra Europe Srl belongs to the Mahindra Group and is subject to the management and the coordination of MAHINDRA & MAHINDRA Ltd pursuant to article 2497-bis of the Italian Civil Code. It is controlled by Mahindra Overseas Investment Company (Mauritius) Limited, which is totally controlled by Mahindra & Mahindra Ltd.

The Company does not own shares of parent companies, neither directly nor through third parties or trust companies.

The table below shows essential data from the last financial statements approved by Mahindra & Mahindra Ltd. Values are expressed in thousand INR/LAKS. Please note that Mahindra & Mahindra Ltd prepares yearly consolidated Financial Statements.

Description	Latest available financial statements	EUR Financial statements prior to the latest available ones
BALANCE SHEET		
ASSETS		
A) Accounts receivable from shareholders in respect of unpaid share capital		
B) Fixed assets	4.445.591	3.986.380
C) Current assets	2.320.114	2.122.452
Total assets	6.765.705	6.108.832
LIABILITIES:		
A) Shareholders' equity:		
Share capital	76.494	76.652
Reserves	3.698.240	3.266.327
Profit (loss) for the year	617.343	561.197
TOTAL	4.392.077	3.904.176
B) Provisions for liabilities and charges		
C) Employees' leaving indemnity		
D) Accounts payable	2.373.628	2.204.656
E) Accrued liabilities and deferred income		
Total liabilities	6.765.705	6.108.832
PROFIT AND LOSS ACCOUNT		
A) Revenue	7.100.274	6.503.652
B) Expenses	6.269.840	5.758.875
C) Financial income and costs	(14.558)	(14.455)
D) Value adjustments to financial assets	(3.817)	55.863
Taxes on income for the year	196.302	224.988
Profit (loss) for the year	615.757	561.197

Description	Latest available financial statements	INR/Lakhs Financial statements prior to the latest available ones
BALANCE SHEET		
ASSETS		
A) Accounts receivable from shareholders in respect of unpaid share capital		
B) Fixed assets	4.803,73	4.307,52
C) Current assets	2.507,02	2.293,44
Total assets	7.310,75	6.600,96
LIABILITIES:		
A) Shareholders' equity:		
Share capital	82,66	82,83
Reserves	3.996,17	3.529,46
Profit (loss) for the year	667,08	606,41
TOTAL	4.745,90	4.218,70
B) Provisions for liabilities and charges		
C) Employees' leaving indemnity		
D) Accounts payable	2.564,85	2.382,26
E) Accrued liabilities and deferred income	0,00	0,00
Total liabilities	7.310,75	6.600,96
PROFIT AND LOSS ACCOUNT		
A) Revenue	7.672,27	7.027,59
B) Expenses	6.774,94	6.222,81
C) Financial income and costs	(15,73)	(15,62)
D) Value adjustments to financial assets	(4,12)	60,36
Taxes on income for the year	212,12	243,11
Profit (loss) for the year	665,36	606,41

Appropriation of the profit for the year

It is proposed that the Quotaholder's meeting cover the losses of €783,910 INR/Lakhs 847,06 through the use of available reserves of €80,188 INR/Lakhs 86,65 from the legal reserve and €314,236 INR/Lakhs 339,55 from the extraordinary reserve, and carry forward the residual loss of €389,486 INR/Lakhs 420,86. Furthermore, it is proposed that the share capital be adjusted at the next extraordinary meeting.

Final considerations

These financial statements, composed of the balance sheet, profit and loss account and notes, are a true and fair view of the company's state of affairs and economic result for the year and are in accordance with the underlying accounting records.

We invite the Quota Holder to approve the financial statements in their current form and all the single items, year.

The Chairman of the Board of Directors
Sachin Arolkar

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Mahindra and Mahindra South Africa Proprietary Limited

Opinion

We have audited the annual financial statements of Mahindra and Mahindra South Africa Proprietary Limited (the company) set out on pages herein 9 to 36 which comprise the statement of financial position as at 31 March 2026 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including material accounting policy information.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Mahindra and Mahindra South Africa Proprietary Limited as at 31 March 2026, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises information included in the document titled "Mahindra and Mahindra South Africa Proprietary Limited Annual Financial Statements for the year ended 31 March 2026", which includes the Director's Report as required by the Companies Act of South Africa. The other information does not include the annual financial statements and our auditor's report thereon.

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

Responsibilities of the Director for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with the International Financial Reporting Standards and the requirements of the Companies Act of South Africa, and for such internal control as the directors determines is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the annual financial statements, the director 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 the director either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 ISAs 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 annual financial statements.

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

- Identify and assess the risks of material misstatement of the annual 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director'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 annual 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 entity to cease to continue as a going concern.

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

We communicate with the director 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.

Willem van Niekerk
SNG Grant Thornton Incorporated
Director
Registered Auditor

14 April 2026
152 14th Road,
Noordwyk,
Midrand
1687

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Note(s)	2026 R	2025 R
Assets			
Non-Current Assets			
Property, plant and equipment.....	3	70,351,194	63,752,201
Right-of-use assets	4	81,503,845	7,997,544
Deferred tax	5	5,354,558	3,673,434
		<u>157,209,597</u>	<u>75,423,179</u>
Current Assets			
Loans receivable	7	3,565,000	3,565,000
Inventories	8	1,012,013,237	1,553,422,027
Trade and other receivables	9	168,332,215	263,848,604
Cash and cash equivalents.....	10	407,342,382	65,545,287
Current tax receivable.....		563,674	5,493,026
		<u>1,591,816,508</u>	<u>1,891,873,944</u>
Total Assets		<u>1,749,026,105</u>	<u>1,967,297,123</u>
Equity and Liabilities			
Equity			
Share capital	11	52,000,000	52,000,000
Reserves	12	(19,245,759)	(19,245,759)
Retained income		261,415,544	209,935,521
		<u>294,169,785</u>	<u>242,689,762</u>
Liabilities			
Non-Current Liabilities			
Lease liabilities.....	13	81,963,891	7,119,581
Contract liabilities	14	296,555,441	259,949,093
Provisions	15	2,511,984	2,511,984
		<u>381,031,316</u>	<u>269,580,658</u>
Current Liabilities			
Lease liabilities.....	13	4,463,355	1,427,765
Contract liabilities	14	160,727,472	120,426,276
Provisions	15	762,347	4,163,824
Trade and other payables.....	16	907,420,247	1,328,557,648
Bank overdraft.....	10	451,583	451,190
		<u>1,073,825,004</u>	<u>1,455,026,703</u>
Total Liabilities		<u>1,454,856,320</u>	<u>1,724,607,361</u>
Total Equity and Liabilities		<u>1,749,026,105</u>	<u>1,967,297,123</u>

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note(s)	2026 R	2025 R
Revenue	17	5,697,545,626	4,906,703,720
Cost of sales	18	(5,116,573,076)	(4,417,972,692)
Gross profit		580,972,550	488,731,028
Other operating income		19,721,451	30,724,667
Other operating gains (losses)		7,193,408	5,115,669
Other operating expenses		(514,623,452)	(429,824,472)
Operating profit	19	93,263,957	94,746,892
Investment income	20	12,068,458	5,732,535
Interest expense	21	(37,450,063)	(31,312,689)
Profit before taxation		67,882,352	69,166,738
Taxation	22	(16,402,329)	(19,007,726)
Profit for the year		51,480,023	50,159,012
Total comprehensive income for the year		51,480,023	50,159,012

STATEMENT OF CHANGES IN EQUITY

	Share capital	Foreign currency translation reserve	Retained income	Total equity
	R	R	R	R
Balance at 01 April 2024	52,000,000	(19,245,759)	159,776,509	192,530,750
Profit for the year	–	–	50,159,012	50,159,012
Other comprehensive income	–	–	–	–
Total comprehensive income for the year	–	–	50,159,012	50,159,012
Balance at 01 April 2025	52,000,000	(19,245,759)	209,935,521	242,689,762
Profit for the year	–	–	51,480,023	51,480,023
Other comprehensive income	–	–	–	–
Total comprehensive income for the year	–	–	51,480,023	51,480,023
Balance at 31 March 2026	52,000,000	(19,245,759)	261,415,544	294,169,785
Note(s)	11	12		

STATEMENT OF CASH FLOWS

	Note(s)	2026 R	2025 R
Cash flows from operating activities			
Cash generated from operations	23	358,801,309	202,791,440
Interest received.....	20	12,068,458	5,732,535
Interest paid	21	(30,166,439)	(30,508,849)
Tax paid.....	24	(13,154,101)	(2,692,064)
Net cash from operating activities		327,549,227	175,323,062
Cash flows from investing activities			
Purchase of property, plant and equipment.....	3	(12,457,834)	(10,996,797)
Proceeds from sale of property, plant and equipment		37,024,327	18,640,090
Cash flows from financing activities			
Lease liabilities paid	13	(10,319,018)	(2,262,873)
Total cash movement for the year		341,796,702	180,703,482
Cash and cash equivalents at the beginning of the year		65,094,097	(115,609,385)
Cash and cash equivalents at the end of the year	10	406,890,799	65,094,097

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

MATERIAL ACCOUNTING POLICIES

1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these annual financial statements.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards as issued by the International Accounting Standards Board and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act of South Africa as amended.

The annual financial statements comply with the requirements of the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and the Financial Reporting Pronouncements as issued by the Financial Reporting Standards Council.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Rands, which is the company's functional currency.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Key sources of estimation uncertainty

Impairment testing

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

The company reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determines the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions.

Useful lives of property, plant and equipment

Management assesses the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of all assets are determined based on company replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Computer equipment	Straight line	4 years
Computer software	Straight line	5 years
Furniture and fixtures	Straight line	3 years

Item	Depreciation method	Average useful life
Leasehold improvements	Straight line	3 years
Motor vehicles	Straight line	4 years
Motor vehicles - Held for rental	Straight line	4 years
Office equipment	Straight line	6 years
Plant and machinery	Straight line	3 years

Contract liabilities

The fair value of contract liabilities from service plans is management's best estimate of the company's future income and cost based on the estimated service cost that would occur for the selected models over a period of three to five years adjusted for inflation and possible price increases in parts and labour used in the service of the selected model.

Provision for warranties

Warranty provisions are management's best estimate of the company's liability (after the expected reimbursement from the manufacturer) on vehicles under two, three or five year warranties based on the current year warranty claims occurred. The cost per day calculated on those claims is used to estimate the future cost for the remaining warranty days under consideration.

The warranty provision has been discounted to present value and the incremental amount pertaining to the current financial year has been adjusted in cost of sales.

Recoverability of receivables

The company makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

Determination of net realisable value of inventory

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The write down is included in cost of sales.

1.3 Financial instruments

Financial instruments are recognised when the company becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any, except for financial instruments at fair value through profit or loss which exclude transaction costs.

The material accounting policies for each type of financial instrument held by the company are presented below:

Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost. They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the entity's business model is to collect the contractual cash flows on trade and other receivables.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write offs accounting policy.

Trade and other receivables include amounts which have been denominated in India Rupees and US Dollars, however these are minimal as disclosed in note 28. Foreign exchange gains or losses are recognised in profit or loss.

Gains or losses arising on the derecognition of trade and other receivables are included in profit or loss in derecognition gains (losses) on financial assets at amortised cost, the details of which are included in note 19.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

Impairment - Expected credit losses and write offs

Loss allowances are recognised for expected credit losses on trade and other receivables.

The company measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL).

A provision matrix is used as a practical expedient when determining expected credit losses. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast conditions.

The measurement of expected credit losses incorporates the probability of default, loss given default and the exposure at default, taking the time value of money, historical data and forward-looking information into consideration. The entity has rebutted the assumption that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The movement in credit loss allowance is recognised in profit or loss with a corresponding adjustment to the carrying amount of the instrument through a loss allowance account.

The company writes off an instrument when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Instruments written off may still be subject to enforcement activities under the company's recovery procedures. Any recoveries made are recognised in profit or loss.

Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

Trade and other payables include amounts which have been denominated in India Rupees and US Dollars, however these are minimal. Foreign exchange gains or losses are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents mainly consists of bank balances and are recognised initially at the transaction price.

Subsequently, these are measured at amortised cost using the effective interest method.

Derecognition

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The company derecognises financial liabilities when its obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base used for taxation purposes.

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The deferred tax rate applied to assets is determined by the expected manner of recovery. Where the expected recovery of the asset is through sale, the capital gains tax rate is applied. The normal tax rate is applied when the expected recovery is through use. A combination of these rates is applied if the recovery is expected to be partly through use and sale.

Deferred tax assets are reviewed at each reporting date and are reduced if it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. The review by management has not resulted in the reduction of the deferred tax assets.

Tax expenses

The income tax expense consists of current and deferred tax and is recognised in profit or loss.

1.5 Leases

The company assesses whether a contract is, or contains a lease, at the inception of the contract.

No contracts were identified that required specific judgement as to whether they contained leases.

Company as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

They are measured initially at the initial amount of the lease liability plus upfront payments and initial direct costs.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated, from commencement date, over the shorter period of lease term and useful life of the underlying asset.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

1.6 Inventories

Inventories are measured at the lower of cost and net realisable value.

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

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the entity.

Write downs and reversals of write downs of inventories are included as part of the cost of goods sold.

1.7 Impairment of assets

Management assesses, at the end of each reporting period, whether there is any indication that an asset, such as property, plant and equipment, may be impaired. If any such indication exists, then the recoverable amount of the asset is determined.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash generating unit to which the asset belongs.

An impairment loss is recognised for an asset (or a cash-generating unit) if the recoverable amount of the asset or cash generating unit is less than the carrying amount. The impairment loss is determined as the difference between the two amounts. For cash generating units, the impairment loss is allocated to reduce the carrying amount of goodwill included in the cash-generating unit and then to the other assets on a pro-rata basis.

Impairment losses are recognised immediately in profit or loss.

1.8 Share capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Ordinary shares are classified as equity.

1.9 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal obligation to make such payments as a result of past performance.

Defined contribution plans

The company contributes to [state plan E.g. MetHealthy medical scheme] which is a defined contribution pension plan.

Payments are charged as an expense as they fall due.

1.10 Provisions and contingencies

Provisions are recognised when:

- the company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
 - the business or part of a business concerned;
 - the principal locations affected;
 - the location, function, and approximate number of employees who will be compensated for terminating their services;
 - the expenditures that will be undertaken; and
 - when the plan will be implemented; and
- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised.

1.11 Revenue from contracts with customers

Revenue comprises consideration received or receivable on contracts entered into with customers for the sale of goods and services in the ordinary course of the entities' activities. The performance obligation is identified as the distinct goods and services as agreed in the contract(s). Revenue is shown net of trade discounts, volume rebates and value added tax and is recognised when the entity satisfies its' performance obligations as set out in the contracts entered into with its customers. Revenue is recognised at the amount of the transaction price that is allocated to each performance obligation and this is determined at the amount as depicted in the contract for the exchange of the goods and services. Where a contract has multiple performance obligations, the transaction price is allocated to the performance obligations in the contract by reference to their relative standalone selling prices.

The principles of IFRS 15 are applied using the following five-step model:

- Identify the contract(s) with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue streams

- Sale of spares
- Sale of vehicles
- Sale of service plan
- Sale of construction equipment
- Commission income and recoveries

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

The contracts for the sale of goods are identified as one performance obligation. Revenue is recognised at a point in time when the control of the goods is transferred to the customer, generally on delivery of the goods. Payment is normally due within 30 days of delivery.

Revenue is recognised when an entity satisfies a performance obligation as control is passed, either over time or at a point in time. The above revenue is recognised at a point in time, except for Service plans which is recognised over time. Service Plan is recognised by reference to the stage of completion of the transaction at the end of the reporting period.

Contract liabilities relates to Service Plan Revenue and is reflected under Liabilities in the Statement of Financial Position. A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or when consideration is due) from the customer. If a customer pays consideration before the company transfers goods or services to the customer, a contract liability is recognised when the payment is made or when the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the company satisfies the performance obligation.

If the company performs on a contract by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised where the entity satisfies a performance obligation but does not have unconditional right to consideration. Contract assets recognised are reflected under trade and other receivables.

Interest is recognised, in profit or loss, using the effective interest rate method.

1.12 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

1.13 Translation of foreign currencies

Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are translated at the end of the reporting period using the closing rate.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

Refer to the individual accounting policies for financial instruments for the detailed foreign exchange accounting policies.

1.14 Levies

IFRIC 21 addresses the issue of when to recognise a liability to pay a levy. The Interpretation defines a levy, and specifies that the obligating event that gives rise to the liability is the activity that triggers the payment of the levy, as

identified by legislation. The Interpretation provides guidance on how different levy arrangements should be accounted for, in particular, it clarifies that neither economic compulsion nor the going concern basis of financial statements preparation implies that an entity has a present obligation to pay a levy that will be triggered by operating in a future period. The company has inventory stored in a bonded warehouse where duties, levies and taxes are due once the inventory leaves the bonded warehouse, or 24 months, whichever are earlier.

1.15 Finance income (costs)

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprises of interest expense on bank overdraft facilities and vehicle purchase credit provided. Interest expense is recognised in profit or loss using the effective interest method.

2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Lack of exchangeability - amendments to IAS 21	01 January 2025	The impact of the amendments is not material.

2.2 Standards and interpretations not yet effective

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 April 2026 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• IFRS 18 Presentation and Disclosure in Financial Statements	01 January 2027	Unlikely there will be a material impact
• Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 7 Financial Instruments: Disclosures	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 Financial Instruments	01 January 2026	Unlikely there will be a material impact
• Amendments to IAS 7 Statement of Cash flows - Cost Method	01 January 2026	Unlikely there will be a material impact
• Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments	01 January 2026	Unlikely there will be a material impact

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

3. Property, plant and equipment

	2026			2025		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Computer equipment ..	4,345,337	(3,619,072)	726,265	3,626,233	(3,188,916)	437,317
Computer software	5,413,501	(4,631,920)	781,581	4,757,306	(4,602,607)	154,699
Furniture and fixtures ..	5,173,661	(5,173,661)	–	5,173,661	(4,867,003)	306,658
Leasehold improvements.....	21,961,331	(1,403,737)	20,557,594	10,988,933	(1,065,633)	9,923,300
Motor vehicles.....	71,733,131	(23,654,682)	48,078,449	76,838,726	(24,133,533)	52,705,193
Motor vehicles - Held for rental	764,886	(764,886)	–	764,886	(764,886)	–
Office equipment	1,323,825	(1,116,520)	207,305	1,275,381	(1,050,347)	225,034
Plant and machinery..	407,577	(407,577)	–	407,577	(407,577)	–
Total	111,123,249	(40,772,055)	70,351,194	103,832,703	(40,080,502)	63,752,201

Reconciliation of property, plant and equipment - 2026

	Opening balance	Additions	Disposals	Depreciation	Total
Computer equipment.....	437,317	780,462	(56,353)	(435,161)	726,265
Computer software.....	154,699	656,194	–	(29,312)	781,581
Furniture and fixtures.....	306,658	336	–	(306,994)	–
Leasehold improvements...	9,923,300	10,972,398	–	(338,104)	20,557,594
Motor vehicles	52,705,193	37,014,604	(27,652,196)	(13,989,152)	48,078,449
Office equipment	225,034	48,444	–	(66,173)	207,305
	<u>63,752,201</u>	<u>49,472,438</u>	<u>(27,708,549)</u>	<u>(15,164,896)</u>	<u>70,351,194</u>

Reconciliation of property, plant and equipment - 2025

	Opening balance	Additions	Disposals	Depreciation	Total
Computer equipment.....	150,152	387,989	(6,421)	(94,403)	437,317
Computer software.....	–	166,912	–	(12,213)	154,699
Furniture and fixtures.....	219,055	457,500	–	(369,897)	306,658
Leasehold improvements...	–	9,964,243	–	(40,943)	9,923,300
Motor vehicles	38,492,615	40,227,866	(14,117,965)	(11,897,323)	52,705,193
Office equipment	292,740	20,152	–	(87,858)	225,034
	<u>39,154,562</u>	<u>51,224,662</u>	<u>(14,124,386)</u>	<u>(12,502,637)</u>	<u>63,752,201</u>

During the year an amount of R37 014 604 (2025: R40 227 866) was included in the vehicle additions, which was transferred from Inventory to Property, Plant and Equipment and is excluded from the cash additions as well as the cash generated from operations in the statement of cash flows.

4. Right-of-use assets

The company leases various buildings as the need arises. Lease contracts are typically made for fixed periods between 3 years to 10 years. Lease contracts are negotiated on an individual basis and contain a wide range of different terms and conditions.

The lease contracts do not impose any covenants.

Details pertaining to leasing arrangements, where the company is lessee are presented below:

	2026			2025		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Buildings and infrastructure	90,457,559	(8,953,714)	81,503,845	9,515,602	(1,518,058)	7,997,544

Reconciliation of right-of-use assets - 2026

	Opening balance	Additions	Other modifications	Depreciation	Total
Buildings and infrastructure	7,997,544	80,915,294	26,663	(7,435,656)	81,503,845

Reconciliation of right-of-use assets - 2025

	Opening balance	Additions	Terminations	Depreciation	Total
Buildings and infrastructure	977,090	9,392,827	(572,699)	(1,799,674)	7,997,544

5. Deferred tax

Deferred tax asset

	2026	2025
Deferred revenue less Section 24C allowance	2,469,328	2,054,027
Lease liabilities	23,334,186	2,307,783
Prepaid expenses	(318,295)	(2,938,318)
Provisions	3,405,258	4,409,279
Right-of-use assets	(23,535,919)	(2,159,337)
Total deferred tax asset	5,354,558	3,673,434

Reconciliation of deferred tax asset

	2026	2025
	R	R
At beginning of year.....	3,673,434	21,200,668
Increases (decrease) in tax loss available for set off against future taxable income-gross of valuation allowance.....	–	(288,425)
Taxable / (deductible) temporary difference on deferred revenue.....	415,301	535,728
Taxable / (deductible) temporary difference on lease liabilities.....	21,026,403	1,852,230
Taxable / (deductible) temporary difference on prepaid expenses	2,620,023	(2,527,381)
Taxable / (deductible) temporary difference on provisions..	(1,004,021)	(15,203,863)
Taxable / (deductible) temporary difference on right-of-use assets	(21,376,582)	(1,895,523)
	<u>5,354,558</u>	<u>3,673,434</u>

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position.

Management expects sufficient future taxable income in the company to enable the company to realise the deferred tax asset.

6. Retirement benefits

Defined contribution plan

It is the policy of the company to provide retirement benefits to all its employees. A defined contribution provident fund which is subject to the Pensions Fund Act exists for this purpose. The scheme is funded by company and employee contributions only, which are charged to the income statement as they are incurred. The total company contributions to such scheme in 2026 was R4 403,506 (2025: R3 259,654).

The company is under no obligation to cover any unfunded benefits.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

7. Loans receivable

Loans receivable are presented at amortised cost, which is net of loss allowance, if any, as follows:

	2026	2025
	R	R
Makatu Enterprises	2,665,000	2,665,000
Nyk Mangane Projects	900,000	900,000
	<u>3,565,000</u>	<u>3,565,000</u>

The loan is unsecured, interest free and repayable on demand.

Exposure to credit risk

Loans receivable inherently exposes the company to credit risk, being the risk that the company will incur financial loss if counterparties fail to make payments as they fall due.

Fair value of loans receivable

The fair value of loans receivable approximates their carrying amounts.

8. Inventories

	2026	2025
	R	R
Agricultural produce	621,345	621,345
Goods in transit	300,619,459	335,311,887
Motor vehicles	522,572,244	1,061,151,678
Spares	190,342,262	157,979,190
	<u>1,014,155,310</u>	<u>1,555,064,100</u>
Provision for write down of inventories to net realisable value		
- motor vehicles, spares and agricultural produce	(2,142,073)	(1,642,073)
	<u>1,012,013,237</u>	<u>1,553,422,027</u>

9. Trade and other receivables

	2026	2025
	R	R
Financial instruments:		
Trade receivables	111,482,316	182,544,811
Deposits	10,256,148	2,906,762
Non-financial instruments:		
Contract assets	184,940	-
Prepayments	46,408,811	78,397,031
Total trade and other receivables	<u>168,332,215</u>	<u>263,848,604</u>

Financial instrument and non-financial instrument components of trade and other receivables

	2026	2025
	R	R
At amortised cost	121,738,464	185,451,573
Non-financial instruments	46,593,751	78,397,031
	<u>168,332,215</u>	<u>263,848,604</u>

Exposure to credit risk

Trade receivables inherently expose the company to credit risk, being the risk that the company will incur financial loss if customers fail to make payments as they fall due. Trade receivables are generally considered to be in default when the receivable is 30 days past due on their contractual payments.

In order to mitigate the risk the company deals with reputed banks and customers and also demands bank guarantees or purchase credit insurance where applicable.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

The average credit period on trade receivables is 7 days (2025: 13 days). No interest is charged on outstanding trade receivables.

The company makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix has been applied to appropriate groupings of receivables based on shared credit risk characteristics. There is no material expected credit losses on application of the provision matrix for the businesses.

Furthermore, the company writes off a receivable where there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Receivables written off may still be subject to enforcement activities under the company recovery procedure, considering legal advice where appropriate. In the current year receivables amounting to R6 695 425 (2025: R4 203 977) was written-off.

	2026	2026	2025	2025
	Estimated	Loss	Estimated	Loss
	gross	allowance	gross	allowance
	carrying	(Lifetime	carrying	(Lifetime
	amount at	expected	amount at	expected
Expected credit loss	default	credit loss)	default	credit loss)
rate:				
Not past due	106,813,845	-	164,530,460	-
Less than 30 days past due	4,668,471	-	18,014,351	-
Total	<u>111,482,316</u>	<u>-</u>	<u>182,544,811</u>	<u>-</u>

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

10. Cash and cash equivalents

	2026	2025
	R	R
Cash and cash equivalents consist of:		
Cash on hand	29,039	240,145
Bank balances	407,313,306	65,304,998
Bank overdraft	(451,546)	(451,046)
	<u>406,890,799</u>	<u>65,094,097</u>
Current assets	407,342,382	65,545,287
Current liabilities	(451,583)	(451,190)
	<u>406,890,799</u>	<u>65,094,097</u>

There is a cession amounting to R125 139 (2025: R125 139) relating to the First National Bank Account (Account number: 74865277774). This cession is a guarantee to SARS to cover any defaults in relation to the bonded storage facility of Mahindra South Africa.

The carrying amount of cash and cash equivalents reasonably approximates its fair value.

All cash balances are placed with reputable financial institutions which have positive credit ratings. Therefore, there is no significant credit risk associated with cash and cash equivalents.

11. Share capital

	2026	2025
	R	R
Authorised		
70,000,000 Ordinary shares with no par value	<u>70,000,000</u>	<u>70,000,000</u>
Reconciliation of number of shares issued:		
Reported as at beginning of year	<u>52,000,000</u>	<u>52,000,000</u>
Issued		
52,000,000 Ordinary shares with no par value	<u>52,000,000</u>	<u>52,000,000</u>

12. Foreign currency translation reserve

The Kenya Branch operations in Shilling has been translated to ZAR based on the exchange rate. The foreign currency reserve is a result of the foreign currency translation.

	2026	2025
	R	R
Kenya Branch operations	<u>(19,245,759)</u>	<u>(19,245,759)</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

13. Lease liabilities

	2026 R	2025 R
Present value of minimum lease payments due		
- within one year	4,463,355	1,427,765
- in second to fifth year inclusive	28,715,648	7,119,581
- later than five years	53,248,243	–
	<u>86,427,246</u>	<u>8,547,346</u>
The lease liability classification at year end is as follows:		
Non-current liabilities	81,963,891	7,119,581
Current liabilities	4,463,355	1,427,765
	<u>86,427,246</u>	<u>8,547,346</u>

The lease liability relates to the right-of-use assets disclosed under note 4.

The company leases various buildings as the need arises under operating leases.

Lease contracts are typically made for fixed periods between 3 years and 10 years.

Interest is based on the incremental borrowing rate of 11.75% for the South African Office and the training centre leases; and 9.5% for the parts warehouse lease.

	2026 R	2025 R
Analysis of movement in lease liabilities		
Balance as at beginning of year	8,547,346	1,691,571
New leases	80,915,294	9,431,099
Terminations	–	(1,116,292)
Capital repayments	(3,035,394)	(1,459,032)
- Lease payments	(10,319,018)	(2,262,873)
- Interest charges	7,283,624	803,841
Balance as at end of the year	<u>86,427,246</u>	<u>8,547,346</u>

For details of the exposure to liquidity risk related to finance lease liabilities, as well as the maturity analysis of the gross amounts payable, refer to note 28.

14. Contract liabilities

	2026 R	2025 R
Summary of contract liabilities		
Service plans	457,282,913	380,375,369
Reconciliation of contract liabilities		
Opening balance	380,375,369	281,166,408
Raised in current year	197,309,421	212,259,309
Revenue in current year	(120,401,877)	(113,050,348)
	<u>457,282,913</u>	<u>380,375,369</u>
Split between non-current and current portions		
Non-current liabilities	296,555,441	259,949,093
Current liabilities	160,727,472	120,426,276
	<u>457,282,913</u>	<u>380,375,369</u>

Nature: Certain vehicles are sold with a service plan. This service plan then covers certain services for a predetermined number of years and kilometres travelled. The income from these service plans is deferred and recognised as these services are performed.

Assumptions: The fair value of contract liabilities from service plans is management's best estimate of the company's future income and cost based on the estimated service cost that would occur for the selected models over a period of three to five years adjusted for inflation and possible price increases in parts and labour used in the service of the selected model.

15. Provisions

Reconciliation of provisions - 2026

	Opening balance	Additions	Utilised during the year	Total
Provision for warranty claims	6,675,808	148,316,080	(151,717,557)	3,274,331

Reconciliation of provisions - 2025

	Opening balance	Additions	Utilised during the year	Change in estimate	Change in discount factor	Total
Provision for warranty claims	66,686,887	10,040,019	(56,211,130)	(22,875,738)	9,035,770	6,675,808

	2026 R	2025 R
Non-current liabilities	2,511,984	2,511,984
Current liabilities	762,347	4,163,824
	<u>3,274,331</u>	<u>6,675,808</u>

Nature: This provision is raised due to the fact that certain vehicles and tractors sold are sold under a warranty, thus this provision estimates cost that would occur in the future for repairs under warranties.

Assumptions: Warranty provisions are managements best estimate of the company's liability (after the expected reimbursement from the manufacturer) on vehicles under two or three year warranties based on three years actual historical sales and warranty claims occurred. The warranty period for tractors being a twelve month period from date of sale.

Further, the warranty provision has been discounted to present value and the incremental amount pertaining to the current financial year has been adjusted in cost of sales.

Change in estimate:

During the prior period, the company gained more experience which it considered in it's estimate of the warranty provision. This experience resulted in the company being able to determine a reimbursement factor on the total cost per day to reflect the exposure for warranty claims which the company is exposed to which the company was not able to reliably estimate in previous years. This reimbursement factor was determined as the amount which Mahindra & Mahindra Limited reimburses the company on each warranty claim submitted. The provision raised was thus only reflecting the amount which the company expected not to be reimbursed for. This resulted in the once off adjustment in the prior year of R22 875 738.

This did not affect prior periods and was applied prospectively.

16. Trade and other payables

	2026 R	2025 R
Financial instruments:		
Accruals	82,790,292	142,382,393
Accrued operating expenses	106,919,838	124,251,214
Accrued leave pay	5,528,647	4,314,109
Other payables*	1,445,415	1,445,415
Sundry payables*	2,125,999	3,093,262
Trade payables	659,231,575	1,031,482,303
Non-financial instruments:		
VAT	49,378,481	21,588,952
	<u>907,420,247</u>	<u>1,328,557,648</u>

* Relates in majority to professional fees and payments for retirement funds.

Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

17. Revenue

	2026	2025
	R	R
Revenue from contracts with customers		
Sale of goods and services	5,697,545,626	4,906,703,720
Disaggregation of revenue from contracts with customers		
The company disaggregates revenue from customers as follows:		
The amount included in revenue arising from exchanges of goods or services included in revenue are as follows:		
Sale of spares	528,486,800	465,518,539
Sale of vehicles	5,106,818,474	4,291,974,071
Sale of service plan	26,201,887	113,050,348
Sale of construction equipment	–	2,590,000
Sale of farm equipment	36,038,465	33,570,762
	<u>5,697,545,626</u>	<u>4,906,703,720</u>
Timing of revenue recognition:		
At a point in time	5,671,343,739	4,793,653,372
Over time	26,201,887	113,050,348
	<u>5,697,545,626</u>	<u>4,906,703,720</u>

Transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the reporting date

The transaction price which has been allocated to performance obligations which are unsatisfied or partially unsatisfied at the reporting date are presented below, together with the expected timing of satisfying the performance obligations:

2026	1 year	2 years	3-5 years
Transaction price allocated to:			
Service plans	160,727,470	139,387,274	157,168,168
2025			
Transaction price allocated to:			
Service plans	120,426,277	107,868,643	152,080,448

18. Cost of sales

	2026	2025
	R	R
Sale of goods	5,116,573,076	4,417,972,692

19. Operating profit (loss)

Operating profit for the year is stated after charging (crediting) the following, amongst others:

Auditor's remuneration - external

	2026	2025
	R	R
Audit fees	1,314,777	1,000,000
Tax and secretarial services	–	13,415
	<u>1,314,777</u>	<u>1,013,415</u>

Leases

	2026	2025
	R	R
Short-term leases	1,026,410	2,187,872
Total lease expenses	<u>1,026,410</u>	<u>2,187,872</u>

Other operating gains (losses)

	2026	2025
	R	R
Loss (profit) on exchange differences	2,150,023	(1,174,789)
Profit on sale of property, plant and equipment	<u>(9,343,431)</u>	<u>(3,940,880)</u>

Expenses by nature

The operating expenses are analysed by nature as follows:

	2026	2025
	R	R
Depreciation	22,600,552	13,952,486
Employee costs	77,286,633	66,020,222
	<u>99,887,185</u>	<u>79,972,708</u>

20. Investment income

	2026	2025
	R	R
Interest income		
From investments in financial assets:		
Bank	<u>12,068,458</u>	<u>5,732,535</u>

21. Interest expense

	2026	2025
	R	R
Bank and other	434,409	873,572
Lease liabilities	928,916	803,841
Vehicle purchase credit	36,086,738	29,635,276
	<u>37,450,063</u>	<u>31,312,689</u>

22. Taxation

Major components of the tax expense

	2026	2025
	R	R
Current		
Local income tax – current period	18,083,453	1,480,492
Deferred		
Deferred income tax – current period	<u>(1,681,124)</u>	<u>17,527,234</u>
	<u>16,402,329</u>	<u>19,007,726</u>

Reconciliation of the tax expense

Reconciliation between accounting profit and tax expense.

	2026	2025
	R	R
Accounting profit	67,882,352	69,166,738
Tax at the applicable tax rate of 27% (2025: 27%)	<u>18,328,235</u>	<u>18,675,019</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

	2026 R	2025 R
Tax effect of adjustments on taxable income		
Non-deductible expenses*	(1,925,906)	203,107
Prior year adjustment on deferred tax-assessed loss not allowed	–	129,600
	<u>16,402,329</u>	<u>19,007,726</u>

* Non-deductible expenses relate to donations and depreciation on leasehold improvements.

23. Cash generated from operations

	2026 R	2025 R
Profit before taxation	67,882,352	69,166,738
Adjustments for non-cash items:		
Depreciation	22,600,552	13,952,486
Profit on sale of assets	(9,343,431)	(4,670,796)
Movements in provisions.....	(3,401,477)	(57,808,164)
Adjust for items which are presented separately:		
Interest income.....	(12,068,458)	(5,732,535)
Interest expense.....	37,450,063	31,312,689
Changes in working capital:		
(Increase) decrease in inventories.....	504,395,176	(350,267,187)
(Increase) decrease in trade and other receivables.....	95,516,389	(70,143,516)
Increase (decrease) in trade and other payables.....	(421,137,401)	477,772,764
Increase (decrease) in contract liabilities.....	76,907,544	99,208,961
	<u>358,801,309</u>	<u>202,791,440</u>

24. Tax paid

	2026 R	2025 R
Balance at beginning of the year.....	5,493,026	4,281,454
Current tax recognised in profit or loss	(18,083,453)	(1,480,492)
Balance at end of the year	(563,674)	(5,493,026)
	<u>(13,154,101)</u>	<u>(2,692,064)</u>

25. Commitments

Short term leases

	2026 R	2025 R
Minimum lease payments due		
- first year	376,200	307,211

Operating lease payments represents rentals payable by the company for short term leases of its residential premises. Short term leases are leases with a lease term of 12 months or less. No contingent rent is payable.

26. Related parties

Relationships

Holding company	Mahindra & Mahindra Limited
Fellow subsidiaries	Erkunt Tractor Ind Inc. Mahindra Do Brasil Industrial LTDA. Mahindra Racing UK Limited
Directors	Nalinikanth Gollagunta (Appointed 19 September 2025) Vijay Nakra (Resigned 19 September 2025) Rajeev Goyal Rajesh Gupta Sandip Kulkarni (Resigned 25 April 2025)
Members of key management	Koushik Mitra

Related party balances

	2026 R	2025 R
Amounts included in Trade receivable regarding related parties		
Koushik Mitra.....	197,288	10,070
Mahindra & Mahindra Limited.....	12,306,149	10,103,079
Rajesh Gupta	892,843	–
	<u>13,396,280</u>	<u>10,113,149</u>

Amounts included in Trade Payable regarding related parties

Erkunt Tractor Ind Inc.	315,328	478,930
Mahindra & Mahindra Limited.....	517,992,582	786,668,683
	<u>518,307,910</u>	<u>787,147,613</u>

Amounts included in goods-in-transit

Mahindra & Mahindra Limited.....	300,619,459	335,311,887
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Related party transactions

Purchases from (sales to) related parties

Erkunt Tractor Ind Inc.	3,322,620	399,438
Mahindra Do Brasil Industrial LTDA.	(4,947,385)	–
Mahindra & Mahindra Limited.....	2,906,586,768	3,208,665,639
	<u>2,904,962,003</u>	<u>3,209,065,077</u>

Compensation to directors and other key management

Rajesh Gupta	4,456,224	3,739,787
Koushik Mitra.....	3,636,719	1,311,976
	<u>8,092,943</u>	<u>5,051,763</u>

27. Directors' emoluments

Executive

2026 Directors' emoluments	Salary	Performance pay	Benefits and allowances	Total
Services as director or prescribed officer				
Rajesh Gupta	3,030,999	349,777	1,075,448	4,456,224

2025 Directors' emoluments	Salary	Performance pay	Benefits and allowances	Total
Services as director or prescribed officer				
Rajesh Gupta	2,914,975	283,993	540,819	3,739,787

Nalinikanth Gollagunta (Chairman), Vijay Nakra, Rajeev Goyal and Sandip Kulkarni did not earn any emoluments for their services as a director of the entity in the current year and prior year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

28. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2026	Note(s)	Amortised cost	Total	Fair value
Loans receivable	7	3,565,000	3,565,000	3,565,000
Trade and other receivables	9	121,738,464	121,738,464	121,738,464
Cash and cash equivalents.....	10	407,342,346	407,342,346	407,342,346
		<u>532,645,810</u>	<u>532,645,810</u>	<u>532,645,810</u>
2025	Note(s)	Amortised cost	Total	Fair value
Loans receivable	7	3,565,000	3,565,000	3,565,000
Trade and other receivables ...	9	185,451,573	185,451,573	185,451,573
Cash and cash equivalents.....	10	65,545,287	65,545,287	65,545,287
		<u>254,561,860</u>	<u>254,561,860</u>	<u>254,561,860</u>

Categories of financial liabilities

2026	Note(s)	Amortised cost	Leases	Total	Fair value
Lease liabilities	13	—	86,427,246	86,427,246	86,427,246
Trade and other payables	16	858,041,766	—	858,041,766	858,041,766
		<u>858,041,766</u>	<u>86,427,246</u>	<u>944,469,012</u>	<u>944,469,012</u>
2025	Note(s)	Amortised cost	Leases	Total	Fair value
Lease liabilities	13	—	8,547,346	8,547,346	8,547,346
Trade and other payables	16	1,306,968,696	—	1,306,968,696	1,306,968,696
		<u>1,306,968,696</u>	<u>8,547,346</u>	<u>1,315,516,042</u>	<u>1,315,516,042</u>

Capital risk management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Financial risk management

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date.

Liquidity risk

The company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Short-term liquidity needs for a 120-day or less are identified monthly.

Funding in regard to long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

The company has contractual maturities which are summarised below:

31 March 2026	Current	Within 6 months	Within 1 year	2 - 5 years
Trade and other payables	824,629,955	819,101,308	—	—
Lease liabilities	—	—	4,463,355	81,963,891
	<u>824,629,955</u>	<u>819,101,308</u>	<u>4,463,355</u>	<u>81,963,891</u>

At 31 March 2025	Current	Within 6 months	Within 1 year	2 - 5 years
Trade and other payables	1,164,586,323	1,160,703,625	—	—
Lease liabilities	—	—	1,427,766	7,119,581
	<u>1,164,586,323</u>	<u>1,160,703,625</u>	<u>1,427,766</u>	<u>7,119,581</u>

The above contractual maturities reflect the gross cash flows, which may differ to the carrying values of the liabilities at the reporting date.

Foreign currency risk

Most of the company's transactions are carried out in Rands. Exposure to currency exchange rates arise from the company's overseas purchases and sea freight, which are primarily denominated in US Dollars and Indian Rupees.

Foreign currency denominated financial assets and liabilities, translated in Rands at the closing rate, are as follows:

Foreign currency exposure at the end of the reporting period

	2026 R	2025 R
Assets (Included in Trade and other receivables and Cash and cash equivalents)		
Bank balance (2026: USD 90 857; 2025: USD 113 044)	1,559,020	2,283,601
Mahindra and Mahindra Limited (2026: USD 512 140 INDR 516 790; 2025: USD 516 790 INDR 4 279 339)	8,794,762	9,519,272
Liabilities (Included in Trade and other payables)		
Erkunt (2026: Euro 16 007; 2025: Euro 20 028)	315,328	399,759
Mahindra and Mahindra Limited (2026: INR 4 347 083; 2025: USD 11 113 INR 4 279 339)	792,511	1,125,170
Croco Holdings (2026: USD 211 962; 2025: USD 0)	3,427,577	—

Foreign currency sensitivity

The following table illustrates the sensitivity of the net result for the year and equity in regard to the company's financial assets and financial liabilities and the US Dollar Rand exchange rate.

It assumes a +13.54% and -9.51% change of the Rand / US Dollar exchange rate for the year ended 31 March 2026 (2025: +5.56% and -6.14%). This has been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (Contd.)

based on the company's foreign currency financial instruments held at balance sheet date and also takes into account forward exchange contracts that offset effects from changes in currency exchange rates.

If the Rand had weakened against the US Dollar by 9.51% (2025: 6.14%) then this would have had the following impact.

	2026	2025
	R	R
Net results for the year.....	<u>832,570</u>	<u>509,654</u>

If the Rand had strengthened against the US Dollar by 13.54% (2025: 5.56%) then this would have had the following impact:

	2026	2025
	R	R
Net results for the year.....	<u>(1,185,383)</u>	<u>(509,819)</u>

Exposure to foreign exchange rates vary during the year depending on the volumes of overseas transactions. Nonetheless, the analysis above is considered to be representative of the company's exposure to currency risk.

Interest rate risk

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible change in interest rates of +2% and -2% (2025: +2% and -2%), with effect from the beginning of the year. These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on the company's

financial instruments held at each balance sheet date. All other variables are held constant.

	2026	2026	2025	2025
Net results for the year...	<u>11,584,792</u>	<u>(11,584,792)</u>	<u>5,547,063</u>	<u>(5,547,063)</u>

29. Banking facilities

The company received credit facilities from Citibank which consists of a ZAR facility of R 99.5 million for working capital facilities. The prior year facility was with First National Bank, to the value of R100 mil.

The above facility has no security requirements imposed.

30. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The entity has maintained a net asset position and holds sufficient funds to finance future operations. The directors are not aware of any new material changes that may adversely impact the company. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the company.

31. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

INDEPENDENT AUDITOR'S REPORT

To the Automobili Pininfarina GmbH, Munich

Audit Opinions

We have audited the annual financial statements of Automobili Pininfarina GmbH, Munich, which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss for the financial year from 1 April 2025 to 31 March 2026, and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of Automobili Pininfarina GmbH, Munich, for the financial year from 1 April 2025 to 31 March 2026. In accordance with the German legal requirements, we have not audited the content of the statement on corporate governance pursuant to section 289f paragraph 4 HGB [Handelsgesetzbuch: German Commercial Code] (disclosures on the quota for women on executive boards).

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 March 2026 and of its financial performance for the financial year from 1 April 2025 to 31 March 2026 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the statement on corporate governance referred to above.

Pursuant to section 322 paragraph 3 sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management

Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

Responsibilities of the Executive Director for the Annual Financial Statements and the Management Report

The executive director is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive director is responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive director is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive director is responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, 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 audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the executive director and the reasonableness of estimates made by the executive director and related disclosures.
- Conclude on the appropriateness of the executive director'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 the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. 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 be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive director in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive director as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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."

On publication or further submission of the annual financial statements and/or the management report in a form other than that audited by us (including translations into other languages), a further statement will be required from us if our auditor's report is cited or reference is made to our audit; we refer hereby in particular to section 328 HGB.

Munich, 27 April 2026

Grant Thornton AG
Wirtschaftsprüfungsgesellschaft

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BALANCE SHEET AS AT 31 MARCH 2026**ASSETS**

	EUR	31/03/2026 EUR	31/03/2025 EUR
A. FIXED ASSETS			
I. Intangible fixed assets			
Purchased concessions, industrial and similar rights and assets and licences in such rights and assets		47,670	138,048
II. Tangible fixed assets			
1. Other equipment, operating and office equipment	49,235		124,371
2. Prepayments and assets under construction	—		—
		49,235	124,371
III. Financial Assets			
Shares in affiliated companies		37,140	37,140
B. CURRENT ASSETS			
I. Inventories			
1. Raw Materials	1,214,826		661,633
2. Works in Progress	—		1,293,526
3. Goods in Transit	—		143,669
4. Advance payment made for Inventories	25,414		147,961
		1,240,240	2,246,789
II. Receivables and other assets			
1. Trade receivables	597,820		2,093,087
2. Other assets	2,101,312		4,873,331
		2,699,132	6,966,418
III. Cash and cash equivalents		333,607	324,129
C. PREPAID EXPENSES		270,941	408,276
D. DEFICIT NOT COVERED BY EQUITY		27,322,579	11,119,939
		32,000,544	21,365,110

LIABILITIES

A. EQUITY			
I. Subscribed capital	235,000,000		225,000,000
II. Capital reserves	20,525,000		20,525,000
III. Accumulated losses brought forward	(256,644,939)		(237,201,641)
IV. Net loss for the financial year	(26,202,640)		(19,443,298)
V. Deficit not Covered by Equity	27,322,579		11,119,939
		—	—
B. DEPOSIT MADE FOR THE IMPLEMENTATION OF THE AGREED CAPITAL CONTRIBUTION		15,000,000	5,800,000
C. PROVISIONS			
1. Provisions for taxes	285,101		294,747
2. Other provisions	11,589,099		5,736,625
		11,874,200	6,031,372
D. LIABILITIES			
1. Advance from customers	400,000		2,000,000
2. Trade payables	2,802,805		5,566,873
3. Other liabilities	408,497		500,671
of which tax liabilities	189,876		187,471
of which relating to social security contributions	149,942		237,221
		3,611,302	8,067,543
E. DEFERRED INCOME		1,515,042	1,466,195
		32,000,544	21,365,110

INCOME STATEMENT FROM APRIL 01, 2025 TO MARCH 31, 2026

	EUR	Financial Year EUR	Previous year EUR
1. Gross profit		4,389,295	16,439,638
2. Personnel expenses:			
a) Wages and salaries	(20,407,654)	(12,197,370.41)	
b) Social security, post-employment and other employee benefit costs	(2,306,015)	(22,713,669)	(2,758,206.04)
			(14,955,576)
3. Depreciation on tangible and intangible assets			
a) Depreciation on tangible and intangible assets	(1,794,973)	(3,634,856.80)	
a) Exceptional write downs on current assets	0	(1,794,973)	(7,002,379.25)
			(10,637,236)
4. Other operating expenses		(5,791,129)	(9,867,884)
5. Other interest and similar income		3,202	9,866
6. Interest and similar expenses		(8,999)	(89,945)
7. Taxes on income		(285,101)	(294,747)
8. Net loss after income tax		(26,201,374)	(19,395,884)
9. Other taxes		(1,267)	(47,414)
10. Net loss for the financial year		(26,202,640)	(19,443,298)

CASH FLOW STATEMENT FROM APRIL 01, 2025 TO MARCH 31, 2026

	Current Year	Previous Year
	2025/26	2024/25
	EUR	EUR
Net loss for the period	(26,202,640)	(19,443,298)
+ Depreciation, amortisation and write-downs of fixed assets	1,794,973	3,634,857
+/- Depreciation on current assets, insofar as these exceed the usual depreciation in the corporation	0	7,002,379
+/- Increase/Decrease in provisions	5,842,828	(1,630,538)
+/- Interest Expenses/ income	5,797	80,079
+/- Profit on Sales of Fixed Assets	25,994	(3,662)
+/- Increase/Decrease of Inventory	1,006,549	(603,836)
+/- Increase/Decrease in other assets	4,404,621	(1,061,376)
+/- Increase/Decrease in trade payables other liabilities	(6,059,134)	(4,464,598)
Cash flows from operating activities	(19,233,000)	(16,489,994)
- Purchase of intangible fixed assets	–	(340,593)
+ Sale of tangible fixed assets	52,286	9,244
- Purchase of tangible fixed assets	(4,011)	(43,602)
- Interest received	3,202	9,866
Cash flows from investing activities	51,477	(365,085)
+ Cash receipts from issue of capital and founding	19,200,000	14,400,000
+/- Interest received/paid	(8,999)	(89,945)
Cash flows from financing activities	19,191,001	14,310,055
Net change in cash fund (total cash flows)	9,478	(2,545,024)
+/- Cash funds at beginning of period	324,129	2,869,153
Cash funds at end of period	333,607	324,129

NOTES TO THE FINANCIAL STATEMENTS

General details relating to the financial statements

The company was formed based on the articles of association dated 05 February 2018.

The financial statements have been prepared in accordance with the provisions of the German Commercial Code [Handelsgesetzbuch - HGB] applicable to business corporations and the Limited Liability Companies Act [GmbH-Gesetz - GmbHG].

According to the size classes defined in Sec. 267 Commercial Code [Handelsgesetzbuch – HGB] the company falls into the category of a medium-sized corporation.

As in the prior year, the statement of profit and loss for the financial year 2025/2026 is prepared according to the nature of expense method pursuant to Section 275 (2) HGB.

The exemption options for medium-sized corporations pursuant to Sections 286 and 288 (2) HGB were exercised in part.

At the end of the financial year, there was a deficit of EUR 27,322,579.02 (prior year: EUR 11,119,938.68) not covered by equity, which is partly compensated by the contributions of EUR 15,000,000.00 (prior year EUR 5,800,000.00) made to implement the resolved capital increase and from future contribution from fresh increase in authorised capital of EUR 25,000,000.00 increased through shareholder's resolution dated 3rd December 2025.

Details relating to the identification of the company according to the Court of Registration

Business name acc. to Court of Registration: Automobili Pininfarina GmbH

Registered office acc. to Court of Registration: Munich

Register entry: Commercial Register

Registrar of Companies: Munich Local Court

Register number: HRB 239596

Details relating to accounting policies

Accounting and valuation principles

Purchased intangible fixed assets are recognised at acquisition cost and, if they have a limited life, are amortized subject to straight-line depreciation.

Internally generated assets are valued at manufacturing cost according to Sec. 255 (2a) HGB, i.e. included as assets in the balance sheet with the expenses incurred as of development. After completion and from the beginning of sales, they are amortised over the expected useful life using the straight-line method. The expected useful life is determined based on the sales period of the developed vehicles. The Company did not make use of the option regarding the capitalisation of costs according to Sec. 255 (2) sentence 3 HGB.

The Company does not engage in basic research. Hence, a separation of research and development is not required. Occasionally, feasibility studies are conducted before the development of a vehicle which are not capitalised. After completion of the feasibility study, development costs recorded if the following criteria are fulfilled:

- It is very probable that the planned intangible asset is created
- The development costs can be attributed reliably to the specific intangible asset
- No prohibition within the sense of Sec. 248 (2) sentence 2 HGB

The Company starts capitalising the development costs as soon as these criteria are met.

Property plant and equipment were recognised at acquisition costs subject to straight-line depreciation. Straight-line regular depreciation was applied pro rata temporis in accordance with the expected useful life.

Low-value assets with acquisition costs of up to EUR 800 are expensed as incurred in the year of their acquisition, assuming that it is disposed of in the year of acquisition.

Financial assets were valued at acquisition cost.

If the value of fixed assets as determined based on the principles mentioned above is expected to exceed the fair value as of reporting date permanently, this is taken into account by an impairment.

Inventories were recognised at manufacturing costs in conformity with the lower of cost or market principle.

Receivables and other assets are valued at nominal value and reflect all identifiable risks.

Prepayments and accrued income include expenditures before the reporting date representing costs for a certain time after this date.

The option for recognising an asset for deferred tax assets according to Sec. 274 (1) sentence 2 HGB was not exercised.

Other provisions were created for all identifiable risks and contingent liabilities and are recognised at the settlement amount required, according to prudent commercial judgement.

Deferred income includes income prior to the balance sheet date that represents income for a specified period thereafter.

Assets and liabilities denominated in foreign currencies are translated at the closing rate on the reporting date in accordance with Sec. 256a HGB.

Liabilities were reported at the settlement amount.

NOTES TO THE FINANCIAL STATEMENTS

Notes to the balance sheet

Development of assets for individual fixed assets items.

The depreciation applicable to the individual items for the financial year can be derived from the development of assets.

Research and development

The development expenditure incurred in the financial year was capitalised. It concerns the internally generated intangible assets described in the following. In the financial year, no research costs incurred.

Internally generated intangible assets

Expenses for internally generated intangible assets were capitalised at their manufacturing costs in the amount of EUR 1,651,740.33. The manufacturing costs amount to a total of EUR 122,647,920.78 (prior year: EUR 120,996,180.45).

Due to a permanent impairment within the sense of Sec. 253 (3) sentence 5 HGB as of reporting date an extraordinary amortization of internally generated intangible assets in the amount of EUR 1,651,740.33 (prior year: EUR 197,621.20) were recognised.

Other liabilities - Customer advances

Payments by customers are recognised predominantly as other liabilities. The contributions do not constitute advances within the sense of German Commercial Law as they do not relate to a binding order. Advances made amount to a total of EUR 400,000.00 (prior year: EUR 2,000,000.00).

Share capital

The Company's share capital registered in the Commercial Register and fully paid up as of 31/03/2026 amounts to EUR 235,000,000.00. EUR 15,000,000.00 of an additional capital increase in the past financial year were already paid in but not yet registered into the commercial register.

Authorized capital

The nominal amount of the authorized capital was EUR 25,000,000.00 (resolution of the shareholders' meeting of September 13, 2021; Authorized Capital 2022/I), EUR 5,000,000.00 (resolution of the shareholders' meeting of August 30, 2022; Authorized Capital 2022/II), EUR 25,000,000.00 (resolution of the shareholders' meeting of July 1, 2024; Authorized Capital 2024/I) and EUR 25,000,000.00 (resolution of the shareholders' meeting of December 3, 2025; Authorized Capital 2025/I). As of March 31, 2026, the Authorized Capital 2022/I, 2022/II and 2024/I had been fully utilized, however, EUR 15,000,000.00 which had already been paid in, was still to be registered in the commercial register. The Authorized capital increase 2025/I have not been utilised as on 31st March 2026.

Disclosures and Explanations on Provisions and Deferred Income

Other provisions total EUR 11,589,099.08 (prior year: EUR 5,736,625.36). This primarily includes provisions for outstanding invoices and personnel provisions. Revenues for dependent warranty services have been deferred since the financial year.

Remaining maturities and cross classifications

Liabilities due within one year amount to EUR 3,611,301.78 (prior year: EUR 8,067,543.36). Trade receivables and other assets have a remaining maturity of up to one year EUR 2,699,132.04 (prior year: EUR 6,966,418.02). Trade receivables include receivables from affiliated companies amounting to EUR 591,712.5 (prior year: EUR 581,407.75).

Notes to the income statement

Notes on income and expenses in exceptional amounts or of exceptional incidence

Expenses in exceptional amounts or of exceptional incidence significant within the meaning of Sec. 285 No. 31 HGB include in detail:

- Event expenses in the amount of EUR 534,668.33 (prior year: EUR 1,893,631.58)
- External services in the amount of EUR 1,104,683.59 (prior year: EUR 2,532,823.90)

Income from currency translation is recorded in the statement of profit and loss under "Gross profit" in the amount of EUR 37,430.73, (prior year: EUR 208,773.10). Expenses from currency translation are recorded separately under "Other operating expenses" in the amount of EUR 91,971.22 (prior year: EUR 340,122.15) shown separately. In addition, the item "Other operating expenses" includes expenses relating to other periods in the amount of EUR 36,773.74 (prior year: EUR 111,492.14), while "Gross profit" includes income relating to other periods in the amount of EUR 448,263.37 (prior year: EUR 665,705.00).

Other disclosures

Average number of staff employed in the financial year

The average number of staff employed by the company during the financial year was 71 (prior year: 111).

	2026	2025
DESIGN & ENGINEERING	35	54
OTHER DEPARTMENTS	36	57
Total	71	111

Other financial obligations

Other financial obligations within the meaning of Section 285 no. 3a HGB result from leasing contracts in the amount of EUR 77,473 and rent payments from long-term contracts in the amount of EUR 59,400.

Names of the managing directors

During the reporting year, the management of the company was in the hands the following persons:

Director: Dellacha, Paolo, CEO, *01.01.1975 (from 03.02.2023 to 10.12.2025)

Director: Lenka, Amarendra, Managing Director, *09.07.1978 (from 11.12.2025)

In accordance with Sec. 286 (4) HGB, the Company did not disclose the information pursuant to section 285 No. 9 characters a) and b) HGB.

Information on shareholding in other companies of at least 20 percent of the shares

In accordance with Sec. 285 No. 11 HGB, the following companies are included:

Company name, place of business	Share	Profit or loss EUR	Equity EUR
Automobili Pininfarina Inc. Delaware	100%	667	9,680

Group affiliation

Automobili Pininfarina GmbH (based in: Munich) prepares consolidated financial statements for the smallest group of companies.

Mahindra & Mahindra Limited (based: Mumbai) prepares consolidated financial statements for the largest group of companies. The consolidated financial statements are available on the homepage of the parent company (<https://www.mahindra.com/investor-relations/reports>).

Suggestion of the appropriation of profits

In accordance with the shareholders, the Company proposes the following appropriation of profits:

The net loss for the financial year amounts to EUR 26,202,640.34. It is carried forward to the next year.

Signature of management

Munich, 17. April 2026 Amarendra Lenka

STATEMENT OF MOVEMENT OF FIXED ASSETS FOR FINANCIAL YEAR 2025/26

	Acquisition/ Production costs as at 01/04/2025	Additions	Disposals	Transfers	Acquisition/ Production costs as at 31/03/2026	Depreciations/ Amortizations as at 01/04/2025	Additions	Disposals	Transfers	Depreciations/ Amortizations as at 31/03/2026	Book Value as at 31/03/2026	Book Value as at 01/04/2025
I. Intangible Assets												
1. Self-created industrial property rights and similar rights and values	120,996,180	1,651,740	-	-	122,647,921	120,996,180	1,651,740	-	-	122,647,921	0.00	0
2. Purchased concessions, industrial and similar rights and assets and licences in such rights and assets	699,669	-	-	-	699,669	561,621	90,377	-	-	651,999	47,670	138,048
Prepayments on intangible assets	79,000	-	-	-	79,000	79,000	-	-	-	79,000	-	-
Subtotal	121,774,849	1,651,740	-	-	123,426,590	121,636,802	1,742,118	-	-	123,378,919	47,670	138,048
II. Tangibles Assets												
1. Other equipment, operating and office equipment	9,249,005	4,011	216,856	-	9,036,160	9,124,634	52,855	190,564	-	8,986,925	49,235	124,371
2. Prepayments and assets under construction	765,079	-	-	-	765,079	765,079	-	-	-	765,079	0	0
Subtotal	10,014,085	4,011	216,856	-	9,801,239	9,889,713	52,855	190,564	-	9,752,005	49,235	124,371
1. Shares in affiliated companies	37,140	-	-	-	37,140	-	-	-	-	0	37,140	37,140
Total	131,826,074	1,655,751	216,856	-	133,264,969	131,526,515	1,794,973	190,564	-	133,130,924	134,045	299,559

INDEPENDENT AUDITOR'S REPORT

To the Stockholder

Automobili Pininfarina Americas Inc.

Opinion

We have audited the accompanying financial statements of Automobili Pininfarina Americas Inc. (the "Company"), which comprise the balance sheets as of March 31, 2026, and March 31, 2025, and the related statements of income, stockholder's equity and cash flows for the years then ended and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company, as of March 31, 2026 and March 31, 2025, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in

accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

New York, NY

April 10, 2026

BALANCE SHEETS

(All amounts are in United States Dollars, unless otherwise stated)

	As of	
	March 31, 2026	March 31, 2025
ASSETS		
Current assets		
Cash	540,997	2,025,526
Accounts receivable, net	—	461,083
Other current assets	1,967	1,921
Total assets	542,964	2,488,530
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current liabilities		
Deferred revenue	—	2,346,700
Payable to Parent company (Refer note I)	518,944	115,718
Other current liabilities	12,889	15,755
Total liabilities	531,833	2,478,173
STOCKHOLDER'S EQUITY		
Common stock	40,000	40,000
\$25 par value; 2000 shares authorized as of March 31, 2026 and March 31, 2025; 1600 shares issued and outstanding as of March 31, 2026 and March 31, 2025		
Accumulated deficit	(28,869)	(29,643)
Total stockholder's equity	11,131	10,357
Total liabilities and stockholder's equity	542,964	2,488,530

(The accompanying notes are an integral part of these financial statements)

STATEMENTS OF INCOME**(All amounts are in United States Dollars, unless otherwise stated)**

	For the year ended	
	March 31, 2026	March 31, 2025
Revenue	30,887	55,543
Expenses		
General and administrative expenses	29,416	52,897
Total expenses	29,416	52,897
Operating profit	1,471	2,646
Other expense	(25)	(271)
Income before tax	1,446	2,375
Current tax expense	672	624
Net income (loss)	774	1,751

(The accompanying notes are an integral part of these financial statements)

STATEMENTS OF CASH FLOWS

(All amounts are in United States Dollars, unless otherwise stated)

For the year ended

March 31, 2026	March 31, 2025
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Cash flows from operating activities

Net income	774	1,751
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Adjustments to reconcile net income to net cash (used in) provided by operating activities:**Changes in operating assets and liabilities**

Accounts receivable, net	461,083	(461,083)
Due to/from Parent Company	403,226	4,608,336
Other current assets	(46)	119,186
Advance from customers	(2,346,700)	(3,415,789)
Other current liabilities	(2,866)	(254,979)
Net cash (used in) provided by operating activities.....	(1,484,529)	597,422

Net (decrease) increase in cash.....	(1,484,529)	597,422
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Cash at the beginning of the year	2,025,526	1,428,104
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Cash at the end of the year	540,997	2,025,526
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Supplementary cash flow information:

Income taxes paid.....	743	4,786
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(The accompanying notes are an integral part of these financial statements)

STATEMENTS OF STOCKHOLDER'S EQUITY

(All amounts are in United States Dollars, except number of shares)

For the years ended March 31, 2026, and March 31, 2025

	Common Stock				Accumulated deficit	Total stockholder's equity
	Authorized Shares	Value	issued and outstanding Shares	Value		
Balance as of April 01, 2024	2,000	50,000	1,600	40,000	(31,394)	8,606
Net income for the year.....	—	—	—	—	1,751	1,751
Balance as of March 31, 2025.....	2,000	50,000	1,600	40,000	(29,643)	10,357
Balance as of April 01, 2025	2,000	50,000	1,600	40,000	(29,643)	10,357
Net income for the year	—	—	—	—	774	774
Balance as of March 31, 2026.....	2,000	50,000	1,600	40,000	(28,869)	11,131

(The accompanying notes are an integral part of these financial statements)

Notes to Financial Statements

NOTE A – NATURE OF OPERATIONS

Automobili Pininfarina Americas Inc. (hereinafter referred to as “APA” or “the Company”) was converted to a Delaware corporation on January 23, 2019 through the conversion of a Delaware Limited Liability Company, under the name of Harkey Acquisition, LLC. The Company is a wholly owned subsidiary of Automobili Pininfarina GmbH (hereinafter referred to as “the Parent Company”).

The Parent Company acquired 100% membership interest of Harkey Acquisition, LLC (hereinafter referred to as “the LLC”) on January 15, 2019 from Oakland Standard Co., LLC (“the Seller”). No capital contribution was made by the Seller in the LLC. Post acquisition, a plan of conversion to a Corporation was adopted and the LLC was converted and renamed as “Automobili Pininfarina Americas Inc.”.

The Company is in the start-up phase. The Parent Company plans to manufacture and distribute, directly or indirectly, to retail customers, a luxury vehicle known as the Battista. Distribution of Battista in the United States of America will be through the Company.

Automobili Pininfarina Americas Inc. provides business support services to the Parent Company in form of marketing and other support services.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are detailed below:

1. Basis of preparation

- a) The accompanying financial statements are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting and reporting requirements of generally accepted accounting principles in the United States of America (“US GAAP”) to reflect the financial position, results of operations and cash flows of the Company.
- b) The financial statements are for the years ended March 31, 2026 and March 31, 2025.
- c) All amounts are stated in United States Dollars, unless specified otherwise.

2. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The management’s estimates for recognition of deferred tax assets, valuation allowance, warranty provision and accruals at the balance

sheet date represent certain of these particularly sensitive estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Any revisions in accounting estimates are recognized prospectively in the current and future periods.

3. Cash

Cash balances in bank accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 for each insured bank for each account per depositor at each financial institution.

4. Revenue recognition

The Company provides business support services to the Parent Company. The Company determines the standalone prices using the expected cost-plus margin approach. Cost includes specific direct costs like professional charges and other charges like bank charges. Margin is computed using data related to historical margins and prevalent market conditions. Revenues from business support services are recognized over a period of time as the services are performed as the customer simultaneously receives and consumes the benefits of the services.

Under the cost-plus arrangement, the Company is reimbursed for actual costs incurred in providing such services together with a fixed markup, and revenue is recognized accordingly.

APA subcontracts the work to Automobili Pininfarina GmbH, its Parent Company, which in turn raises an expense charge on APA such that APA retains a mark-up on its operating costs for provision of marketing, business development and customer relationship management services to the Parent Company.

In subcontracting arrangements where the Company acts as an agent, revenue is recognized on a net basis, representing the margin earned on such transactions.

5. Accounts receivable and allowance for expected credit losses

Accounts receivable from customers are recorded at the original invoiced amounts net of an allowance for doubtful accounts. In accordance with Accounting Standards Codification (ASC) 326, “Financial Instruments—Credit Losses,” accounts receivable are initially recorded at the invoiced amount, net of an allowance for expected credit losses. The Company evaluates the adequacy of the allowance for credit losses on a regular basis, considering various factors such as historical loss experience, current market conditions, the aging of receivables, payment terms, and forward-looking loss expectations.

Notes to Financial Statements

6. *Income taxes*

In accordance with the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 740 "Income Taxes," income taxes are accounted for using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in statements of income in the period that includes the enactment date. The deferred tax asset is reduced by a valuation allowance if it is more likely than not that some portion or all of the asset will not be realized. All deferred tax assets and liabilities, along with any related valuation allowance, are classified as noncurrent on the balance sheets.

7. *Fair value measurements and financial instruments*

Assets and liabilities recorded at fair value in the financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels which are directly related to the amount of subjectivity associated with the inputs to the valuation of these assets or liabilities are as follows:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.

Level 2 – inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.

Level 3 – unobservable inputs for the asset or liability only used when there is little, if any, market activity for the asset or liability at the measurement date.

This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value.

The Company's financial instruments consist of cash and other current liabilities. The estimated fair value of cash and other current liabilities approximate their carrying amounts due to the short-term nature of these instruments. None of these instruments is held for trading purposes.

8. *Commitments and contingencies*

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

9. *Recently issued accounting standards not yet adopted*

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which enhances the transparency of income tax disclosures by requiring consistent categories and greater disaggregation of information in the effective tax rate reconciliation and income taxes paid, including disaggregation by jurisdiction. The amendments also include other improvements to the effectiveness of income tax disclosures.

The guidance is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. Upon adoption, the guidance may be applied prospectively or retrospectively. The Company does not expect the adoption of this guidance to have a material impact on its financial statements.

In November 2024, the FASB issued ASU No. 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40), which requires expanded disclosure of income statement expenses by category. The guidance is effective for fiscal years beginning after December 15, 2026, and interim periods thereafter. The Company is currently evaluating the impact of this standard on its financial statements.

NOTE C – CASH

Cash include the following:

	As of	
	March 31, 2026	March 31, 2025
Balances with banks	540,997	2,025,526
Total	540,997	2,025,526

Notes to Financial Statements

NOTE D – ACCOUNTS RECEIVABLE, NET

Accounts receivable include the following:

	As of	
	March 31, 2026	March 31, 2025
Accounts receivable	–	461,083
Less: provision for expected credit loss	–	–
Total	–	461,083

NOTE E – OTHER CURRENT ASSETS

Other current assets comprise the following:

	As of	
	March 31, 2026	March 31, 2025
Advance tax	1,967	1,921
Total	1,967	1,921

NOTE F – DEFERRED REVENUE

The Company has entered into contracts with multiple customers, wherein the Company will sell Luxury Vehicle Battista (“the vehicle”) to the customers. The vehicle will be manufactured by the Parent Company and sold to the Company. The Company in turn will sell the vehicle to the customers through a dealer. Pursuant to the aforesaid arrangement the customer will pay the amount on milestone basis to the Company. As of March 31, 2026, the aggregate amount of deferred revenue received from the customers amounted to \$Nil (March 31, 2025: \$2,346,700).

NOTE G – OTHER CURRENT LIABILITIES

Other current liabilities include the following:

	As of	
	March 31, 2026	March 31, 2025
Accrued expenses	12,889	12,800
Warranty provision	–	2,738
Payables for expenses	–	217
Total	12,889	15,755

NOTE H – INCOME TAXES

The Company will file federal and state tax returns as per regulations applicable to Chapter C corporations in the United States.

The components of the provision for income taxes are as follows:

	For the year ended	
	March 31, 2026	March 31, 2025
Current taxes		
Federal tax	(333)	33
State tax	1,005	591
Total	672	624

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's net deferred income taxes are as follows:

	As of	
	March 31, 2026	March 31, 2025
Deferred tax assets		
Net operating losses	397	–
Startup costs	5,403	6,455
Unrealized forex gain	1,822	2,362
Total deferred tax assets	7,622	8,817
Less: valuation allowance	(7,622)	(8,817)
Net deferred tax assets	–	–

Realization of net deferred tax assets is dependent upon generation of sufficient taxable income in future years, benefit from the reversal of taxable temporary differences and tax planning strategies. Management assesses the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets. The amount of net deferred tax assets considered realizable is subject to adjustment in future periods if estimates of future taxable income change.

Based on the current year and previous year losses, the management believes that it is more likely than not that the deferred tax assets may not be realized during the foreseeable future and accordingly a valuation allowance of \$7,622 and \$8,817 has been recorded as of March 31, 2026, and March 31, 2025, respectively.

No deferred tax assets were recognized as of March 31, 2026 and March 31, 2025.

Notes to Financial Statements

Accounting for uncertain tax position

The Company recognizes the benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority. The Company has no unrecognized tax positions as at March 31, 2026 and March 31, 2025.

The tax years of 2022 through 2024, remain subject to examination by the taxing authorities.

NOTE I – RELATED PARTY TRANSACTIONS

Related parties with whom transactions have taken place during the year:

- Automobili Pininfarina GmbH- the Parent Company

	March 31, 2026	March 31, 2025
Transactions during the year		
Service revenue from Parent Company based on cost-plus arrangement	30,887	–
Purchase of the vehicle	–	10,290,711
Balances		
Payable to Parent Company*	518,944	115,718

*This amount represents purchases of goods, net of receivables arising from services provided to the Parent Company.

NOTE J – COMMON STOCK

Common stock authorized, issued and outstanding

The authorized share capital of the Company consists of 2,000 common shares of par value \$25 each as of March 31, 2026 and March 31, 2025.

Common stock issued as of March 31, 2026 and March 31, 2025 was 1,600 shares of \$25 each.

Voting

Each holder of common stock is entitled to one vote in respect of each share held as per the records of the Company for all matters submitted to a vote.

Liquidation

In the event of liquidation of the Company, the holders of common stock shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such amounts will be in proportion to the number of equity shares held by the shareholders.

NOTE K – REVENUE

The following table presents revenue disaggregated by source of revenue and classification:

	For the year ended	
	March 31, 2026	March 31, 2025
Revenue from external customers	–	10,579,853
Less: purchase of the vehicle from Parent Company (<i>Refer note I</i>)	–	(10,290,711)
Less: purchase of ancillary items from external parties	–	(233,599)
Service revenue from Parent Company based on cost-plus arrangement*	30,887	–
Revenue	30,887	55,543

*During the current year, the Company did not undertake any sale of goods and earned revenue solely from services provided to its related party under a cost-plus arrangement. Accordingly, revenue represents reimbursement of costs incurred in providing such services together with a markup of 5%.

In the prior year, the Company facilitated sale of goods as an agent and accordingly recognized revenue on a net basis, representing the margin earned on such transactions.

Revenue disaggregated by timing of recognition:

	For the year ended	
	March 31, 2026	March 31, 2025
Services transferred over a period of time	30,887	55,543
Total revenue by timing of recognition	30,887	55,543

Revenue disaggregated based on geographical regions:

The entire revenue is from Parent Company located in Munich, Germany.

NOTE L – FAIR VALUE MEASUREMENTS

Financial assets and liabilities held by the Company are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature.

Notes to Financial Statements

NOTE M – RISK AND UNCERTAINTIES

The Company operates as a wholly owned subsidiary of Automobili Pininfarina GmbH (the “Parent Company”) and follows a cost-plus service model, under which it provides business support services to the Parent Company. The Company is economically dependent on the Parent Company for revenue generation and financial support.

The Company does not have a formal, legally enforceable agreement with the Parent Company governing continued financial support. Accordingly, the Company’s ability to meet its obligations as they become due is dependent on the Parent Company’s ongoing willingness and ability to provide such support.

The Company has experienced variability in operating cash flows, including negative cash flows from operating activities

during the year ended March 31, 2026, primarily due to changes in working capital balances and no revenue from sale of products.

Management monitors the Company’s liquidity and financial position on an ongoing basis and believes that, based on the Parent Company’s historical support and current intentions, the Company will be able to meet its obligations as they become due in the normal course of business.

NOTE N – SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date the financial statements were available to be issued (April 10, 2026). Based on the evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the financial statements.

AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAHINDRA RACING UK LIMITED

Opinion

We have audited the financial statements of Mahindra Racing UK Limited (the 'Company') for the year ended 31 March 2026, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2026 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page herein 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance on management's assessment of risk and management's processes for identifying and responding to the risks of fraud in the entity;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;

- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Rajeev Shaunak BSC FCA (Senior statutory auditor)
for and on behalf of

MHA Audit Services LLP

Senior Statutory Auditor

London, United Kingdom

Date: 30 April 2026

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Note	2026 £	2025 £
Turnover	4	23,154,619	30,875,927
Cost of sales		(15,146,598)	(22,998,684)
Gross Profit		8,008,021	7,877,243
Administrative expenses		(11,663,073)	(11,206,218)
Other operating income	5	2,300,598	1,318,861
Operating loss	6	(1,354,454)	(2,010,114)
Impairment charge on Patents.....		0	(2)
Interest receivable and similar income	10	66,266	69,257
Interest payable and similar expenses	11	(112,628)	(153,533)
Loss for the financial year		(1,400,816)	(2,094,392)

There were no recognised gains and losses for 2026 or 2025 other than those included in the statement of comprehensive income.

The notes on page herein 13 to 26 form part of these financial statements.

BALANCE SHEET AS AT 31 MARCH 2026

REGISTERED NUMBER: 09052210

	Note	2026 £	2025 £
Fixed Assets			
Tangible assets	13	252,643	770,802
		252,643	770,802
Current Assets			
Stocks	14	276,848	—
Debtors: amounts falling due within one year	15	5,496,873	8,539,357
Cash at bank and cash equivalents		1,098,172	1,307,065
		6,871,893	9,846,422
Creditors: amounts falling due within one year	16	(7,439,347)	(9,711,219)
Net Current liabilities		(567,454)	135,203
Total assets less current liabilities		(314,811)	906,005
Provisions for liabilities			
Other provisions	17	(720,000)	(540,000)
		(1,034,811)	3,66,005
Capital & Reserves			
Called up share capital	18	20,000	20,000
Profit & Loss Account.....	19	(1,054,811)	346,005
		(1,034,811)	366,005

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

F. Bertrand

Director

Date : 28th April 2026

The notes on page herein 13 to 26 form part of these financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

	Called up Share Capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2025	20,000	346,005	366,005
Comprehensive income for the year			
Profit for the year	–	(1,400,816)	(1,400,816)
Other comprehensive income for the year	–	–	–
Total comprehensive income for the year	<u>–</u>	<u>(1,400,816)</u>	<u>(1,400,816)</u>
At 31 March 2026	<u>20,000</u>	<u>(1,054,811)</u>	<u>(1,034,811)</u>

F. Bertrand

Director

Date : 28th April 2026

The notes on page herein 13 to 26 form part of these financial statements

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Called up Share Capital £	Profit and loss account £	Total equity £
At 1 April 2024	20,000	2,440,397	2,460,397
Comprehensive income for the year			
Profit for the year	–	(2,094,392)	(2,094,392)
Other comprehensive income for the year	–	–	–
Total comprehensive income for the year	<u>–</u>	<u>(2,094,392)</u>	<u>(2,094,392)</u>
At 31 March 2025	<u>20,000</u>	<u>346,005</u>	<u>366,005</u>

The notes on pages herein form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. General Information

Mahindra Racing UK Limited is a private company limited by shares, incorporated in England and Wales within the UK. The address of the registered office and the registration number are given in the company information page of these financial statements.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company's Statement of Financial Position has been adapted and prepared in accordance with Section 4.2A of Financial Reporting Standard 102.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Mahindra & Mahindra Ltd as at 31 March 2026 and these financial statements may be obtained from Mahindra Towers, Dr. G. M. Bhosale Marg, Worli, Mumbai, 400 018, India.

2.3 Going Concern

The financial statements have been prepared on a going concern basis. The Directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment.

The company is currently in a net liabilities position; however, it continues to receive financial support from its parent company. The Directors have a reasonable expectation that such support will continue for the foreseeable future.

Based on these assessments, and having regard to the resources available to the entity, the Directors have concluded that there is no material uncertainty that they can continue to adopt the going concern basis in preparing the annual report and accounts

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost

are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income within "other operating income".

2.5 Revenue

Sponsorship revenue, apart from that receivable from the parent company, is recognised evenly over each race season in line with the number of races that have taken place prior to the year end, or to the extent that it is probable that the economic benefits will flow to the Company in line with the sponsorship agreement. Sponsorship revenue received from the parent company is recognised when it is due. Value in kind sponsorship is recognised in accordance with fulfillment of conditions per sponsorship agreements. Sponsorship revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.7 Research and development

Expenditure on development are recognised as an expense when incurred and are not capitalised.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- Lower of lease period and useful life
Plant and machinery	- 33% Straight line
Fixtures and fittings	- 20% Straight line
Office equipment	- 33% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.12 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

2.13 Stocks

Inventory comprises race components, spare parts and other consumables held for use in the Company's racing and development activities.

Inventory is stated at the lower of cost and net realisable value. Cost includes purchase price and directly attributable costs incurred in bringing the inventory to its present location and condition.

Inventory is recognised as an expense when consumed in the racing season or development activities to which it relates. Where inventory is not expected to be utilised or is no longer recoverable, it is written down to its net realisable value.

2.14 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.17 Provisions for Liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.18 Financial Instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS102 to all of its financial instruments.

Financial instruments are recognised in the Company's Balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously

Basic financial assets

Basic financial assets, which include trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost

using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities

Basic financial liabilities, which include trade and other creditors, bank loans and other loans are initially measured at their transaction price (adjusting for transaction costs except in the initial measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade creditors are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Dilapidations provision

Dilapidation provision has been recognised on a yearly basis in line with the signed lease contract which will be expiring in 2027.

Depreciation rates

Management apply judgement on the estimated useful life of each class of fixed assets and their useful lives.

4. Turnover

An analysis of turnover by class of business is as follows:

	2026 £	2025 £
Sponsorship income and race prize monies	23,154,619	30,565,318
Sale of goods, services and support to third parties	—	310,609
	<u>23,154,619</u>	<u>30,875,927</u>

Analysis of turnover by country of destination:

	2026 £	2025 £
Europe	—	310,609
Rest of the world	23,154,619	30,565,318
	<u>23,154,619</u>	<u>30,875,927</u>

5. Other operating income

	2026 £	2025 £
Research & Development grant income	2,300,598	1,318,861
	<u>2,300,598</u>	<u>1,318,861</u>

6. Operating loss

The operating loss is stated after charging /(crediting):

	2026 £	2025 £
Research & Development charged as an expense	2,348,280	2,198,101
Exchange differences	312,700	(27,621)
Other operating lease rentals	225,602	262,846
Depreciation	<u>518,159</u>	<u>942,938</u>

7. Auditor's remuneration

	2026 £	2025 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	<u>24,000</u>	<u>16,000</u>

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2026 £	2025 £
Wages & Salaries	5,541,713	5,394,647
Social security costs	763,243	727,704
Cost of defined contribution scheme	312,026	268,161
	<u>6,616,982</u>	<u>6,390,512</u>

The average monthly number of employees during the year was as follows:

	2026 No.	2025 No.
Racing / Technical	46	48
Administrative	16	16
	<u>62</u>	<u>64</u>

9. Directors' remuneration

	2026 £	2025 £
Directors' emoluments	880,155	727,656
Company contributions to defined contribution pension schemes	48,589	36,383
	<u>928,744</u>	<u>764,039</u>

During the year retirement benefits were accruing to 2 directors (2025- 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £653,904 (2025 - £539,550).

The pension contributions paid in respect of the highest paid director amounted to £32,398 (2025 - £26,977).

10. Interest Receivable

	2026 £	2025 £
Other interest receivable	66,266	69,257
	<u>66,266</u>	<u>69,257</u>

11. Interest Payable and Similar expenses

	2026 £	2025 £
Group interest payable	112,628	153,533
	<u>112,628</u>	<u>153,533</u>

12. Taxation

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2025 - lower then) the standard rate of corporation tax in the UK of 25% (2024 - 25%).

The differences are explained below:

	2026 £	2025 £
Loss on ordinary activities before tax	(1,400,816)	(2,094,392)

Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2025 - 25%)	(523,598)	302,001
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Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2025 - 25%)	(350,204)	(523,598)
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Effects of:

Capital Allowances for year in excess of depreciation	128,643	183,029
Utilisation of tax losses	(16,567)	(17,314)
Under provision noted in previous years	–	141,421
Research & Development Expenditure Claim	(575,150)	(329,715)
Research & Development expenditure	447,716	549,525
Unrelieved tax losses carried forward	279,150	
Provisions tax adjustments	76,344	
Other tax effects	10,068	(3,348)

Total tax charge for the year

	<u>–</u>	<u>–</u>
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13. Tangible fixed assets

	Long-term leasehold property	Plant and Machinery	Fixture and Fittings	Office Equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2025	878,312	3,154,470	336,076	397,930	4,766,788
Additions	—	—	—	—	—
At 31 March 2026	878,312	3,154,470	336,076	397,930	4,766,788
Depreciation					
At 1 April 2025	556,519	2,752,051	296,435	390,981	3,995,986
Charge for the year on owned assets	134,303	366,709	10,548	6,599	518,159
At 31 March 2026	690,822	3,118,760	306,983	397,580	4,514,145
Net book value					
At 31 March 2026	187,490	35,710	29,093	350	252,643
At 31 March 2025	321,793	402,419	39,641	6,949	770,802

14. Stocks

	2026	2025
	£	£
Race components, spare parts and other consumables	276,848	—
	276,848	—

15. Debtors

	2026	2025
	£	£
Trade Debtors	136,963	141,305
Amounts owed by group undertakings	—	111,307
Other debtors	1,638,614	4,028,556
Prepayments and accrued income	3,721,296	4,258,189
	5,496,873	8,539,357

16. Creditors : Amounts falling due within one year

	2026	2025
	£	£
Trade Creditors	2,254,826	3,925,052
Amounts owed to group undertakings	2,036,682	2,343,413
Other taxation & social security	232,971	166,701
Other creditors	62,665	38,901
Accruals & Deferred income	2,852,203	3,237,152
	7,439,347	9,711,219

17. Provisions

	Dilapidations
At 1 April 2025	540,000
Charged to profit or loss	180,000
At 31 March 2026	720,000

18. Share Capital

	2026	2025
	£	£
Allotted, called up and fully paid		
20,000 (2024 - 20,000) Ordinary shares of £1.00 each	20,000	20,000

19. Reserves

Profit and loss account

The profit and loss account represents the net accumulated profits and losses, after the deduction of dividends and adjustments.

20. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £312,026 (2025 - £268,161). Contributions totaling £62,665 (2025- £38,613) were payable to the fund at the balance sheet date and are included in creditors.

21. Commitments under operating leases

At 31 March 2026 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2026	2025
	£	£
Not later than 1 year	280,000	204,870
Later than 1 year and not later than 5 years	102,667	495,617
	382,667	700,487

22. Related party transactions

The company has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the Group.

23. Controlling party

The company's immediate parent undertaking is Mahindra Overseas Investment Company (Mauritius) Limited, a company incorporated in Mauritius. The ultimate parent undertaking is Mahindra & Mahindra Limited, a company incorporated in India.

The company's results are included in the consolidated financial statements of Mahindra & Mahindra Limited which are publicly available from Mahindra Towers, Dr. G. M. Bhosale Marg, Worli, Mumbai, 400 018, India.

**DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
31 MARCH 2026**

	2026 £	2025 £
Turnover	23,154,619	30,875,927
Cost of Sales	(15,146,598)	(22,998,684)
Gross profit	8,008,021	7,877,243
Other operating income	2,300,598	1,318,861
Less: overheads		
Administration expenses	(11,663,073)	(11,206,218)
Operating profit	(1,354,454)	(2,010,114)
Interest receivable	66,266	69,257
Interest payable	(112,628)	(153,533)
Impairment of Patents	–	2
Loss for the year	(1,400,816)	(2,094,390)

**SCHEDULE TO THE DETAILED PROFIT AND LOSS ACCOUNT FOR THE
YEAR ENDED 31 MARCH 2026**

	2026 £	2025 £
Turnover		
Sales - Europe	–	310,609
Sales - Rest of world	23,154,619	30,565,318
	23,154,619	30,875,927

	2026 £	2025 £
Cost of sales		
Subcontract labour	2,130,886	1,711,592
Commissions payable	–	15,000
FIA and development costs	13,015,712	21,272,092
	15,146,598	22,998,684

	2026 £	2025 £
Other operating income		
Research & Development Grant income	2,300,598	1,318,861
	2,300,598	1,318,861

Administration expenses

Directors salaries	880,155	727,656
Directors pension costs	48,589	36,383
Staff salaries	4,661,558	4,666,991
Employer's national insurance	763,243	727,704
Staff pension costs	263,437	231,778
Staff welfare	199,534	186,821
Motor vehicle (leasing)	16,697	(4,840)
Client entertainment	–	5,218
Hotels, travel and subsistence	1,754,662	1,597,949
Printing and stationery	80,820	37,297
Telephone and fax	58,720	63,095
Computer costs	86,750	153,459
Advertising and promotion	856,340	403,647
Legal and professional	110,213	200,690
Auditors' remuneration	27,094	12,000
Accountancy fees	134,469	144,807
Bank charges	20,511	20,221
Difference on foreign exchange	312,700	(27,621)
Rent	208,905	267,686
Rates	234,654	228,131
Light and heat	189,475	133,481
Insurances	17,734	72,392
Repairs and maintenance	14,965	138,762
Depreciation	518,159	942,938
Recruitment	7,500	59,573
Dilapidation provision	180,000	180,000
Sustainability	16,189	–
	11,663,073	11,206,218

Interest receivable

Interest receivable	66,266	69,257
	66,266	69,257

Interest payable

Group interest payable	112,628	153,533
	112,628	153,533

Impairment charge

Impairment charge-patents	–	2
	–	2

INDEPENDENT AUDITORS' REPORT

To the Members of Mahindra Last Mile Mobility Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Mahindra Last Mile Mobility Limited (the "Company") which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

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

Basis for Opinion

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

Management's and Board of Directors Responsibilities for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related

disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on various dates in April taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its financial statements - Refer Note 35 to the financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d.
 - (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 40 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 40 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

f. Based on our examination which included test checks, the Company has used an 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. Further, we did not come across any instance of audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under

Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sreeja Marar

Partner

Membership No.: 111410

ICAI UDIN:26111410LOOOPW5217

Place : Mumbai

Date : 21 April 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF MAHINDRA LAST MILE MOBILITY LIMITED FOR THE YEAR ENDED 31 MARCH 2026

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified once in three years. In accordance with this programme, no property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in, or provided any guarantee or security on behalf of, or granted any loans or advances in the nature of loans, secured or unsecured to Companies, firms or limited liability partnership during the year. The Company has made investments in other parties (mutual funds) and has granted interest bearing unsecured loans to other parties (employees) in respect of which the requisite information is as below. The Company has not granted any secured loans or advances in the nature of loans, secured or unsecured, or provided any guarantee or security on behalf of other parties.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to other parties as below:

Particulars	Loans (in lakhs)
Aggregate amount during the year	
Others	7.00
Balance outstanding as at balance sheet date	
Others	31.49

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us in our opinion the investments made, and the terms and conditions of the grant of unsecured loans, are not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of unsecured loans given to other parties (employees), in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made, by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.
According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.
According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 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 on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received under the vigil mechanism established voluntarily by the Company during the year and shared with us while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs as part of the Group
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sreeja Marar
Partner
Membership No.: 111410
ICAI UDIN:26111410LOOOPW5217

Place : Mumbai
Date : 21 April 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF MAHINDRA LAST MILE MOBILITY LIMITED FOR THE YEAR ENDED 31 MARCH 2026

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra Last Mile Mobility Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement,

including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sreeja Marar

Partner

Membership No.: 111410

ICAI UDIN:2611410LOOOPW5217

Place : Mumbai

Date : 21 April 2026

BALANCE SHEET AS AT 31ST MARCH 2026

Particulars	Note No.	(Rs. in lakhs)	
		As at 31 st March, 2026	As at 31 st March, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	4	66,043	27,507
Capital work-in-progress	5(a)	2,972	28,640
Intangible assets	6	27,232	11,406
Intangible assets under development	7(a)	9,378	19,001
Financial assets			
Other financial assets	8(a)	2,126	2,116
Income Tax Assets (Net)		—	881
Other non-current assets	10(a)	4,717	7,948
Total non-current assets		112,468	97,499
Current assets			
Inventories	11	42,211	28,664
Financial assets			
Investments	12	38,631	1,001
Trade receivables	13	7,253	12,626
Cash and cash equivalents	14	16,949	2,622
Bank balances other than cash and cash equivalents	15	84,710	85,341
Other financial assets	8(b)	43,450	45,391
Other current assets	10(b)	33,240	25,679
Total current assets		266,444	201,324
TOTAL ASSETS		378,912	298,823
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	115,357	86,005
Other equity		105,976	10,757
Total equity		221,333	96,762
Liabilities			
Non-current liabilities			
Financial Liabilities			
Compulsorily Convertible Preference Shares	17	—	101,887
Lease liabilities	32(a)	1,716	1,650
Other financial liabilities	18(a)	—	1,076
Provisions	19(a)	10,637	6,583
Deferred Tax Liability (Net)	9	5,514	2,045
Other non-current liabilities	20(a)	174	273
Total non-current liabilities		18,041	113,514
Current liabilities			
Financial liabilities			
Lease liabilities	32(b)	1,012	561
Trade payables			
Total outstanding dues of micro and small enterprises	21	951	4,709
Total outstanding dues of creditors other than micro and small enterprises	21	108,923	57,296
Other financial liabilities	18(b)	9,277	11,724
Current tax liabilities (Net)		498	—
Provisions	19(b)	6,678	4,624
Other current liabilities	20(b)	12,199	9,633
Total current liabilities		139,538	88,547
TOTAL EQUITY AND LIABILITIES		378,912	298,823

The accompanying notes 1 to 42 form an integral part of the Financial Statements.

As per our report of even date attached:

for B S R & Co. LLP

Chartered Accountants
Firm registration number: 101248W/W-100022

Sreeja Marar
Partner
Membership Number: 111410

Rajesh Jejurikar
Chairman
DIN : 00046823

Arpit Jain
Chief Financial Officer

Place : Mumbai
Date : 21 April 2026

Place : Mumbai
Date : 21 April 2026

For and on behalf of the Board of Directors of:

Mahindra Last Mile Mobility Limited

CIN: U29102MH2023PLC403752

Suman Laxmidhar Mishra
Managing Director and Chief Executive Officer
DIN : 06727958

Payal Sharaf
Company Secretary
Membership No.: A23566

Place : Mumbai
Date : 21 April 2026

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

Particulars	Note No.	(Rs. in lakhs)	
		For the Year Ended 31st March 2026	For the Year Ended 31st March 2025
Income			
Revenue from operations	22	479,829	378,331
Other income	23	9,816	9,280
Total Income		489,645	387,611
Expenses			
Cost of materials consumed	24	343,533	258,384
Purchases of stock-in-trade	25	53,552	48,823
Changes in inventories of finished goods and stock-in-trade	26	(1,771)	(8,232)
Employee benefits expense	27	16,181	12,988
Finance costs	28	666	444
Depreciation and amortisation expense	29	13,014	10,451
Other expenses	30	39,464	32,891
Total Expenses		464,639	355,749
Profit before tax		25,006	31,862
Tax expense		6,461	7,190
Current tax	9	3,004	3,176
Deferred tax	9	3,457	4,014
Profit for the year		18,545	24,672
Other comprehensive income for the year			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans	34	(50)	71
Income tax effect on the above	9	13	(18)
Total other comprehensive income for the year (net of tax)		(37)	53
Total comprehensive income for the year		18,582	24,619
Earnings per equity share of face value Rs. 10 each			
Basic	33	1.64	2.87
Diluted	33	1.64	2.32

The accompanying notes 1 to 42 form an integral part of the Financial Statements.

As per our report of even date attached:

for B S R & Co. LLP

Chartered Accountants
Firm registration number: 101248W/W-100022

Sreeja Marar

Partner
Membership Number: 111410

Rajesh Jejurikar

Chairman
DIN : 00046823

Arpit Jain

Chief Financial Officer

Place : Mumbai
Date : 21 April 2026

Place : Mumbai
Date : 21 April 2026

For and on behalf of the Board of Directors of:

Mahindra Last Mile Mobility Limited

CIN: U29102MH2023PLC403752

Suman Laxmidhar Mishra

Managing Director and Chief Executive Officer
DIN : 06727958

Payal Sharaf

Company Secretary
Membership No.: A23566

Place : Mumbai
Date : 21 April 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026**a. Equity Share Capital**

	(Rs. in lakhs)
Balance as at 1st April 2025	86,005
Equity shares issued during the year	29,352
Balance as at 31st March 2026	115,357

a. Equity Share Capital

	(Rs. in lakhs)
Balance as at 1st April 2024	86,005
Equity shares issued during the year	—
Balance as at 31st March 2025	86,005

b. Other Equity

	Reserves and surplus			Items of Other Comprehensive Income Remeasurement of defined benefit liability, net of tax	(Rs. in lakhs)
Particulars	Capital Reserve	Securities Premium	Retained earnings		Total
Balance as at 1 st April 2025	(16,178)	—	27,070	(135)	10,757
Profit for the year	—	—	18,545	—	18,545
Issue of Equity Shares	—	76,636	—	—	76,636
Other comprehensive (income) / loss	—	—	—	50	50
Deferred Tax	—	—	—	(13)	(13)
Balance as at 31st March 2026	(16,178)	76,636	45,615	(98)	105,975

	Reserves and surplus			Items of Other Comprehensive Income Remeasurement of defined benefit liability, net of tax	Total
Particulars	Capital Reserve	Securities Premium	Retained earnings		
Balance as at 1 st April 2024	(16,178)	—	2,398	(82)	(13,862)
Profit for the year	—	—	24,672	—	24,672
Other comprehensive (income) / loss	—	—	—	(71)	(71)
Deferred Tax	—	—	—	18	18
Balance as at 31st March 2025	(16,178)	—	27,070	(135)	10,757

Nature and purpose of Reserves**(a) Capital Reserve**

The Company, post its formation, had acquired a business, on a going concern basis, by entering into a Business Transfer Agreement (BTA) dated 1 September 2023 with its parent entity Mahindra and Mahindra Ltd. Pursuant to the said transaction, a Capital reserve arose which mainly represents the amount of consideration paid over and above the book value of net assets acquired under the BTA, which was accounted as a common control transaction in accordance with Ind AS 103 Business Combinations.

(b) Retained earnings

Retained earning comprises of accumulated balance of profits of the current year and prior years. The said reserve can be utilized or distributed by the Company in accordance with the provisions of the Companies Act, 2013.

(c) Securities Premium

Securities premium arises on account of conversion of compulsorily convertible preference shares into Equity shares during the year.

The accompanying notes 1 to 42 form an integral part of the Financial Statements.

As per our report of even date attached:

for B S R & Co. LLP

Chartered Accountants

Firm registration number: 101248W/W-100022

Sreeja Marar

Partner

Membership Number: 111410

Rajesh Jejurikar

Chairman

DIN : 00046823

Arpit Jain

Chief Financial Officer

Place : Mumbai

Date : 21 April 2026

For and on behalf of the Board of Directors of:

Mahindra Last Mile Mobility Limited

CIN: U29102MH2023PLC403752

Suman Laxmidhar Mishra

Managing Director and Chief Executive Officer

DIN : 06727958

Payal Sharaf

Company Secretary

Membership No.: A23566

Place : Mumbai

Date : 21 April 2026

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	(Rs. in lakhs)	
	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Cash Flows from Operating Activities		
Profit before tax for the year	25,006	31,862
Adjustments for :		
Depreciation and Amortisation Expense	13,014	10,451
Finance Costs	666	444
Interest Income	(6,746)	(5,588)
Gain arising on financial assets/ liabilities measured at FVTPL (net)	(820)	(3,466)
(Profit) / Loss on Property, Plant and Equipment Sold/ scrapped/ written off (Net)	632	210
(Profit)/Loss on ROU assets sold/written off (net)	–	(7)
(Gain)/loss on foreign exchange fluctuations (net)	464	141
Operating Cash Flows before Working Capital changes	32,216	34,047
Movements in Working Capital:		
Trade and Other Receivables	(163)	(35,732)
Inventories	(13,547)	(4,374)
Trade and other payables and provisions	55,302	10,221
Cash flows (used in) / generated from operating activities	73,808	4,162
Income taxes paid	(1,625)	(3,288)
Net cash flows (used in) / generated from operating activities	72,183	874
Cash flows from Investing Activities		
Acquisition of Property, Plant and Equipment and Intangible Assets	(28,415)	(41,758)
Acquisition of PPE and IA under Asset Transfer Agreement	(2,934)	–
Proceeds from disposal of Property, Plant and Equipment	54	18
Interest received	6,652	3,281
Investment in Bank deposits	(84,710)	(106,767)
Redemption/maturity of Bank deposits	85,341	56,426
Payments to acquire current investments	(267,050)	(149,700)
Proceeds from sale of current investments	230,241	163,779
Net cash flows used in investing activities	(60,821)	(74,721)
Cash flows from financing activities		
Proceeds from issue of equity share capital	4,100	–
Proceeds from issue of Compulsory Convertible Preference Shares	–	50,000
Payment for Lease liabilities (including interest) (Refer Note iv below)	(1,134)	(1,062)
Net cash flows from financing activities	2,966	48,938

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2026 (CONTINUED)

Particulars	(Rs. in lakhs)	
	For the year ended 31st March 2026	For the year ended 31st March 2025
Net Decrease in cash and cash equivalents	14,327	(24,909)
Cash and cash equivalents at the beginning of the year	2,622	27,531
Cash and cash equivalents at the end of the year (Refer Note 14)	16,949	2,622
Components of cash and cash equivalents		
Cash on hand		
Balances with banks		
Current accounts	2,698	2,622
Deposit accounts	14,251	—
Total cash and cash equivalents	16,949	2,622

Notes :

- The above Statement of Cash Flows has been prepared under the “indirect method” as set out in ‘Indian Accounting Standard (Ind AS) 7 – Statement of Cash Flows’.
- The accompanying notes are an integral part of the IND AS financial statements.
- Figures in brackets indicate Outflows
- Refer note 32 which contains reconciliation and details of the movement of lease liabilities including the amount of payments made during the year, which forms part of the cash flows from financing activities in the cash flow statement.

The accompanying notes 1 to 42 form an integral part of the Financial Statements.

As per our report of even date attached:

for B S R & Co. LLP

Chartered Accountants
Firm registration number: 101248W/W-100022

Sreeja Marar

Partner
Membership Number: 111410

Place : Mumbai
Date : 21 April 2026

Rajesh Jejurikar

Chairman
DIN : 00046823

Arpit Jain

Chief Financial Officer

Place : Mumbai
Date : 21 April 2026

For and on behalf of the Board of Directors of:

Mahindra Last Mile Mobility Limited

CIN: U29102MH2023PLC403752

Suman Laxmidhar Mishra

Managing Director and Chief Executive Officer
DIN : 06727958

Payal Sharaf

Company Secretary
Membership No.: A23566

Place : Mumbai
Date : 21 April 2026

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

1. General Information

Mahindra Last Mile Mobility Limited ('the Company') is an unlisted public limited company domiciled in India and is incorporated under the provisions of Companies Act, 2013. The registered office of the Company is located at Mahindra Towers, Pandurang Budhkar Marg, Worli, Mumbai 400018, Maharashtra.

The Company is a subsidiary of Mahindra & Mahindra Limited (M&M). During the year ended 31st March 2026, the Company has converted compulsorily convertible preference shares into equity shares to International Finance Corporation and India-Japan Fund.

2. Material Accounting Policies

(a) Statement of compliance and basis of preparation and presentation

'These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These financial statements were approved by the Company's Board of Directors and authorised for issue on 21st April 2026

(b) Basis of measurement

'The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values in accordance with Ind AS.

(c) Measurement of fair values

'A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly;

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

(d) Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the year in which the estimate is revised and future years affected.

Key sources of estimation, uncertainty, critical judgments and assumptions at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of the below:

- Useful lives of property, plant and equipment and intangible assets - refer note 2(e) & 2(f).
- Provision for product warranties - refer note 2(p).
- Fair value of financial assets, liabilities and investments - refer note 2(j).
- Impairment of tangible and intangible assets including investments - refer note 2(g).
- Measurement of defined benefit obligations - refer note 2(m)

(e) Property, plant and equipment

Property, plant and equipment (Including Capital Work In Progress) are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any.

Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use.

Depreciation is provided on straight-line basis for property, plant and equipment so as to expense the depreciable amount, i.e. the cost less estimated residual value, over its estimated useful lives. The estimated useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related accumulated depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss.

The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset classes, based on the Company's expected usage pattern supported by technical assessment:

Asset Class	Useful lives
i) Certain items of Plant and equipment	2 to 20 years
ii) Buildings	3 to 30 years
iii) Vehicles	2 to 5 years

(f) Intangible assets

Intangible assets under development

The Company expenses costs incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as intangible asset.

Intangible assets

Intangible assets are initially recognised at cost.

Subsequent to initial recognition, intangible assets with definite useful lives are amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed and are reported at cost less accumulated amortisation and accumulated impairment losses, if any.

The intangible assets are amortised over the estimated year of benefit as below:

Asset Class	Useful lives
i) Development expenditure	3 to 5 years
ii) Brand and IP	3 to 30 years
iii) Computer software	3 to 4 years

The amortisation period for intangible assets are reviewed annually and changes in expected useful lives are treated as changes in estimates.

(g) Impairment of assets

At the end of the reporting year, the Company reviews the carrying amounts of its tangible assets and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

Intangible assets not yet available for use are tested for impairment annually or whenever there is an indication that the asset may be impaired.

(h) Inventories

Inventories are carried at cost or net realisable value whichever is lower. Cost is determined on the basis of the weighted average method and comprises of all cost of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

(i) Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are translated at the functional currency using exchange rates prevailing at that date. Non-monetary items measured at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the year in which they arise.

(j) Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at

- Amortised cost - debt instrument; or
- Fair Value through Other Comprehensive Income (FVTOCI) - debt instrument; or
- Fair Value through Other Comprehensive Income (FVTOCI) - equity instrument; or
- Fair Value through Profit or Loss (FVTPL)

The classification of debt instrument as amortised cost or FVTOCI is based on the business model and cash flow characteristics of such instrument.

Financial assets are not reclassified subsequent to their initial recognition, except if the Company changes its business model for managing financial assets.

*A financial asset not classified as measured at amortised cost or FVTOCI is measured at FVTPL.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment expenses are recognised in profit or loss. Any gain and loss on derecognition is also recognised in profit or loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows from financial asset in a manner that substantially all the risks and rewards of ownership of the asset are transferred to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised and the proceeds received are recognised as a collateralised borrowing.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Company applies the Expected Credit Loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables and loans, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI and is not reduced from the carrying amount of the financial asset in the Balance Sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(k) Revenue Recognition

Sale of goods or services

Revenue from sale of goods are recognised upon satisfaction of performance obligation which is at a point in time, generally on delivery of the goods, when control of the goods is transferred to customers. Revenue from services are recognised upon satisfaction of performance obligation towards rendering of such services.

The Company recognises revenue from sale of goods or services at the amount of transaction price (excluding variable consideration that is constrained), that is allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of third parties.

An amount of consideration can vary because of discounts, rebates, incentives etc. which are explicitly stated in the contract or are as per customary business practices. The consideration can also vary where the entitlement is contingent on occurrence or non-occurrence of a future

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

event. The Company includes variable consideration as part of transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Variable consideration is estimated using the expected value method or the most likely amount depending on which method the Company expects to better predict the amount of consideration to which it will be entitled and is applied consistently throughout the contract.

Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Dividend and Interest income

Dividend from investments are recognised in profit or loss when the right to receive payment is established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

(l) Government Grants

The Company, directly or indirectly through a consortium of Mahindra Group companies, is entitled to various incentives from government authorities. Government grants are recognised when there is a reasonable assurance that the same will be received and all attached conditions will be complied with.

Government grants that are revenue in nature, are recognised in profit or loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

(m) Employee Benefits

ESIC and Labour Welfare Fund

The Company's contribution paid / payable during the year to ESIC and Labour Welfare Fund are recognised in profit or loss.

Provident Fund

Contributions to Provident Fund are made to Regional Provident Fund Commissioners and are charged to profit or loss as incurred.

Gratuity, long term compensated absences, post retirement medical benefit and post retirement housing allowance schemes

The liability towards gratuity, long term compensated absences, post retirement medical benefit and post retirement housing allowance schemes are determined by independent actuaries, using the projected unit credit method.

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in Balance Sheet with corresponding debit or credit to other comprehensive income. Remeasurements are not reclassified to profit or loss in subsequent year.

Remeasurement gains or losses on long term compensated absences that are classified as other long term benefits are recognised in profit or loss.

Share based payments

Share-based payments to employees are the charged by the Holding Company over the vesting year in accordance with the ESOP scheme and is recognized as share based payment expenses under Employee Benefit Expenses

(n) Borrowing Costs

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial year of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale except for the year the construction activities are temporarily suspended. All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

(o) Income Taxes

Current tax

The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting year.

Current tax assets and current tax liabilities are offset, if the entity has a legally enforceable right to set off recognised amounts and intends to settle on net basis or to realise the current tax asset and settle the current tax liabilities simultaneously.

Deferred tax

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets including that on unused tax losses and unused tax credits are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(p) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting year, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

Provisions for the expected cost of warranty obligations are recognised at the time of sale of the relevant products, at the best estimate of the expenditure required to settle the Company's obligation. The provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

(q) Leases

The Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is initially measured at amortised cost at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(r) Business Combinations

Business Combination under common control are accounted under "the pooling of interest method" i.e. in accordance with Appendix C in Ind AS 103 - Business combinations, at carrying amount of assets and liabilities acquired and any excess of consideration issued over the net assets acquired is recognised as capital reserve on common control business combination.

(s) Non-current assets held for sale

Non-current assets or disposal groups are classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

(t) Current/ Non-current classification

The Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

3. Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has

determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

4. Property, Plant and Equipment

Property, plant and equipment comprise of owned and leased assets that do not meet the definition of Investment property.

Particulars	(Rs. in lakhs)	
	31-Mar-26	31-Mar-25
(a) Property, plant and equipment (owned)	63,708	25,468
(b) Right of use assets	2,335	2,039
Total	66,043	27,507

(a) Property, plant and equipment (owned)

As on 31st March 2026

Particulars	(Rs. in lakhs)							
	Freehold Land	Buildings	Plant and Equipment	Office Equipment	Computer Equipment	Furniture and Fixtures	Vehicles	Total
At Cost								
As on 1st April 2025	1,960	4,221	57,584	280	1,101	161	665	65,972
Additions during the year	178	3,624	36,580	185	727	40	71	41,405
Additions on account of Asset Transfer Agreement (Refer Note 38)	–	–	2,331	118	352	49	36	2,886
Disposals during the year	–	–	(1,405)	–	(2)	–	(6)	(1,413)
As on 31st March 2026	2,138	7,845	95,090	583	2,178	250	766	108,850
Accumulated Depreciation								
As on 1st April 2025	–	(1,116)	(38,105)	(105)	(537)	(92)	(549)	(40,504)
Depreciation for the year	–	(400)	(5,027)	(84)	(380)	(14)	(57)	(5,962)
On disposals	–	–	1,319	–	2	–	3	1,324
As on 31st March 2026	–	(1,516)	(41,813)	(189)	(915)	(106)	(603)	(45,142)
Net Carrying Amount as at 31st March 2026	2,138	6,329	53,277	394	1,263	144	163	63,708

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

4. Property, Plant and Equipment (continued)

As on 31st March 2025

(Rs. in lakhs)

Particulars	Freehold Land	Buildings	Plant and Equipment	Office Equipment	Computer Equipment	Furniture and Fixtures	Vehicles	Total
At Cost								
As on 1st April 2024	1,960	4,133	53,874	245	641	145	774	61,772
Additions during the year	–	89	4,710	36	476	18	14	5,343
Disposals during the year	–	(1)	(1,000)	(1)	(16)	(2)	(123)	(1,143)
As on 31st March 2025	1,960	4,221	57,584	280	1,101	161	665	65,972
Accumulated Depreciation								
As on 1st April 2024	–	(987)	(34,521)	(58)	(374)	(82)	(591)	(36,613)
Depreciation for the year	–	(129)	(4,372)	(48)	(178)	(12)	(67)	(4,806)
On disposals	–	–	788	1	15	2	109	915
As on 31st March 2025	–	(1,116)	(38,105)	(105)	(537)	(92)	(549)	(40,504)
Net Carrying Amount as at 31 March 2025	1,960	3,105	19,479	175	564	69	116	25,468

Notes:

- Plant and equipment as on 31st March 2026 includes self generated assets at cost aggregating to Rs. 1,445 lakhs (PY Rs. 1,302 lakhs)
- Net carrying amount of plant and equipment as on 31st March 2026 includes plant and equipment and tools aggregating to Rs 19,133 lakhs (PY 7,032 lakhs) lying with third party vendors.

(b) Right of use assets

As on 31st March 2026

(Rs. in lakhs)

Particulars	Leasehold Land	Leasehold Building	Vehicles	Total
At Cost				
As on 1st April 2025	119	925	2,398	3,442
Additions during the year	–	870	565	1,435
Lease Modification during the year	–	–	(30)	(30)
As on 31st March 2026	119	1,795	2,933	4,847
Accumulated depreciation				
As on 1st April 2025	(94)	(739)	(571)	(1,404)
Depreciation for the year	(25)	(527)	(556)	(1,108)
As on 31st March 2026	(119)	(1,266)	(1,127)	(2,512)
Net Carrying Amount as at 31st March 2026	–	529	1,806	2,335

As on 31st March 2025

(Rs. in lakhs)

Particulars	Leasehold Land	Leasehold Building	Vehicles	Total
At Cost				
As on 1st April 2024	119	783	588	1,490
Additions during the year	–	142	1,840	1,982
Disposals during the year	–	–	(30)	(30)
As on 31st March 2025	119	925	2,398	3,442
Accumulated depreciation				
As on 1st April 2024	(34)	(261)	(154)	(449)
Depreciation for the year	(59)	(478)	(428)	(965)
On disposals	–	–	11	11
As on 31st March 2025	(93)	(739)	(571)	(1,403)
Net Carrying Amount as at 31 March 2025	25	186	1,827	2,039

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**5. Capital work-in-progress****(a) Movement in Capital work-in-progress**

	(Rs. in lakhs)	
Particulars	31-Mar-26	31-Mar-25
At the beginning of the year	28,640	1,473
Additions during the year	15,736	32,510
Deletions during the year		
Transfer to Property, plant and equipment	(41,404)	(5,343)
At the end of the year	2,972	28,640

(b) Capital work-in-progress (CWIP) ageing schedule as at 31st March 2026 is as follows:

	(Rs. in lakhs)				
	Amount in CWIP for the year of				
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:					
As at 31st March 2026	2,613	211	148	—	2,972
Projects in progress:					
As at 31st March 2025	27,769	871	—	—	28,640

6. Intangible Assets**As on 31st March 2026**

	(Rs. in lakhs)			
Particulars	Development Expenditure*	Technical Knowhow	Computer Software	Total
At Cost				
As on 1st April 2025	18,067	2,025	1,529	21,621
Additions during the year	21,294	—	427	21,721
Additions on account of Asset Transfer Agreement (Refer Note 38)	—	—	48	48
As on 31st March 2026	39,361	2,025	2,004	43,390
Accumulated amortisation				
As on 1st April 2025	(9,070)	(487)	(658)	(10,215)
Amortisation for the year	(5,038)	(308)	(597)	(5,943)
As on 31st March 2026	(14,108)	(795)	(1,255)	(16,158)
Net Carrying Amount as at 31st March 2026	25,253	1,230	749	27,232

* Development Expenditure represents internally generated intangible assets.

As on 31st March 2025

	(Rs. in lakhs)			
Particulars	Development Expenditure	Technical Knowhow	Computer Software	Total
At Cost				
As on 1st April 2024	10,396	2,025	940	13,361
Additions during the year	7,671	—	589	8,260
As on 31st March 2025	18,067	2,025	1,529	21,621
Accumulated amortisation				
As on 1st April 2024	(5,189)	(179)	(166)	(5,534)
Amortisation for the year	(3,881)	(308)	(492)	(4,681)
As on 31st March 2025	(9,070)	(487)	(658)	(10,215)
Net Carrying Amount as at 31 March 2025	8,996	1,538	871	11,406

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

7. Intangible Assets under Development

(a) Movement in Intangible Assets under Development

(Rs. in lakhs)		
Particulars	31-Mar-26	31-Mar-25
Opening Balance	19,001	12,265
Net Additions during the year	12,348	14,839
Deletions during the year	(203)	(338)
Transfer to Intangible Assets	(21,768)	(7,765)
Closing Balance	9,378	19,001

(b) Intangible assets under development ageing schedule as at 31st March 2026 is as follows:

(Rs. in lakhs)					
Amount in Intangible assets under development for the year					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress:					
As at 31st March 2026	7,252	1,451	675	–	9,378
Projects in progress:					
As at 31st March 2025	11,483	7,518	–	–	19,001

8. Other Financial Assets

(Rs. in lakhs)				
Particulars	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
(a) Non-current				
Carried at amortised cost:				
Security Deposits			78	75
Receivable from Government			2,048	2,041
Total			2,126	2,116

(b) Current

Receivable from Government

Industrial Promotion Subsidy			–	571
Production Linked Incentive*			39,050	24,830
Demand Subsidy Receivable	4,359	28,099		
Less: Written off	–	7,587		
Demand Subsidy Receivable - Net			4,359	20,512
			43,408	45,913
Less: Provision			(3,247)	(3,053)

(Rs. in lakhs)

Particulars	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Receivable from Government (Net)			40,161	42,860
Interest accrued on fixed deposits			2,626	2,531
Derivative Financial Assets			657	–
Other Financial Assets			5	–
Total			43,450	45,391

*Mahindra & Mahindra ('Holding Company') Group has received an approval for Production Linked Incentive (PLI) Champion OEM scheme. The Company's product portfolio is a part of the eligible products under the PLI scheme

9. Income Taxes

(a) Income Tax recognised in profit or loss

(Rs. in lakhs)		
Particulars	31-Mar-26	31-Mar-25
Current Tax		
In respect of current year	2,967	2,934
In respect of prior years	38	242
Total Current tax Expense	3,005	3,176
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	3,444	4,541
In respect of prior year	13	(527)
Total Deferred tax Expense / (Income)	3,457	4,014
Total Income tax Expense	6,462	7,190

(b) Income tax recognised in Other Comprehensive Income

(Rs. in lakhs)		
Particulars	31-Mar-26	31-Mar-25
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit plans	13	(18)
Total Deferred tax (Expense)/Income	13	(18)
Total Income tax (Expense)/Income	13	(18)

(c) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

(Rs. in lakhs)		
Particulars	31-Mar-26	31-Mar-25
Profit before tax	25,006	31,862
Applicable Income tax rate	25.17%	25.17%
Expected income tax expense	6,294	8,019
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of expenses/provisions not deductible in determining taxable profit	116	(545)
Effect of net additional / (reversal) of provision in respect of prior years	51	(284)
Reported income tax expense	6,461	7,190

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

9. Income Taxes (continued)

(d) Deferred tax Assets/ (Liabilities) (Net)

(Rs. in lakhs)

Particulars	Balance as at 1st April 2025	Acquisitions through business combinations / Recognised in Equity	Recognised in Profit or Loss	Recognised in OCI/ Reclassified from other comprehensive income	Balance as at 31st March 2026
Tax effect of items resulting in taxable temporary differences					
Property, Plant and Equipment and Intangible Assets	3,505	—	3,475	—	6,980
Others	254	—	225	—	479
	<u>3,759</u>	<u>—</u>	<u>3,700</u>	<u>—</u>	<u>7,459</u>
Less:					
Tax effect of items resulting in deductible temporary differences					
Provision for employee benefits	677	—	156	(13)	820
Allowances for expected credit losses	781	—	62	—	843
Others	257	—	25	—	282
	<u>1,714</u>	<u>—</u>	<u>243</u>	<u>(13)</u>	<u>1,945</u>
Net Deferred Tax Assets/(Liabilities)(Net)	<u>2,045</u>	<u>—</u>	<u>3,457</u>	<u>13</u>	<u>5,514</u>

(Rs. in lakhs)

Particulars	Balance as at 1st April 2024	Acquisitions through business combinations / Recognised in Equity	Recognised in Profit or Loss	Recognised in OCI/ Reclassified from other comprehensive income	Balance as at 31st March 2025
Tax effect of items resulting in taxable temporary differences					
Property, Plant and Equipment and Intangible Assets	(170)	—	3,675	—	3,505
Others	—	—	254	—	254
	<u>(170)</u>	<u>—</u>	<u>3,929</u>	<u>—</u>	<u>3,759</u>
Less:					
Tax effect of items resulting in deductible temporary differences					
Provision for employee benefits	116	—	543	18	677
Allowances for expected credit losses	1,653	—	(872)	—	781
Others	13	—	244	—	257
	<u>1,782</u>	<u>—</u>	<u>(85)</u>	<u>18</u>	<u>1,714</u>
Net Deferred Tax Assets/(Liabilities)(Net)	<u>(1,951)</u>	<u>—</u>	<u>4,014</u>	<u>(18)</u>	<u>2,045</u>

10(a) Other Assets

Particulars	31-Mar-26	31-Mar-25
(a) Non-current		
Capital advances	4,717	7,948
(b) Current		
Advances to Suppliers	5,502	1,686
Goods and Services Tax Receivable	27,090	23,793
Prepaid expenses	645	200
Others	3	—
Total	<u>33,240</u>	<u>25,679</u>

11. Inventories

Particulars	31-Mar-26	31-Mar-25
Raw materials and bought out components (includes in transit Rs 2,187 Lakhs, PY 1,943 Lakhs)	29,014	17,395
Finished goods	7,656	6,481
Stock-in-trade	5,294	4,698
Stores and Spares	247	90
Total	<u>42,211</u>	<u>28,664</u>

11.01 Out of the above, inventories lying with third parties as at 31st March 2026 is Rs 22,939 lakhs (PY 12,481 lakhs)

11.02 The cost of inventories recognised as an expense during the year includes Rs. 706 lakhs (PY 451 lakhs) in respect of write-down of inventories to net realisable value

12. Investments

Current investments

Particulars	31-Mar-26	31-Mar-25
Quoted:		
Mandatorily measured and carried at Fair Value through Profit and Loss		
Investments in Mutual funds	38,631	1,001
Total	<u>38,631</u>	<u>1,001</u>
Other Disclosures		
Aggregate amount of quoted investments (Gross)	38,631	1,001
Market Value of quoted investments	38,631	1,001

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

13. Trade Receivables

	(Rs. in lakhs)	
Particulars	31-Mar-26	31-Mar-25
Current		
Unsecured, considered good (Undisputed)	7,253	12,626
Credit impaired	48	49
	7,301	12,675
Less: Loss Allowance	(48)	(49)
Total	7,253	12,626

Trade receivables ageing schedule as at 31st March 2026:

	(Rs. in lakhs)					
	Outstanding for following years from due date of payment					
Particulars	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	7,063	3	187	–	–	7,253
Undisputed Trade Receivables - credit impaired	2	1	31	14	0	48
	7,065	4	217	14	0	7,301
Less: Loss Allowance						(48)
Total						7,253

Trade receivables ageing schedule as at 31 March 2025:

	(Rs. in lakhs)					
	Outstanding for following years from due date of payment					
Particulars	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	12,560	59	7	–	–	12,626
Undisputed Trade Receivables - credit impaired	9	24	15	–	–	49
	12,569	83	23	–	–	12,675
Less: Loss Allowance						(49)
Total						12,626

14. Cash and Cash Equivalents

	(Rs. in lakhs)	
Particulars	31-Mar-26	31-Mar-25
Balances with banks:		
On Current accounts	2,698	2,622
Fixed Deposits with original maturity less than 3 months	14,251	–
Total	16,949	2,622

15. Bank balances other than cash and cash equivalents

	(Rs. in lakhs)	
Particulars	31-Mar-26	31-Mar-25
Fixed Deposits with original maturity less than 12 months	84,710	85,341
Total	84,710	85,341

16. Share Capital

	(Rs. in lakhs)	
Particulars	31-Mar-26	31-Mar-25
Authorised		
1,50,00,00,000 Ordinary (Equity) shares of Rs. 10 each (PY 1,50,00,00,000)	150,000	150,000
60,00,000 Compulsorily Convertible Preference Shares of Rs. 1,000 each (PY 60,00,000)	60,000	60,000
40,00,000 Series A Compulsorily Convertible Preference Shares of Rs. 1,000 each (PY 40,00,000)	40,000	40,000
Issued, subscribed and fully paid-up		
1,153,565,484 equity shares of Rs. 10 each (PY 86,00,50,000)	115,357	86,005
	115,357	86,005

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

16. Share Capital (continued)

a. Reconciliation of number of Ordinary (Equity) shares and amount outstanding :

(Rs. in lakhs except per share data)

Particulars	As at 31-Mar-2026		As at 31-Mar-2025	
	Number of shares	Amount	Number of shares	Amount
Issued, Subscribed and Paid-up:				
At the commencement of the year	860,050,000	86,005	860,050,000	86,005
Equity Shares issued during the year (Rs. 10 per equity share)	293,515,484	29,352	–	–
At the end of the year	1,153,565,484	115,357	860,050,000	86,005

b. The Ordinary (Equity) Shares of the Company rank pari-passu in all respects including voting rights and entitlement to dividend.

c. Details of Ordinary (Equity) Shares held by shareholders holding more than 5% of the aggregate Issued, Subscribed and Paid-up shares of the Company:

Name of the Shareholder	As at 31-Mar-2026		As at 31-Mar-2025	
	Number of shares	Shareholding %	Number of shares	Shareholding %
Mahindra & Mahindra Limited (Holding Company) (Rs. 10 per equity share)	901,050,000	78.11%	860,050,000	100.00%
International Finance Corporation (Rs. 10 per equity share)	157,346,332	13.64%	–	0.00%
India – Japan Fund (Rs. 10 per equity share)	95,169,152	8.25%	–	0.00%

d. Details of Ordinary (Equity) Shares held by Promoter and Promoter group: As at 31, March 2026

Name of the Promoter	Number of shares	Shareholding %	% change during the year
Mahindra & Mahindra Limited (Holding Company)	901,050,000	78.11%	(21.89%)

As at 31, March 2025

Name of the Promoter	Number of shares	Shareholding %	% change during the year
Mahindra & Mahindra Limited (Holding Company)	860,050,000	100.00%	0.00%

e. Details of proposed dividend

Particulars	31-Mar-26	31-Mar-25
Dividend per share (Rupees)		0.01
Dividend on Compulsorily Convertible Preference Shares (Rupees) @ 0.001% p.a.	–	51,329
Dividend on Series A Compulsorily Convertible Preference Shares (Rupees) @ 0.001% p.a.	–	33,425
Total Dividend	–	84,753

f. Details of issue of Ordinary (Equity) Shares Rs. In Lakhs

Date of issue	No. of shares issued	Rs. per equity share	Amount	Name of the shareholder
19 June 2023	50,000	10	5	Mahindra & Mahindra Ltd
08 September 2023	860,000,000	10	86,000	Mahindra & Mahindra Ltd
27 August 2025	41,000,000	10	4,100	Mahindra & Mahindra Ltd
01 September 2025	157,346,332	10	15,735	International Finance Corporation
01 September 2025	95,169,152	10	9,517	India – Japan Fund
Total	1,153,565,484		115,357	

- During the Year, Company has allotted 4,10,00,000 Equity shares of face value 10/- per share on Right basis for cash to Mahindra and Mahindra Ltd

- During the Year, Company has issued Equity shares to International Finance Corporation and India-Japan Fund on account of conversion of preference shares (Refer Note 41)

17. Compulsorily Convertible Preference Shares

(Rs. in lakhs)

Particulars	31-Mar-26	31-Mar-25
0.001% Compulsorily Convertible Preference shares*	–	63,488
Series A 0.001% Compulsorily Convertible Preference Shares (CCPS)*	–	38,399
Total	–	101,887

* During the Previous year, 30,00,000 Compulsorily convertible preference shares of Rs. 1,000 each fully paid-up, issued at par. (Refer Note 41)

During the Previous year, 20,00,000 Series A Compulsorily Convertible Preference shares of Rs. 1,000 each fully paid-up, issued at par. (Refer Note 41)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

18. Other financial liabilities

Particulars	(Rs. in lakhs)	
	31-Mar-26	31-Mar-25
(a) Non-current		
Dealer Deposits	–	1,076
Total	–	1,076
(b) Current		
Carried at amortised cost:		
Employee related payables	2,917	2,790
Creditors for capital goods	5,063	8,278
Dealer Deposits	1,191	–
Security Deposits	27	13
Others	79	146
Carried at FVTPL:		
Foreign currency forwards	–	497
Total	9,277	11,724

19. Provisions

Particulars	(Rs. in lakhs)	
	31-Mar-26	31-Mar-25
(a) Non-current		
Provision for employee benefits (Refer Note 34)		
Compensated absences	1,023	996
Gratuity	2,207	1,777
Other Provisions		
Warranties	5,574	3,705
Service coupons	113	105
EPR - Batteries Expenses	1,720	–
Total	10,637	6,583
(b) Current		
Provision for employee benefits (Refer Note 34)		
Compensated absences	362	355
Gratuity	357	259
Other Provisions		
Warranties	5,061	3,331
Service coupons	898	679
EPR - Batteries Expenses	–	–
Total	6,678	4,624

***Warranties & Service Coupon**

Provision for warranties and service coupons relates to provision made in respect of sale of certain products and components, the estimated cost of which is accrued at the time of sale. The products are generally covered under a free warranty year ranging from 1 to 5 years.

***EPR - Batteries Expenses**

The Company has made provision towards environmental compensation for batteries deployed in the market through the sale of electric three-wheeler vehicles. This provision has been calculated in accordance with the Guidelines for Environment Compensation (EC) under the Battery Waste Management Rules, 2022, as amended.

19.01 Details of movement in Provisions is as follows:

As on 31 March 2026			(Rs. in lakhs)
Particulars	Warranties	Service Coupons	EPR - Batteries Expenses
Balance as at 1st April 2025	7,036	784	–
Additional provisions recognised during the year	6,861	1,165	1,720
Amounts utilised during the year (net)	(3,535)	(983)	–
(Discounting) / Unwinding of provision (net)	274	44	–
Balance as at 31st March 2026	10,636	1,010	1,720

As on 31 March 2025			(Rs. in lakhs)
Particulars	Warranties	Service Coupons	EPR - Batteries Expenses
Balance as at 1st April 2024	2,522	639	–
Additional provisions recognised during the year	7,877	875	–
Amounts utilised during the year (net)	(3,470)	(769)	–
(Discounting) / Unwinding of provision (net)	107	38	–
Balance as at 31st March 2025	7,036	784	–

20(a) Other Liabilities			(Rs. in lakhs)
Particulars	31-Mar-26	31-Mar-25	
(a) Non-current			
Contract Liabilities*	174	273	
Total	174	273	
(b) Current			
Contract Liabilities*	5,231	2,328	
Statutory dues (other than income taxes)			
Tax deducted/collected at source	1,761	2,444	
Professional Tax	2	1	
Provident Fund and Pension Fund	146	126	
Goods and Services tax	5,049	4,722	
Others	11	12	
Total	12,199	9,633	

*Contract Liabilities represent advances received from customers.

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**21. Trade Payables**

		(Rs. in lakhs)				(Rs. in lakhs)	
Particulars	31-Mar-26	31-Mar-25	Particulars	31-Mar-26	31-Mar-25		
Total outstanding dues of micro and small enterprises (Refer Note 39)	951	4,709	Carrying Amount of financial liabilities subject to Supplier Finance Arrangement				
Total outstanding dues of creditors other than micro and small enterprises	108,923	57,297	- Presented in Trade Payables	4,610	—		
Total	109,874	62,006	- of which supplier has received payment from bank/financial institution	4,610	—		

Trade Payables Ageing Schedule

As on 31 March 2026 (Rs. in lakhs)

Particulars	Outstanding for following years from due date of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	928	23	—	—	—	951
Others	58,988	9,668	2,243	1,521	—	72,420
Total	59,916	9,692	2,243	1,521	—	73,372
Accrued Expenses						36,502
Net Trade payables						109,874

As on 31 March 2025

Particulars	Outstanding for following years from due date of payment					Total
	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
MSME	4,641	65	3	—	—	4,709
Others	22,648	8,358	5,115	—	—	36,121
Total	27,289	8,423	5,118	—	—	40,830
Accrued Expenses						21,176
Net Trade payables						62,006

Supplier Finance Arrangements

Some of our suppliers elect to factor some of their receivables from the Company with financial institutions. In such cases, we provide suppliers and/or banks with visibility of invoices approved for payment, which helps them receive cash from the bank before the invoice due date, if they choose to do so. Payment dates and terms for the Company do not vary based on whether the supplier chooses to factor their receivable.

22. Revenue from Operations

		(Rs. in lakhs)	
Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025	
Revenue from contracts with customers for goods and services			
Sale of products			
Sale of vehicles	402,357	323,596	
Sale of spares and accessories/kits	35,661	25,048	
	438,018	348,644	
Sale of Services	1,019	798	
	4,39,037	3,49,441	
From other sources of revenue			
Other Operating Revenue			
Income from Government Incentives	39,173	27,749	
Scrap sales	526	205	
Oil Royalty Income	837	652	
Others	256	284	
	40,792	28,890	
Total	479,829	378,331	

22.01 Revenue disaggregation by geography for sale of product is as follows: (Rs. in lakhs)

Geography	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Domestic	436,440	348,213
Overseas	1,578	431
Total	438,018	348,644

Geographical revenue is allocated based on the location of the customers.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

22. Revenue from Operations (continued)

22.02 Changes in Deferred Revenue or Contract Liabilities including Advances received from customers are as follows:

	(Rs. in lakhs)	
Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Opening balance of deferred revenue or contract liabilities	2,601	780
Additions during the year	4,803	2,210
Reclassification Adjustments:		
- Adjustment from opening balances of contract liabilities to revenue	(1,999)	(389)
- Transfer from contract liabilities to revenue	—	—
Closing balance of Deferred Revenue or Contract Liabilities	5,405	2,601

22.03 Reconciliation of Revenue from Contracts with Customers

	(Rs. in lakhs)	
Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Revenue from contracts with customers as per the contract price	498,646	386,865
Adjustments made to contract price on account of :- Discounts and Incentives	59,609	37,424
Revenue from contracts with customers as per statement of Profit and Loss	439,037	349,441

23. Other Income

	(Rs. in lakhs)	
Particulars	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Interest Income on Financial Assets measured at Amortized Cost		
Bank deposits	6,746	5,588
Other non-operating Income		
Gain/ (Loss) arising on financial liabilities measured at FVTPL (net) (Refer Note 41)	—	2,458
Forward Contract - MTM Gain	1,155	—
Insurance Claim Received	900	—
Gain/ (Loss) on redemption and fair value changes of mutual funds (net)	820	1,008
Interest on Income tax refund	100	—
Profit on right-of-use asset sold / discarded (net)	—	7
Others	95	219
Total	9,816	9,280

24. Cost of Materials Consumed

	(Rs. in lakhs)	
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Inventories at the beginning of the year	17,485	21,342
Add: Purchases made during the year	355,309	254,527
	372,794	275,869
Less: Inventories at the end of the year	(29,261)	(17,485)
Cost of materials consumed	343,533	258,384

25. Purchases of stock-in-trade

	(Rs. in lakhs)	
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Purchases of stock-in-trade	53,552	48,823
Total	53,552	48,823

26. Changes in Inventories of Finished Goods and stock-in-trade

	(Rs. in lakhs)	
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Inventories at the end of the year		
Finished goods	7,656	6,481
Stock-in-trade	5,294	4,698
	12,950	11,179
Less: Inventories at the beginning of the year		
Finished goods	6,481	2,947
Work-in-progress	—	—
Stock-in-trade	4,698	—
	11,179	2,947
(Increase) in Inventories of Finished Goods and stock-in-trade	(1,771)	(8,232)

27. Employee Benefits Expense

	(Rs. in lakhs)	
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Salaries and Wages, including bonus *	13,051	11,096
Contribution to provident fund & gratuity	1,571	1,070
Contribution to gratuity	—	—
Equity-settled share-based payments *	887	283
Staff welfare expenses	672	539
Total	16,181	12,988

* This includes amount spent on manpower research cost amounting to Rs. 2,454 Lakhs (PY: 2,248 Lakhs) (Refer Note 37)

* Note:

Represents cost reimbursed by the Company towards ESOP's granted by the holding Company, Mahindra & Mahindra Limited.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

27. Employee Benefits Expense (continued)

Certain employees of the Company are covered by Employee Stock Option Scheme-2000 (ESOP scheme) offered by Holding Company, Mahindra & Mahindra Limited. Under the scheme, eligible employees are granted an option to purchase shares of Mahindra & Mahindra Limited, in accordance with the terms and conditions of the scheme.

The Company recognises this scheme as an equity settled share based payments arrangement in accordance with IND AS 102 - Share Based Payment. Such ESOP expense in respect of employees of the Company, is charged by the Holding Company over the vesting year in accordance with the ESOP scheme which is recognized as Equity settled share based payment expenses under Employee Benefit Expenses.

28. Finance Costs

	(Rs. in lakhs)	
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Other borrowing cost		
Unwinding of interest on Lease liabilities (Refer Note 32)	246	205
Others*	420	239
Total	666	444

*Others includes unwinding of interest on warranties and service coupon.

29. Depreciation and amortisation expense

	(Rs. in lakhs)	
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Depreciation of Property, Plant and Equipment (Refer Note 4)	5,962	4,806
Depreciation of Right of Use Assets (Refer Note 4)	1,108	965
Amortisation of Intangible Assets (Refer Note 6)	5,943	4,680
Total	13,014	10,451

30. Other Expenses

	(Rs. in lakhs)	
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Power and Fuel	168	135
Stores Consumed	11	621
Rent expense	563	72
Rates and Taxes	43	31
Insurance expense	424	202
Repairs and Maintenance		
- Buildings	42	46
- Machinery	849	403
- Others	282	262
Advertisement and Sales Promotion expenses	8,808	7,307
Freight Outward	574	314
Allowances for expected credit losses (net)	(1)	45
Donations and Contributions	396	200
Provision for doubtful debts/advances including Write offs (net)*	246	4,078

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Auditors remuneration and out-of-pocket expenses		
- As auditors	31	28
- For other services and certifications	26	24
- For reimbursement of expenses	1	2
Legal and Professional Expenses	5,541	3,306
Sub-contracting Expenses	1,599	674
Research Costs	760	957
Warranties	4,606	6,509
Service Coupons	1,166	875
Road Side Assistance	353	331
Stockyard Expenses	3,982	2,466
Loss on Assets Sold / Discarded (Net)	632	210
Forward Contract Charges	-	494
Travelling and Conveyance Expenses	1,900	1,564
Difference in Exchange	464	141
EPR - Batteries Expenses	1,720	-
Other Miscellaneous Expenses	4,278	1,594
Total	39,464	32,891

*During the previous year, this includes Rs. 7,587 lakhs as FAME subsidy write off and Rs. (3,509) lakhs as write back of provision

31. Financial Instruments

The carrying value and fair value of financial instruments by categories are as follows:

		(Rs. in lakhs)	
Particulars	Note No.	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Financial Assets		Carried at Amortised Costs	Carried at Amortised Costs
Security Deposits	8(a)	78	75
Receivable from Government	8(a) + 8(b)	42,209	44,901
Interest Accrued on Fixed Deposit	8(b)	2,626	2,531
Trade Receivables	13	7,253	12,626
Cash and Cash Equivalents	14	16,949	2,622
Bank balances other than cash and cash equivalents	15	84,710	85,341
Other Financial Assets	8(b)	5	-
Total Financial Assets		153,831	148,096
Financial Liabilities			
Lease liabilities	32(a) + 32(b)	2,728	2,210
Dealer deposit	18(a) + 18(b)	1,191	1,076
Trade Payables	21	109,874	62,006
Other Financial Liabilities - Non Derivative Financial Liabilities	18(b)	8,086	11,227
Total Financial Liabilities		121,879	76,519

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

31. Financial Instruments (continued)

Financial Instruments regularly measured using Fair Value - recurring items

Particulars	Financial Asset / Financial Liability	Category	As on 31st March 2026	As on 31st March 2025	Fair Value Hierarchy	Valuation technique(s)
Investments	Financial Asset	Financial instruments measured at FVTPL	38,631	1,001	Level 1	Net Asset value
Compulsorily Convertible Preference Shares	Financial Liability	Financial instruments measured at FVTPL	–	101,887	Level 3	Income Approach - Discounted Cash Flow/Market Multiple
Foreign Currency Forwards	Financial Asset	Financial instruments measured at FVTPL	657	–	Level 2	Discounted Cash Flow
Foreign Currency Forwards	Financial Liability	Financial instruments measured at FVTPL	–	497	Level 2	Discounted Cash Flow

Reconciliation of Level 3 fair value measurements of financial instruments measured at fair value :

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Opening Balance	101,887	52,172
Total gains or losses recognised:		
a) in profit/(loss)	–	(2,458)
b) in other comprehensive income.	–	–
c) transferred (to)/ from other current assets/ (liabilities)	–	2,173
c) Converted into Equity Shares	101,887	–
Issued during the year	–	50,000
Closing balance	–	101,887

31.01 Fair value hierarchy

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

31.02 Financial Risk Management Objective And Policies

In the course of its business, the Company is exposed to a certain financial risks namely credit risk, liquidity risk, currency risk and interest risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The financial risks are managed in accordance with the risk management policy which has been approved by Board of Directors of the Company.

31.03 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from the Company's trade receivables. Credit risk arises from cash held with banks and financial institutions as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

The Company's trade and other receivables are actively monitored to review credit worthiness of the customers to whom credit terms are granted and also avoid significant concentrations of credit risks.

Reconciliation of loss allowance for Trade Receivables:

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Balance as at beginning of the year	49	4
Additions during the year	(1)	45
Balance as at end of the year	48	49

The Company continuously monitors receivables from customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls.

As at 31 March 2026, the maximum risk exposure under the arrangement entered by the Company to facilitate wider availability of financing to retail customers for the Company's products is contractually limited to not exceed one percent of the Company's revenue for the year ended on that date.

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counter-parties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry section.

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Information about major customers

During the year ended 31st March 2026, no revenues from transactions with a single external customer amount to 10% or more of the Company's revenues from external customers.

31.04 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment years. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**31. Financial Instruments (continued)**

(Rs. in lakhs)					
Particulars	1 year or less	1 year to 3 years	3 years to 5 years	5 years and above	Total
As on 31st March 2026					
Dealer Deposit	–	–	–	1,191	1,191
Trade Payables	109,874	–	–	–	109,874
Other Financial Liabilities	9,277	–	–	–	9,277
Lease Liabilities	1,012	1,313	354	269	2,948
Total	120,163	1,313	354	1,460	123,290
Particulars	1 year or less	1 year to 3 years	3 years to 5 years	5 years and above	Total
As on 31st March 2025					
Dealer Deposit	–	–	–	1,076	1,076
Trade Payables	62,006	–	–	–	62,006
Other Financial Liabilities	11,724	–	–	–	11,724
Lease Liabilities	658	1,191	512	–	2,361
Total	74,388	1,191	512	1,076	77,167

31.05 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

- Currency risk

Foreign Currency Exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in Foreign Currency Exchange rates. The Company's exposure to currency risk relates primarily to the Company's operating activities including sales and purchases where the transactions are denominated in a currency other than the Company's functional currency.

The Company's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Company hedges its foreign currency risk mainly by way of forward covers.

The carrying amounts of the Company's foreign currency exposure at the end of the reporting year are as follows:-

(Rs. in lakhs)								
Particulars	As at 31st March 2026				As at 31st March 2025			
	USD	EUR	JPY	Total	USD	EUR	JPY	Total
Financial Assets	14	32	–	45	1,265	66	30	1,361
Financial Liabilities	5,062	55	–	5,117	3,183	1,190	–	4,373

Sensitivity Analysis of Foreign Currency Exposure

As on 31st March 2026				As on 31 March 2025			
(Rs. in lakhs)				(Rs. in lakhs)			
Particulars	For the year ended 31st March 2026			Particulars	For the year ended 31st March 2025		
	10% increase - Profit / (Loss)	10% decrease - Profit / (Loss)			10% increase - Profit / (Loss)	10% decrease - Profit / (Loss)	
USD	(505)	505		USD	(192)	192	
EURO	(2)	2		EURO	(112)	112	
JPY	–	–		JPY	3	(3)	
Total	(507)	507		Total	(301)	301	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

31. Financial Instruments (continued)

31.06 Capital Management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or preference and/or convertible and/or combination of short term/long term debt as may be appropriate

'The Company determines the amount of capital required on the basis of its product, capital expenditure, operations and strategic investment plans. The same is funded through a combination of capital sources be it either equity and/or preference and/or convertible and/or combination of short term/long term debt as may be appropriate.

The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio of the Company.

'Net debt and Equity is given in the table below :

	(Rs. in lakhs)	
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Total Shareholders' Equity as reported in Balance Sheet	221,333	198,650
Less:		
Cash and cash equivalents	(16,949)	(2,622)
Bank balances other than cash and cash equivalents	(84,710)	(85,341)
Current Investments	(38,631)	(1,001)
	(140,290)	(88,964)
Total Capital deployed	81,043	109,686

32. Leases

As Lessee

The Company has taken on lease building and vehicles during the year for its operation. Leases of buildings have a lease term of 2 years while motor vehicles generally have lease terms between 3 and 5 years.

In accordance with the requirements under Ind AS 116, Leases, the Company has recognized the lease liability and ROU assets at the present value of the future lease payments discounted at the incremental borrowing rate prevailing during the year. Weighted average incremental borrowing rates of 5.51% - 6.70% (buildings) and 8.51%-10.51% (vehicles) have been applied to lease liabilities recognised in the balance sheet at the date of initial recognition.

The movement in carrying value of right of use assets during the year ended 31st March 2026 is provided in Note 4.

The following is the movement in lease liabilities:

	(Rs. in lakhs)	
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Balance at the beginning of the year	2,211	1,113
Additions during the year	1,435	1,981
Finance cost accrued during the year	246	205
Payment of lease liabilities	(1,134)	(1,047)
Deletions/Modification during the year	(30)	(25)
Balance at the end of the year	2,728	2,227

The following is the break-up of current and non-current lease liability

	(Rs. in lakhs)	
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Current lease liabilities	1,012	561
Non-current lease liabilities	1,716	1,650
Total	2,728	2,211

The following are the amounts recognised in profit or loss

	(Rs. in lakhs)	
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
i. Depreciation charge for ROU assets (Refer Note 4)	1,108	965
ii. Interest expense on lease liabilities (Refer Note 28)	246	205
iii. Expense relating to short-term leases (Refer Note 30)	563	72
iv. Expense relating to leases of low-value assets	—	—

33. Earnings per share

(Rs. in lakhs except per share data)

Particulars		For the year ended 31st March 2026	For the year ended 31st March 2025
Basic and Diluted Earnings per Share*			
Profit after tax for the year	A	18,545	24,672
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS	B	1,132,281,836	860,050,000
Basic Earnings per share of Rs.10 each	A/B	1.64	2.87
Weighted average number of potential Equity Shares on account of Compulsorily Convertible Preference Shares	C	—	204,718,125
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS	D=B	1,132,281,836	1,064,768,125
Profit after tax for the year (after considering the effect of potential equity shares)	E	18,545	24,672
Diluted Earnings per share	E/D	1.64	2.32

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

34. Employee Benefits

(a) Defined contribution plan

The Company's contribution to Provident Fund aggregating Rs. 714 lakhs has been recognised in Profit or Loss under the head Employee Benefits Expense.

Note: Where required by Ind AS 24 an entity discloses information about contributions to defined contribution plans for key management personnel. This is covered as a part of related party disclosures.

(b) Defined benefit plan:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Code on Social Security, 2020 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Through the defined benefit plan the Company is exposed to the following risks:

Asset volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit. The defined benefit plan holds a significant proportion of equity type assets, which are expected to outperform government bonds in the long-term while providing volatility and risk in the short-term.

The Company has chosen a suitable plan with Insurance, which augurs well with the Company's long term strategy to manage the plan efficiently.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings.

Inflation risk

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The post retirement medical benefit obligation is sensitive to medical inflation and accordingly, an increase in medical inflation rate would increase the plan's liability.

Life expectancy

Increase in life expectancy will result in an increase in the plan's liabilities, as the inflationary increases result in higher sensitivity to changes in life expectancy.

Note: An entity shall disclose description of any plan amendments, curtailments and settlements.

The Company has assessed the additional financial impact of four new labour codes notified by the Ministry of Labour & Employment in November 2025 and adjustments have been made in Profit & Loss of the current financial year amounting Rs. 198 Lakhs on account of the past services cost.

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

Particulars	Actuarial Assumptions	Actuarial Assumptions
	For the year ended 31st March 2026	For the year ended 31st March 2025
Discount rate	6.75%	6.85%
Expected rate of salary increase	9.00%	9.00%
Attrition rate	12.50%	12.50%
Mortality Rates whilst in Service	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Defined benefit plan – as per actuarial valuation

Particulars	Unfunded Plan For the year ended 31st March 2026	(Rs. in lakhs) Unfunded Plan For the year ended 31st March 2025
	For the year ended 31st March 2026	For the year ended 31st March 2025
Amounts recognised in Profit & loss:-		
Current service cost	345	237
Past service cost	198	–
Interest on net defined liability / (asset)	137	98
Components of defined benefit costs recognised in the Statement of Profit and Loss	679	335
Amounts recognised in comprehensive income:-		
Actuarial (gains) / loss arising from changes in financial assumptions	16	46
Actuarial (gains) / loss arising from demographic adjustments	–	(11)
Actuarial (gains) / loss arising from experience adjustments	(66)	36
Components of defined benefit costs recognised in other comprehensive income	(50)	71
	629	406
		(Rs. in lakhs)
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
I. Net Asset/(Liability) recognised in the Balance Sheet		
1. Present value of unfunded defined benefit obligation	2,564	2,036
2. Fair value of plan assets	–	–
3. Deficit	2,564	2,036
4. Current provision	357	259
5. Non-current provision	2,207	1,777
II. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	2,036	1,458
- Current Service Cost	345	237
- Past Service Cost	198	–
- Interest Expense	137	98
2. Remeasurement on the net defined benefit liability:		
Actuarial (gains) / loss arising from changes in financial assumptions	16	46
Actuarial (gains) / loss arising from demographic adjustments	–	(11)
Actuarial (gains) / loss arising from experience adjustments	(66)	36
3. Benefits paid	(168)	(90)
4. Others (Specify)	–	–
5. Liabilities assumed / (settled)*	66	262
Present value of defined benefit obligations at the end of the year	2,564	2,036

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

34. Employee Benefits (Continued)

III. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(Rs. in lakhs)				
Principal assumption	Year	Changes in assumption	Impact on defined benefit obligations	
			Increase in assumption	Decrease in assumption
Discount rate	2026	1.00%	(153)	171
Salary growth rate	2026	1.00%	153	(139)

Principal assumption	Year	Changes in assumption	Impact on defined benefit obligations	
			Increase in assumption	Decrease in assumption
Discount rate	2025	1.00%	(127)	142
Salary growth rate	2025	1.00%	138	(125)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

The method and types of assumptions used in preparing the sensitivity analyses did not change compared to the previous year.

IV. Maturity profile of defined benefit obligation:

Particulars	(Rs. in lakhs)	
	For the Year ended 31st March 2026	For the Year ended 31st March 2025
Expected benefits for Year 1	357	259
Expected benefits for Year 2	398	233
Expected benefits for Year 3	259	303
Expected benefits for Year 4	310	194
Expected benefits for Year 5	296	214
Expected benefits for Year 6	227	236
Expected benefits for Year 7	250	179
Expected benefits for Year 8	204	189
Expected benefits for Year 9	217	156
Expected benefits for Year 10 and above	1,775	1,549
Total	4,293	3,512

V. Experience adjustments :

Particulars	(Rs. in lakhs)	
	Gratuity For the Year ended 31st March 2026	Gratuity For the Year ended 31st March 2025
1. Defined benefit obligation	(2,564)	(2,036)
2. Fair value of plan assets	-	-
3. Deficit	(2,564)	(2,036)
4. Experience adjustment on Plan Liabilities Loss	(66)	36
5. Experience adjustment on Plan Assets Gain/(Loss)	-	-

35. Contingent Liabilities and Commitments

(A) Contingent Liabilities

- Claims against the Company not acknowledged as debts comprise of:
 - Taxation :- NIL
 - Other matters :-
 - Company has recongnized incentive but department contention that Incentive not available if we discharge output tax liability by adjusting against ITC : Rs. 184 Lakhs
- In respect of above, it is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any.

(B) Commitments

The estimated amount of contracts remaining to be executed on capital account and not provided is Rs. 14,623 lakhs (PY 14,516 lakhs).

36. Related Party Disclosures

Names of related parties and related party relationship:

a) Related parties where control exists:

Name of the party	Description of relationship
Mahindra & Mahindra Limited ("M&M Ltd.")	Holding Company

(b) Related parties with whom transactions have taken place:

Name of the party	Description of relationship
NBS International Limited ("NBS")	Fellow subsidiary
Mahindra And Mahindra Financial Services Limited ("MMFSL")	Fellow subsidiary
Lords Freight India Pvt Ltd ("LFIL")	Fellow subsidiary
Mahindra Logistics Limited ("MLL")	Fellow subsidiary
Mahindra Integrated Business Solutions Private Limited ("MIBSPL")	Fellow subsidiary
Bristlecone India Limited ("BCIL")	Fellow subsidiary
Mahindra First Choice Wheels Limited ("MFCWL")	Fellow subsidiary
Mahindra Defence Systems Limited ("MDSL")	Fellow subsidiary
Mahindra Accelo Limited (Formerly Known As Mahindra Intertrade Limited) ("MIL")	Fellow subsidiary
Mahindra Auto Steel Private Limited ("MASPL")	Fellow subsidiary
Mahindra Mstc Recycling Private Limited ("MSTC")	Fellow subsidiary
Mahindra Agri Solutions Limited ("MSSLP")	Fellow subsidiary
International Finance Corporation ("IFC")	Investor in CCPS/Equity
India Japan Fund ("IJF")	Investor in CCPS/Equity
CIE Automotive India Limited (Formerly Known As Mahindra CIE Automotive Limited, Name changed w.e.f. 15.05.23) ("MCIE")	Associate company of the Holding Company
TECH MAHINDRA LTD. ("TM")	Associate company of the Holding Company
Classic Legends Private Limited. ("CLPL")	JV of Holding Company
Satyam Venture Engineering Services Private Limited ("SVES")	Associate company of the Holding Company
MAHINDRA STEEL SERVICE CENTRE LIMITED ("MSSCL")	Fellow subsidiary

(c) Key management personnel (KMP):

Ms. Suman Laxmidhar Mishra (*MD & CEO*)
 Mr. Rasesh Joshi (*CFO - Resigned on 30 November 2025*)
 Mr. Arpit Jain (*CFO w.e.f. 01 December 2025*)
 Ms. Deepti Swanand Chandratre (*Company Secretary - Resigned on 02 April 2025*)
 Ms. Payal Sharaf (*Company Secretary w.e.f. 23 April 2025*)
 Mr. Rajesh Jejuriakar (*Chairman*)
 Mr. Rajeev Goyal (*Director*)
 Mr. Vinod Sahay (*Director- Resigned on 14th May 2025*)
 Mr. Harish Chavan (*Director w.e.f. 20th May 2025*)
 Ms. Abanti Sankaranarayanan (*Director*)
 Mr. Krishna Kumar Gangadharan (*Director*)
 Mr. Rahul Asthana (*Independent Director*)
 Mr. Nikhilesh Panchal (*Independent Director*)
 Mr. Gautam Ravi Narayan (*Non Executive Director*)
 Mr. Sandeep Mandrekar (*Non Executive Additional Director w.e.f. 2nd March 2026*)

(d) Entities controlled / jointly controlled by KMP :

Name of the party	Description of relationship
Khaitan & CO	Firm in which Director is a partner

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

36. Related Party Disclosures (continued)

Particulars	Year	M&M Ltd.	NBS	M Accelo	MASPL	BCIL	KMPs	MSSCL	LFPL	MLL	MIBSPL	MMFSL	MFCWL	CLPL	MDSL	MSTC	MSSLP	SVES	TM	Khaitan & CO	IFC	IJF	Total
Transactions during the year																							
	31 March 2026	9,468	465	-	-	-	-	-	-	-	-	-	-	-	-	4.56	-	-	-	-	-	-	9,937
	31 March 2025	2,315	521	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-	-	-	2,836
	31 March 2026	118,908	-	-	-	95	-	14,550	2	19,887	1,134	1,637	28	-	-	-	-	-	-	20	-	-	156,061
Purchase of Goods and Services	31 March 2025	104,258	-	-	-	36	-	12,902	5	14,740	901	1,408	8	-	-	-	-	2	-	81	-	-	134,341
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2025	-	1,450	-	-	-	-	-	-	-	-	-	-	-	1,450	-	1,000	-	-	-	-	-	3,900
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inter Corporate Deposit Refunded	31 March 2025	-	1,450	-	-	-	-	-	-	-	-	-	-	-	1,450	-	1,000	-	-	-	-	-	3,900
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	6	-	-	-	-	-	-	-	-	-	-	-	29	-	7	-	-	-	-	-	42
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	459	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	459
Rent Expenses	31 March 2025	182	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	182
	31 March 2026	1,969	-	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,973
	31 March 2025	2,331	-	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,340
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fixed assets Sale	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	2,934	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,934
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchases Under ATA	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchases Under BTA	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses by the Company	31 March 2026	3,981	51	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,042
	31 March 2025	5,122	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,148
	31 March 2026	26,185	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26,185
	31 March 2025	11,657	-	-	-	-	-	-	-	-	4	16	16	1	-	-	-	-	-	-	-	-	11,694
Dividend Paid	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	1	1
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Compulsorily Convertible Preference Shares	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	4,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000	20,000	50,000
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	63,488	38,399	105,987
Remuneration to Key Management Personnel																							
	31 March 2026	-	-	-	-	-	989	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	989
	31 March 2025	-	-	-	-	-	679	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	679
	31 March 2026	-	-	-	-	-	9	-	-	-	-	-	-	-	-	-	-	-	-	-	9	9	9
Commission & Seating Fee	31 March 2025	-	-	-	-	-	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstandings:-																							
	31 March 2026	822	144	-	-	-	-	-	5	-	4	5	-	-	-	5	-	-	-	7	-	-	992
	31 March 2025	3,792	-	-	-	-	-	-	-	-	4	-	9	-	-	-	-	-	-	-	-	-	3,805
	31 March 2026	14,946	-	-	-	33	-	3,702	-	1,983	49	384	-	-	-	-	-	-	-	-	-	-	21,097
Amount Payables	31 March 2025	7,247	-	-	-	7	-	2,698	-	2	1,919	23	442	-	-	-	-	-	-	-	-	-	12,338
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Liability towards CCPS	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance from customers	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	31 March 2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note:

- The remuneration to the KMP does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole. b. It includes stock options of the parent company Mahindra and Mahindra exercised by the KMP.
- Above shown Transaction Amounts are only Basic Amount Excluding Taxes if any.
- Company has entered into an arrangement with MMFSL for facilitating wider availability of financing to the retail customers of its products that could result in an obligation on occurrence of specified events in future. (refer Note 31.03)
- * Compulsorily Convertible Preference Shares (CCPS) was fair valued as on 31st March 2025. Accordingly, above mentioned values are including fair valuation of IFC and IJF.

Terms and conditions

All transactions with related parties are priced at arm's length basis and resulting outstanding balances are to be settled in cash within six months to one year of reporting date. None of the balances are secured.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

37. Research and Development Expenditure

(Rs. in lakhs)

(a) In recognised Research and Development units: Nil

(b) In other units:

- (i) Expensed to Profit or Loss, including certain expenditure based on allocations made by the Company, aggregate Rs. 3,214 lakhs (PY 3,534 lakhs)
- (ii) Development expenditure incurred during the year Rs 12,348 lakhs (PY 14,839 lakhs)
- (iii) Capitalisation of assets of Rs. 2,702 lakhs (PY 1,349 lakhs)

38. The Company entered into a Asset Transfer Agreement (ATA) with Mahindra & Mahindra Limited (Holding Company) on 30th October 2025. Following are the details of assets and/ or liabilities transferred to the Company pursuant to the said ATA :

(Rs. in lakhs)		
SI No	Particulars	Amount
1	Plant and Equipment	2,338
2	Other Property, Plant and Equipment	634
3	Capital work-in-progress	554
	Purchase Consideration	3,525

(Rs. in lakhs)

Approach
- Replacement
Cost Method
Book Value
Book Value

39. Disclosures related to micro, small and medium enterprises

The Company has amounts due to Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March 2026.

Particulars

For the year ended
31st March 2026

For the year ended
31st March 2025

(i) Dues remaining unpaid at the end of each accounting year for micro and small enterprises		
- Principal amount	951	4,696
- Interest on the above	0	13.28
(ii) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
- Principal paid beyond the appointed date	2,103	
- Interest paid in terms of Section 16 of the MSMED Act	5	
(iii) Amount of interest due and payable for the year of delay on payments made beyond the appointed day during the year	3	
(iv) Further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	8	
(v) Amount of interest accrued and remaining unpaid	11	13

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors / suppliers.

40. Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013

a. Analytical Ratios

Ratio	Numerator	Denominator	For the year ended 31st March 2026	For the year ended 31st March 2025
a. Current ratio	Current Assets	Current Liabilities	1.91	2.27
b. Debt-equity ratio	Long term Borrowings + Short term Borrowings (including current maturities of long term borrowings)	Total equity	-	-
c. Debt service coverage ratio	Profit before interest, tax, depreciation, amortisation, impairments and exceptional items	Gross interest for the year + Principal repayments within a year	-	-
d. Return on equity ratio	Net profits after taxes	Average total equity	12%	29%
e. Inventory turnover ratio	Cost of materials consumed ⁽¹⁾	Average inventory	11.16	11.29
f. Trade receivables turnover ratio	Revenue from operations	Average trade receivables	48.27	32.31
g. Trade payables turnover ratio	Purchase of goods and services + Other Expenses	Average trade payables	5.22	5.58
h. Net capital turnover ratio	Revenue from operations	Average Working capital	4.00	4.09
i. Net profit ratio	Net profit after tax	Revenue from operations	4%	7%
j. Return on capital employed	Earning before interest and taxes	Capital employed ⁽²⁾	11%	33%
k. Return on investment	Income earned on investments	Average Investment for the year ⁽³⁾	7%	8%

(1) Cost of materials consumed for the purpose of Inventory turnover ratio includes Purchases of stock-in-trade and Changes in inventories of finished goods and stock-in-trade

(2) Capital Employed = Average Total Equity + Average Total Debt

(3) Investments includes current and non-current investments including Fixed deposits, Mutual funds.

Explanation for change in the ratios by more than 25%:

- (i) Return on Equity (%) : Ratio has decreased on account of decrease in profit after tax in current year
- (ii) Trade Receivable Turnover (Times) : Ratio has increased on account of increase in sales and better collection management in current year
- (iii) Net Profit (%) : Ratio has decreased on account of decrease in profit for the year.

(iv) Return on Capital Employed (%) : Ratio has decreased on account of decrease in profit in current year

- b. The Company does not have any transactions/ balances with companies struck off.
- c. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- d. The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**40. Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013 (Continued)**

- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- e. The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- f. The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- g. The Company currently operates in a single reportable segment i.e., design and manufacture of last mile mobility 3-wheeler passenger & cargo and and 4-wheeler cargo vehicles. Consequently, the requirement for a separate disclosure under Ind AS 108 - "Operating Segments" is not applicable. For geographical disclosure of revenue refer note 22.
- h. **Corporate Social Responsibility (CSR) :-**
- As per section 135 of the Companies Act, 2013, the Company is required to spend 2% of its average net profit of the immediately three preceding financial years on CSR.

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
a) Gross amount required to be spent by the Company during the year based on 2% of average net profits*	389	185
b) Amount spent during the year on:		-
i) Construction / acquisition of assets held by the Company	-	-
ii) On purposes other than above	389	185
c) Unspent amount at the end of the year	-	

* As the company was incorporated in FY 24, average net profit of the immediately three preceding financial years is not available and hence considered based on FY 24 & FY 25 profits.

The Company continued to play a catalytic role in bringing about social, economic, and environmental change by investing in projects that empowered girls and women, and contributed to environmental conservation. This enabled the Company to achieve a higher social impact on the communities and the planet.

Amount recognised as expense in profit or loss is Rs. 389 lakhs. (PY - Rs. 185 Lakhs).

41. Conversion of Compulsorily Convertible Preference Shares into Equity Shares

Mahindra and Mahindra Limited (M&M), the Holding Company, executed a **Subscription Agreement and Shareholders' Agreement** with International Finance Corporation ('IFC'), whereby IFC has agreed to invest up to Rs. 60,000.00 lakhs in tranches subject to the terms and conditions as stipulated in the aforesaid agreement(s). Of this, IFC has fully invested Rs. 60,000.00 lakhs in Compulsorily Convertible Preference Shares ('CCPS'), by 31st March 2025. (30,000.00 lakhs in FY 2023-24 and 30,000.00 lakhs in FY 2024-25).

Mahindra and Mahindra Limited (M&M), the Holding Company, Mahindra Last Mile Mobility Limited (MLMML) and India Japan Fund (IJF), executed a tri-party **Subscription Agreement and Shareholders' Agreement**, whereby IJF has agreed to invest up to Rs. 40,000.00 lakhs in tranches subject to the terms and conditions as stipulated in the aforesaid agreement(s). Of this, IJF has fully invested Rs. 40,000.00 lakhs in Compulsorily Convertible Preference Shares ('CCPS'), by 31st March 2025. (20,000.00 lakhs in FY 2023-24 and 20,000.00 lakhs in FY 2024-25)

In pursuant to the provisions of the Companies Act, 2013,

- The Company converted Compulsorily Convertible Preference Shares ("CCPS") having fair value of 63,488 lakhs were allotted to the International Finance Corporation ('IFC') for an aggregate invested amount of 60,000 lakhs, into equity shares as per the agreement. The company has issued 15,73,46,332 equity shares at face value of Rs. 10 per share to International Finance Corporation ('IFC').
- The Company converted Compulsorily Convertible Preference Shares ("CCPS") having fair value of 38,399 lakhs were allotted to the India Japan Fund (IJF) for an aggregate invested amount of 40,000 lakhs, into equity shares as per the agreement. The company has issued 9,51,69,152 equity shares at face value of Rs. 10 per share to India Japan Fund (IJF).

42. The Ministry of Environment, Forest and Climate Change has notified the Environment Protection (End-of-Life Vehicles) Rules, 2025 ("ELV Rules"), which are effective from April 1, 2025. As per these rules, Extended Producer Responsibility (EPR) obligation are imposed on producers ("vehicle manufacturers") for the scrapping of End-of-Life Vehicles and such obligations are to be fulfilled through the purchase of EPR certificates from registered Vehicle Scrapping Facilities via a Centralised Online Portal. The Implementation details and operational procedures of the ELV rules including the modalities of the pricing mechanism for the EPR certificates are yet to be developed. Consequently, the Company is currently unable to reliably estimate a range of possible outcomes and the potential impact of these rules. The Company will continue to assess the ability to measure its obligation pursuant to the ELC Rules, as and when the aforesaid details of implementation framework are available.

As per our report of even date attached:

for **B S R & Co. LLP**

Chartered Accountants

Firm registration number: 101248W/W-100022

Sreeja Marar

Partner

Membership Number: 111410

Place: Mumbai

Date: 21 April 2026

For and on behalf of the Board of Directors of:

Mahindra Last Mile Mobility Limited

CIN: U29102MH2023PLC403752

Rajesh Jejurikar

Chairman

DIN : 00046823

Arpit Jain

Chief Financial Officer

Place: Mumbai

Date: 21 April 2026

Suman Laxmidhar Mishra

Managing Director and

Chief Executive Officer

DIN : 06727958

Payal Sharaf

Company Secretary

Membership No.: A23566

Place: Mumbai

Date: 21 April 2026

BALANCE SHEET AS AT MARCH 31, 2026

		(expressed in EUR)	
	Notes	31/03/2026 EUR	31/03/2025 EUR
ASSETS			
FIXED ASSETS			
Financial fixed assets			
Investments held as fixed assets.....	3	1.00	1.00
Securities held as fixed assets	4	1.00	1.00
		<u>2.00</u>	<u>2.00</u>
CURRENT ASSETS			
Debtors	5		
Trade receivables			
<i>becoming due and payable within one year</i>			
Other Debtors.....			
<i>becoming due and payable within one year</i>		31,601.05	20,859.19
		<u>31,601.05</u>	<u>20,859.19</u>
Cash at bank and in hand		60,440.89	54,491.47
PREPAYMENTS		3,955.11	7,087.56
		<u>3,955.11</u>	<u>7,087.56</u>
TOTAL ASSETS		<u><u>95,999.05</u></u>	<u><u>82,440.22</u></u>
LIABILITIES			
CAPITAL AND RESERVES			
Subscribed capital.....	6	143,899,999.00	143,899,999.00
Share premium account.....		11,254,683.00	11,254,683.00
Profit or loss brought forward		(155,168,019.15)	(155,159,331.37)
Profit or loss for the financial year.....		10,875.75	(8,687.78)
		<u>(2,461.40)</u>	<u>(13,337.15)</u>
CREDITORS			
Debenture loans			
Convertible loans	7		
<i>becoming due and payable after more than one year</i>		2.00	2.00
Trade creditors	8		
<i>becoming due and payable within one year</i>		97,873.45	90,960.37
Other creditors	8		
<i>Tax authorities</i>		585.00	4,815.00
		<u>98,460.45</u>	<u>95,777.37</u>
TOTAL LIABILITIES		<u><u>95,999.05</u></u>	<u><u>82,440.22</u></u>

PROFIT AND LOSS ACCOUNT

(expressed in EUR)			
		From 01/04/2025 to 31/03/2026	From 01/04/2024 to 31/03/2025
	Notes	EUR	EUR
Other operating income		96,435.14	79,595.63
Other external expenses	9	(84,974.39)	(83,468.41)
Value adjustments on financial fixed assets	10	—	(6,999,998.00)
Other interest and other financial income	11		
other interest and similar financial income		—	6,999,998.00
		—	6,999,998.00
 Tax on profit or loss	 12	 —	 —
Loss after taxation		11,460.75	(3,872.78)
Other taxes not included in the previous caption	12	(585.00)	(4,815.00)
Loss for the financial year		10,875.75	(8,687.78)

Notes to the accounts

Note 3 - Shares in affiliated undertakings/Investments held as fixed assets

a) The movements for the year are as follows:

(expressed in EUR)

	Number of Shares 31/03/2026	Value of Shares EUR 31/03/2026	Value of Shares EUR 31/03/2025
Gross book value - opening balance	3,12,085	154,691,619.00	154,691,619.00
Disposals for the year	—	—	—
Gross book value - closing balance	3,12,085	154,691,619.00	154,691,619.00
Value adjustments - opening balance		(154,691,618.00)	(154,087,619.00)
Allocations for the year		—	(603,999.00)
Value adjustments - closing balance		(154,691,618.00)	(154,691,618.00)
Net book value - closing balance	312,085	1.00	1.00
Net book value - opening balance	312,085	1.00	604,000.00

Between July 7, 2020 and March 31, 2024, the Company subscribed to additional shares and converted holdings in Peugeot Motocycles S.A.S., investing EUR 16,000,000 on July 7, 2020 (1,000,000 shares), EUR 21,000,000 on February 5, 2021 (1,312,500 shares), and EUR 12,000,000 on December 23, 2021 (750,000 shares), while recording valuation decreases of EUR 32,434,080 on September 30, 2021, EUR 61,565,920 on September 30, 2022, and EUR 6,396,000 on March 31, 2023, alongside a capital decrease of EUR 37,000,000 on February 11, 2021 (cancelling 2,312,500 shares) and a conversion of 312,085 ordinary shares into preferred shares on January 27, 2023, resulting in a final holding of 312,085 shares valued at EUR 604,000 as of March 31, 2024.

Further, on January 27, 2023, Mutares, a listed private equity holding company headquartered in Munich, which specialises in acquiring medium-sized companies in special situations for operational repositioning and stabilization, subscribed to preferred shares of category B by investing an aggregate amount of EUR 7,000,000 in Peugeot Motocycles. Following this investment, the total amount of Preferred A Shares held by MTWE became equal to 50% of the share capital of PMTC.

On December 31, 2024, the Company transferred 32,650,000.00 ORA bonds (gross book value of EUR 32,650,000.00) to Mutares for a total transfer price of EUR 1.00. Upon conversion of such ORA by Mutares ultimately into Preferred B shares, and a share capital decrease implemented by Peugeot Motocycles, MTWE's share in Peugeot Motocycles decreased from 50.00% to 15.01%.

On March 31, 2025, an internal valuation of Peugeot Motocycles was performed and a decrease in valuation of EUR 603,999.00 was decided.

b) Undertakings in which the Company holds interests in their share capital are as follows: (MTWE holds 15.01% equity and 19.99% voting rights).

(expressed in EUR)

Undertaking's name	Registered office	Percentage of holding	Last balance sheet date	Net equity at the last balance sheet date EUR	Result for the last financial year EUR	Net book value 31/03/2025 EUR
Peugeot Motocycles S.A.S. *	France	15.01%	31/12/2026	(35,71,387.00)	(2,13,90,856.00)	1.00

* The net equity and profit and loss are based on unaudited annual accounts.

Note 4 - Securities held as fixed assets

a) The movements for the year are as follows:

(expressed in EUR)

	EUR 31/03/2026	TOTAL EUR 31/03/2026	TOTAL EUR 31/03/2025
Gross book value - opening balance	41,481,611.00	41,481,611.00	74,131,611.00
Disposals for the year	—	—	(32,650,000.00)
Gross book value - closing balance	41,481,611.00	41,481,611.00	41,481,611.00
Value adjustments - opening balance	(41,481,610.00)	(41,481,610.00)	(67,735,611.00)
Transfers for the year	—	—	3,26,50,000.00
Allocations for the year	—	—	(63,95,999.00)
Value adjustments - closing balance	(41,481,610.00)	(41,481,610.00)	(67,735,611.00)
Net book value - closing balance	1.00	1.00	1.00
Net book value - opening balance	1.00	1.00	6,396,000.00

Notes to the accounts

On January 31, 2023 Peugeot Motorcycles issued 74,131,611 bonds redeemable into Preferred A Shares (the "ORA Bonds") to which MTWE subscribed for an amount of EUR 74,131,611.00 for which the maturity date is January 31, 2033.

On March 31, 2023, an internal valuation of the bonds receivables were performed and a decrease in valuation of EUR 67,735,611.00 was decided.

On December 31, 2024, the Company transferred 32,650,000.00 ORA bonds (gross book value of EUR 32,650,000.00) to Mutares for a total transfer price of EUR 1.00.

On March 31, 2025, following an internal valuation of the bonds receivables, the Company booked decrease in valuation of EUR 6,395,999.00.

Note 5 - Debtors

This caption is detailed as follows:

(expressed in EUR)

	31/03/2026	31/03/2025
	EUR	EUR
<i>Becoming due and payable within one year:</i>		
Net wealth tax - advance 2024	—	—
Net wealth tax - advance 2025	—	1,203.75
VAT paid and recoverable	31,601.05	19,655.44
Total	31,601.05	20,859.19

Note 6 - Capital and reserves

Subscribed capital and share premium account

As at March 31, 2025, the share capital of the Company amounts to EUR 143,899,999.00 and is divided into 14,900,000 class A shares with a nominal value of EUR 1.00 each, 1,600,000,000 class B shares with a par value of EUR 0.05 each, 533,333,300 class C shares with a nominal value of EUR 0.03 and 1,650,000,000 class D shares with a nominal value of EUR 0.02.

The movements on the "Subscribed capital" caption during the year are as follows:

(expressed in EUR)

	Total number of units 31/03/2026	Share capital 31/03/2026 EUR	Share capital 31/03/2025 EUR
Opening balance	3,798,233,300	143,899,999.00	143,899,999.00
Closing balance	3,798,233,300	143,899,999.00	143,899,999.00

On July 7, 2020, an EGM took place to approve the issuance of 533,333,300 Class C shares of nominal value EUR 0.03 each aggregating to EUR 15,999,999.00 to its sole shareholder.

On February 5, 2021, an EGM took place to approve the issuance of 1,050,000,000 Class D shares of nominal value EUR 0.02 each aggregating to EUR 21,000,000.00 to its sole shareholder.

On December 23, 2021, an EGM took place to approve the issuance of 600,000,000 Class D shares of nominal value EUR 0.02 each aggregating to EUR 12,000,000.00 to its sole shareholder.

Share premium account

The movements on the "Share premium account" caption during the year are as follows:

(expressed in EUR)

	Share premium 31/03/2026 EUR	Share premium 31/03/2025 EUR
Opening balance	11,254,683.00	11,254,683.00
Closing balance	11,254,683.00	11,254,683.00

Note 7 - Convertible loans

(expressed in EUR)

	EUR 31/03/2026	Total EUR 31/03/2026	Total EUR 31/03/2025
Gross book value - opening balance	74,131,611.00	74,131,611.00	74,131,611.00
Disposals for the year	—	—	—
Gross book value - closing balance	74,131,611.00	74,131,611.00	74,131,611.00
Value adjustments - opening balance	(74,131,609.00)	(74,131,609.00)	(67,131,611.00)
Allocations for the year (Note 3 and 4)	—	—	(6,999,998.00)
Value adjustments - closing balance	(74,131,609.00)	(74,131,609.00)	(74,131,609.00)
Net book value - closing balance	2.00	2.00	2.00
Net book value - opening balance	2.00	2.00	7,000,000.00

On January 27, 2023 the Company issued convertible bonds redeemable into Preferred A Shares each of them having a nominal value of INR 1 to which Mahindra & Mahindra Limited subscribed for an amount of EUR 74,131,611.00 for which the maturity date is January 27, 2033.

The interest rate is determined at 7.91% p.a. No interest for the year due to decrease in valuation.

Each bondholder of the Company may decide, at any time between the issue date and the maturity date, the conversion of all or part of the convertible bonds.

The number of shares to be issued is determined by the sum of the amount of the nominal value of the Bonds and the amount of compound interest not yet compounded divided by the fair market value as at conversion date of one share.

On March 31, 2023, ORA bonds were fair valued and a decrease of EUR 67,735,611.00 was booked (Note 4). As a result of this decrease, Mahindra & Mahindra Limited further fair valued their receivables from the Company, but considered the fair value of the securities in the Company as well (Note 4), given the Convertible nature of the loan. The above valuation has been disclosed under the audited consolidated accounts of Mahindra & Mahindra Limited filed on the stock exchange of India as at March 31, 2023.

On March 31, 2025, shares and ORA bonds were fair valued and a decrease in value of EUR 603,999.00 and EUR 6,395,999.00 were booked (Note 3 and 4). The Company then booked a decrease in valuation of EUR 6,999,998.00 on convertible bonds issued. The above valuation has been disclosed under the audited consolidated accounts of Mahindra & Mahindra Limited filed on the stock exchange of India as at March 31, 2025.

Notes to the accounts

Note 8 - Trade creditors and other creditors

	(expressed in EUR)		
	Within one year EUR	Within one year EUR	Total 31/03/2026 EUR
<u>Trade creditors</u>			
<u>Suppliers</u>		54,278.21	54,278.21
<u>Suppliers - accruals</u>		43,595.24	43,595.24
<u>Other creditors :</u>			
<u>Net wealth tax - estimated tax payable 2024</u>		—	—
<u>Net wealth tax - estimated tax payable 2025</u>		—	4,815.00
<u>Net wealth tax - estimated tax payable 2026</u>		585.00	585.00
Total	—	98,458.45	98,458.45
			95,775.37

Note 9 - Other external expenses

(expressed in EUR)

This caption is detailed as follows:	31/03/2026 EUR	31/03/2025 EUR
Accounting fees	23,831.86	46,532.30
Tax consulting fees	26,513.06	19,237.24
Admin Fees	15,973.65	—
Audit fees	14,464.20	13,410.50
Domiciliation fees	—	—
Bank fees	2,765.17	2,805.00
Other fees	1,030.81	1,118.97
Luxembourg Chamber of Commerce contribution	350.00	350.00
Notary Fees	25.64	—
Fines and other penalties	20.00	14.40
	84,974.39	83,468.41

Note 10 - Value adjustments on financial fixed assets

During 2024, the Company re-valued downwards both the investments in Peugeot Motocycles S.A.S by EUR 603,999.00 (Note 3) and the bonds receivables by EUR 6,395,999.00 (Note 4) which is subscribed from Peugeot Motocycles S.A.S on January 31, 2023. During 2025, the Company made no value adjustments in both the investments in Peugeot Motocycles S.A.S and the bonds receivables.

Note 11 - Other interest and other financial income

This caption is detailed as follows:	31/03/2026 EUR	31/03/2025 EUR
Value Adjustments on Convertible loans	—	6,999,998.00
	—	6,999,998.00

During 2024, the redeemable convertible bonds issued to Mahindra and Mahindra Limited were revalued, resulting into a gain for the Company of EUR 6,999,998.00 (Note 7).

Note 12 - Staff

There were no staff employed during the year (31/03/2025: nil).

Note 13 - Taxation

The Company is subject to the general tax regulation applicable to all Luxembourg commercial companies. The Company is part of the Mahindra & Mahindra Ltd. ("The Group"). Pillar Two legislation has been enacted in certain jurisdictions in which the Group operates (including Luxembourg). The Group is in the scope of the enacted or substantively enacted legislation starting with fiscal periods beginning April 1, 2024. The Group is expected to clear the Transitional CbCR Safe Harbour for Luxembourg and continues to evaluate GLOBE tax exposure for each year.

Note 14 - Related party transactions

Related party transactions were disclosed in Notes 4 and 7.

Note 15 - Off balance sheet commitments and contingencies

The Company does not have any off balance sheet commitments or contingencies at the end of the financial year.

Note 16 - Subsequent events

No other matters or circumstances of importance have arisen since the end of the financial year which could have significantly affected or might significantly affect the operations of the Company, the results of those operations or the affairs of the Company.

INDEPENDENT AUDITORS' REPORT

To the members of
Classic Legends Private Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Classic Legends Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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, its losses and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 43 to the financial statements which describes management's assessment of non-impairment of the assets of the Company on the basis of business plans and projections including management actions to expand the business operations.

Our opinion is not qualified in respect of this matter.

Information other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures but does not include the Standalone Financial Statements and our Auditors' Report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so,

consider whether the other information is materially inconsistent with the Standalone 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.

Responsibilities of management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the audit of the Standalone Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the Standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the 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 auditors' report to the related disclosures in the Standalone 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, 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.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
- (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 controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- (g) Based on the records examined by us and according to information and explanations given to us, the Company has not paid/provided for managerial remuneration. Hence, the provisions of Section 197 of the Act related to managerial remuneration are not applicable.
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements Refer Note 38(A) to the Standalone 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 forming part the standalone financial

statements (refer note 17C), 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-clauses (a) and (b) contain any material misstatement.
- (v) The Company has not declared/paid/declared and paid any dividend during the year; and
- (vi) Based on our examination which included test checks, the Company has used an 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
 Membership No. 125657
 UDIN: 26125657IKVBVP8029
 Place: Mumbai
 Date: April 28, 2026

Annexure A to the Independent Auditors' Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Classic Legends Private Limited ("the Company") as of March 31, 2026, in conjunction with our audit of the Standalone 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone 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 with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to Standalone Financial Statements 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 **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 26125657IKVBVP8029
Place: Mumbai
Date: April 28, 2026

Annexure B to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date]

- (i) (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment and investment properties are physically verified by the Company once in three years. The physical verification of property, plant and equipment was conducted in the previous financial year and accordingly no physical verification is required to be carried out in the current year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment.
- (c) According to the information and explanations given to us, the Company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee).
- (d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the inventory comprising of raw materials, finished goods, traded goods, packing materials and stores and spare parts (retain only those as applicable) has been physically verified at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records.
- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.
- (iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.
- In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, in respect of deposits accepted by the Company or amounts which are deemed to be deposits, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules made thereunder, where applicable, have been complied with. According to the information and explanations given to us, there is no order passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal during the year.
- (vi) The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.
- According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services Tax, Provident fund, Profession Tax, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year 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 on the basis of our examination of records of the Company, there are no statutory dues in respect of Income Tax, Provident Fund, Profession Tax, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at 31 March 2026, which have not been deposited with the appropriate authorities on account of any dispute. According to the

information and explanations given to us and records of the Company examined by us, the particulars of dues of Goods and Services Tax, which have not been deposited as on March 31, 2026 on account of disputes are as under:

Nature of the Statute	Nature of the dues	Amount (Rs. in lakhs)*,#	Period to which the amount relates	Forum where dispute is pending
The Goods and Services Tax Act, 2017	Goods and Services Tax	41.82	Financial Year 2017-18, 2019-20, 2020-21, 2022-23	Appellate Authority upto Commissioner Level

* Net of deposit paid under protest

Excludes interest over demand, refer note 38(A).

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes as at the Balance Sheet date.

(e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys 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) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) 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) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

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

(b) We have considered the Internal Audit reports of the Company issued till date for the period under audit.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company and subsidiary companies or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, 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) In our opinion and according to the information and explanations given to us, the Company has not conducted

any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

- (c) In our opinion and according to the information and explanations given to us, 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) Based on the information and explanations given to us, we report that the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has five Core Investment Companies.
- (xvii) In our opinion and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 6,794.06 Lakhs in the current financial year and Rs. 13,255.22 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention,

which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

- (xx) The provisions of Section 135 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 26125657IKVBVP8029
Place: Mumbai
Date: April 28, 2026

Standalone Balance Sheet as at March 31, 2026

Particulars	Note No.	Rs. in Lakhs	
		As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment.....	5a	12,961.21	11,745.69
(b) Right-of-use assets.....	5b	102.57	191.15
(c) Capital work-in-progress.....	35	759.07	289.12
(d) Other Intangible assets.....	6	9,556.10	8,912.83
(e) Intangible assets under development.....	35	4,830.73	4,467.14
(f) Financial Assets.....			
(i) Investments.....	7	10,452.16	10,452.16
(g) Other non-current assets.....	8a	968.25	1,475.11
(h) Deferred Tax Assets (Net).....	9	—	—
Total Non-Current Assets.....		39,630.09	37,533.20
Current assets			
(a) Inventories.....	10	24,123.50	5,495.02
(b) Financial Assets.....			
(i) Investments.....	11	3,407.00	2,709.83
(ii) Trade receivables.....	12	9,474.53	2,943.63
(iii) Cash and cash equivalents.....	13	488.88	493.14
(iv) Other financial assets.....	14	1,923.37	900.04
(c) Other current assets.....	8b	5,360.02	2,777.18
Total Current Assets.....		44,777.30	15,318.84
Total Assets.....		84,407.39	52,852.04
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital.....	15	81,598.99	75,465.88
(b) Other Equity.....	16	(69,539.93)	(58,504.67)
Total Equity attributable to owners of the Company.....		12,059.06	16,961.21
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities.....			
(i) Borrowings.....	17a	10,000.00	—
(ia) Lease Liabilities.....		15.39	103.52
(ii) Other non-current financial liabilities.....	18a	1,205.50	676.50
(b) Provisions.....	19a	894.38	643.99
Total Non-Current Liabilities.....		12,115.27	1,424.01
Current liabilities			
(a) Financial Liabilities.....			
(i) Borrowings.....	17b	18,465.00	16,480.00
(ia) Lease Liabilities.....		97.63	97.63
(ii) Trade payables.....	20		
(a) Total Outstanding dues of micro and small enterprises.....		230.38	232.98
(b) Total Outstanding dues of creditors other than micros and small enterprises.....		36,935.39	14,679.13
(iii) Other current financial liabilities.....	18b	1,707.97	1,525.14
(b) Provisions.....	19b	577.01	420.24
(c) Other current liabilities.....	21	2,219.68	1,031.70
Total Current Liabilities.....		60,233.06	34,466.82
Total Equity and Liabilities.....		84,407.39	52,852.04
Material accounting policy.....	1-4		
See accompanying notes to the financial statements			

For B. K. Khare & Co
Chartered Accountants
Firm Registration No. 105102W

For and on behalf of the Board
CIN No.U34101MH2015PTC265665

Anupam Thareja
DIN No: 01091533
Managing Director

Amarjyoti Barua
DIN No: 09202472
Director

Amit Mahadik
Partner
Membership Number: 125657

Sitesh Maheshwari
(Chief Financial Officer)
Membership Number: 077909

Akshata A. Khanolkar
(Company Secretary)
Membership Number: A29557

Date: 28th April, 2026
Place: Mumbai

Date: 28th April, 2026
Place: Mumbai

Standalone Statement of Profit and Loss for the year ended March 31, 2026

Particulars	Note No.	Rs. in Lakhs	
		For the year ended March 31, 2026	For the year ended March 31, 2025
I Revenue from operations	22	1,04,601.09	64,637.12
II Other income	23	913.94	1,178.32
III Total Income (I + II)		1,05,515.03	65,815.44
IV Expenses			
Cost of raw material consumed.....	24 a	72,436.96	—
Purchases of traded goods.....		6,396.60	56,130.69
(Increase)/decrease in inventories of finished goods, work-in progress and traded goods.....	24 b	(24.47)	(1,728.52)
Employee benefits expense.....	25	5,318.57	4,220.73
Finance costs.....	26	3,203.12	2,717.51
Depreciation and amortisation expense.....	27	7,028.24	6,222.41
Other expenses.....	28	24,978.32	17,730.25
Total Expenses (IV)		1,19,337.34	85,293.07
V Loss before tax for the year (III - IV)		(13,822.31)	(19,477.63)
VI Tax Expense			
(1) Current tax.....		—	—
(2) Deferred tax.....		(4.37)	(1.61)
Total tax expense		(4.37)	(1.61)
VII Loss after tax for the year (V - VI)		(13,817.94)	(19,476.02)
VIII Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities.....		17.35	6.41
(ii) Income tax relating to items that will not be reclassified to P&L ...		(4.37)	(1.61)
IX Total comprehensive income for the year		(13,804.96)	(19,471.22)
X Earnings per equity share (Nominal value per share Rs. 10 each),			
(1) Basic (in Rupees).....	29	(1.72)	(2.58)
(2) Diluted (in Rupees).....		(1.64)	(2.58)
Material accounting policy.....	1-4		
See accompanying notes to the financial statements			

For B. K. Khare & Co
Chartered Accountants
Firm Registration No. 105102W

For and on behalf of the Board
CIN No.U34101MH2015PTC265665

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Standalone Cash Flow Statement for the year ended March 31, 2026

	Rs. in Lakhs	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Particulars		
Loss before tax for the year	(13,822.31)	(19,477.63)
Adjustments for:		
Depreciation & Amortisation	7,028.24	6,222.41
Finance costs	3,203.12	2,717.51
Employee compensation expenses	27.81	—
Issue of sweat equity shares	5,750.00	—
Net gain/(loss) on Investment carried at fair value through profit or loss	(329.71)	(998.17)
Interest income	(5.00)	(45.57)
Operating loss before Working Capital changes	1,852.15	(11,581.45)
Movements in working capital:		
Decrease/ (Increase) in Current Other Trade receivable	(6,530.90)	1,524.98
Decrease/ (Increase) in Current Other Financial Assets	(1,023.33)	239.56
Decrease/ (Increase) in Other Current Assets	(2,582.84)	439.16
Decrease/ (Increase) in Other Non Current Assets	(58.90)	35.66
Decrease/ (Increase) in Inventories	(18,628.48)	(1,728.52)
Increase / (Decrease) in trade payables	19,378.66	1,911.67
Increase/ (Decrease) in provisions	424.51	(418.06)
Increase/ (Decrease) in other Non current Financial liabilities	529.00	109.50
Increase/ (Decrease) in other current Financial liabilities	190.87	0.70
Increase/ (Decrease) in other current liabilities	1,187.87	208.87
Cash generated from operations	(5,261.39)	(9,257.93)
Income taxes paid	—	—
Cash flows from operating activities	(5,261.39)	(9,257.93)
Interest received	5.00	126.87
Payments for Property, Plant and Equipment and Other Intangible Assets	(8,671.17)	(7,644.33)
Investment in Mutual fund	(43,235.00)	(24,250.00)
Proceeds on sale of current investment (Mutual Fund redemption proceeds)	42,867.54	38,691.16
Purchase of investment in share of subsidiary	—	(0.50)
Cash used in investing activities	(9,033.63)	6,923.20
Proceeds from issue of equity instruments of the Company (Net of share issue expenses)	6,000.00	—
Proceeds from borrowings Long term	20,000.00	—
Proceeds from borrowings Short term	18,465.00	9,500.00
Repayment of borrowings Long term	(10,000.00)	(12,000.00)
Repayment of borrowings Short term	(16,480.00)	—
Repayment of Lease liabilities	(100.77)	(88.94)
Interest paid	(3,593.47)	(2,878.52)
Cash flows from financing activities	14,290.76	(5,467.46)
Net cash inflow / (outflow)	(4.26)	(7,802.19)
Cash and cash equivalents at the beginning of the year	493.14	8,295.33
Cash and cash equivalents at the end of the year	488.88	493.14
Notes:		
1 Figures in brackets represent outflows of cash and cash equivalents.		
2 Cash and cash equivalents comprise of:		
	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash on hand	—	—
Balances with Banks	488.88	493.14
Fixed Deposits with Banks	—	—
	488.88	493.14

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Standalone Statement of Changes in Equity for the year ended March 31, 2026**Rs. in Lakhs****a. Changes in Equity**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	75,465.88	52,500.00
Shares issued during the year	6,133.11	22,965.88
Balance at the end of the year	<u>81,598.99</u>	<u>75,465.88</u>

b. Other Equity**Rs. in Lakhs**

Particulars	Reserve & Surplus		Total
	Retained Earning	Securities Premium	
Opening Balance as on April 1, 2025	(70,538.79)	12,034.12	(58,504.67)
Loss for the year	(13,817.94)	-	(13,817.94)
Securities Premium	-	2,741.89	2,741.89
Share Options Outstanding Account	27.81	-	27.81
Other comprehensive income for the year	12.98	-	12.98
	<u>(13,777.15)</u>	<u>2,741.89</u>	<u>(11,035.26)</u>
Closing Balance as on March 31, 2026	<u>(84,315.94)</u>	<u>14,776.01</u>	<u>(69,539.93)</u>

Rs. in Lakhs

Particulars	Reserve & Surplus		Total
	Retained Earning	Securities Premium	
Opening Balance as on April 1, 2024	(51,067.57)	-	(51,067.57)
Loss for the year	(19,476.02)	-	(19,476.02)
Securities Premium	-	12,034.12	12,034.12
Other comprehensive income for the year	4.80	-	4.80
	<u>(19,471.22)</u>	<u>12,034.12</u>	<u>(7,437.10)</u>
Closing Balance as on March 31, 2025	<u>(70,538.79)</u>	<u>12,034.12</u>	<u>(58,504.67)</u>

For B. K. Khare & Co
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Firm Registration No. 105102W

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Notes forming part of the Standalone Financial Statements

1. Corporate Information

Company details

Classic Legends Private Limited (CLPL) was incorporated on 17th June 2015. On 18th October 2016, it became subsidiary of Mahindra and Mahindra Limited (M&M). However, w.e.f 1st July 2017 M&M became joint venturer of the Company. CLPL is engaged in Design, Development, Sales, Marketing and related activities for Motorcycles & Two Wheeled Products.

2. Method of Accounting

These standalone or separate financial statements have been prepared in accordance with the Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the latest annual financial statements of the Company prepared under the Act.

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

These financial statements were approved by the Board of Directors and authorised for issue on 28th April, 2026.

3. Material Accounting Policies

3.01 Basis of accounting preparation and presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

3.02 Use of estimate

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of assets, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Leases

Ind AS 116 requires lessees to determine the lease term as the non cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Provisions for product warranties

The Company recognises provision for warranties in respect of the products that it sells. Provisions are discounted, where necessary, to its present value based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. Provisions are reviewed at each balance sheet date, adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

3.03 Revenue Recognition

Revenue on 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.

Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Company has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract.

The Company's contracts may include variable consideration including rebates, volume discounts and penalties. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

3.04 Foreign Currency

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

3.05 Employee benefits

1. Defined Benefit Plan:

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest

is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
 - net interest expense or income; and
 - re-measurement.
- (i) **Gratuity:** The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15/26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in future based on an independent actuarial valuation.
- (ii) **Compensated Absences:** The Company provides for the encashment of compensated absences with pay subject to certain rules. The employees are entitled to accumulate compensated absences subject to certain limits, for future encashment. Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit and the accumulated leave expected to be carried forward beyond twelve months is treated as long-term employee benefit which are provided based on the number of days of unutilised compensated absence on the basis of an independent actuarial valuation.

3.06 Leases

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

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at amortised cost at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.07 Property Plant and Equipment

Property Plant and Equipment (PPE) are stated at cost of acquisition or construction less accumulated depreciation / amortisation and impairment loss, if any. All costs relating to the acquisition and installation of property plant and equipment are capitalised and

include borrowing costs relating to funds attributable to construction or acquisition of qualifying assets, up to the date the asset / plant is ready for intended use. The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodies within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in Statement of Profit and Loss as and when incurred.

Depreciation is calculated on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc:

- i) Plant and machinery – 3 years, 5 years, 8 years, 15 years
- ii) Laptops – 3 years
- iii) Vehicles – 3 years, 5 years
- iv) Office equipment – 2 years, 5 years
- v) Furniture – 10 years
- vi) Assets costing less than Rs 5000 each - 1 year

3.08 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Following summarises the nature of intangible and the estimated useful life:

- (a) Software Costs – The expenditure incurred is amortised over three financial years equally commencing from the year in which the expenditure is incurred.
- (b) Development expenditure – The expenditure incurred on technical services and other project/product related expenses is amortised over the period of benefit, not exceeding five years

Intangible asset with indefinite useful lives is reviewed annually to determine whether indefinite-life assessment continues to be supportable.

Intangible assets under development

The Company expenses cost incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as intangible assets.

3.09 Impairment

(i) Financial assets (other than at fair value)

The Company assesses at end of each reporting period 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 recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months 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.

(ii) Non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine

whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

3.10 Inventories

Inventories comprise all cost of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Finished goods purchased for sale, are carried at cost or net realisable value whichever is lower.

3.11 Financial instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Classification and subsequent measurement

Financial assets

a. Non-derivative financial instruments

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Investment in subsidiaries

Investment in subsidiaries is carried at cost in the separate financial statements.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received net off direct issue cost.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

3.12 Borrowing Costs:

Interest and other costs incurred in connection with the borrowing of the funds are charged to revenue on accrual basis except those borrowing costs which are directly attributable to the acquisition or construction of those Qualifying assets, which necessarily take a substantial period of time to get ready for their intended use. Such costs are capitalised with the Qualifying assets.

4. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at the date of authorisation of these financial statements, the Company has not applied the following new amendment to Ind AS that has been issued but is not yet effective:

Amendment to Ind AS 1 Presentation of Financial Statements

Where a covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the lender subsequently (i.e. after the reporting date but before approval of the financial statements) agrees not to demand payment.

The Company does not expect that the adoption of this amendment to have any impact on the financial statements of the Company in future periods.

Note - 5 Property, Plant and Equipment

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
a. Property, plant and equipment owned	12,961.21	11,745.69
b. Right of use assets	102.57	191.15
	13,063.78	11,936.84

a. Property, plant and equipment owned

Description of Assets	Rs. in Lakhs				
	Plant and Equipment	Computers	Furniture	Vehicles	Office Equipment
I. Gross Block					
Balance as at April 1, 2025	19,090.49	492.66	49.00	822.23	48.58
Additions during the year	3,731.74	44.64	6.79	114.18	50.75
Disposals during the year	(109.57)	(8.59)	—	(124.74)	(3.38)
Balance as at March 31, 2026	22,712.66	528.71	55.79	811.67	95.95
II. Accumulated depreciation					
Balance as at April 1, 2025	7,774.90	375.94	10.39	569.32	26.72
Depreciation for the year	2,537.55	46.08	4.84	81.57	12.76
Eliminated on disposal of assets during the year	(104.10)	(7.80)	—	(82.96)	(1.64)
Balance as at March 31, 2026	10,208.35	414.22	15.23	567.93	37.84
III. Net block (I-II)					
Balance as at March 31, 2026	12,504.31	114.49	40.56	243.74	58.11
Balance as at March 31, 2025	11,315.59	116.72	38.61	252.91	21.86

Description of Assets	Rs. in Lakhs				
	Plant and Equipment	Computers	Furniture	Vehicles	Office Equipment
I. Gross Block					
Balance as at April 1, 2024	17,203.43	403.62	34.19	749.74	40.62
Additions during the year	1,887.06	103.59	14.81	128.17	14.50
Disposals during the year	—	(14.55)	—	(55.68)	(6.54)
Balance as at March 31, 2025	19,090.49	492.66	49.00	822.23	48.58
II. Accumulated depreciation					
Balance as at April 1, 2024	5,488.57	311.48	6.37	516.77	19.86
Depreciation for the year	2,286.33	78.15	4.02	76.35	11.75
Eliminated on disposal of assets during the year	—	(13.69)	—	(23.80)	(4.89)
Balance as at March 31, 2025	7,774.90	375.94	10.39	569.32	26.72
III. Net block (I-II)					
Balance as at March 31, 2025	11,315.59	116.72	38.61	252.91	21.86
Balance as at March 31, 2024	11,714.86	92.14	27.82	232.97	20.76

b. Right of use assets

	Rs. in Lakhs			Rs. in Lakhs	
	Buildings	Total		Buildings	Total
I. Gross Carrying Amount			I. Gross Carrying Amount		
Balance as at April 1, 2025	526.53	526.53	Balance as at April 1, 2024	428.10	428.10
Additions	—	—	Additions	98.43	98.43
Deletions	—	—	Deletions	—	—
Balance as at March 31, 2026	526.53	526.53	Balance as at March 31, 2025	526.53	526.53
II. Accumulated depreciation			II. Accumulated depreciation		
Balance as at April 1, 2025	335.38	335.38	Balance as at April 1, 2023	253.32	253.32
Additions	88.58	88.58	Additions	82.06	82.06
Deletions	—	—	Deletions	—	—
Balance as at March 31, 2026	423.96	423.96	Balance as at March 31, 2025	335.38	335.38
III. Net carrying amount (I-II)	102.57	102.57	III. Net carrying amount (I-II)	191.15	191.15

Note - 6 Other Intangible assets

Description of Assets	Development exp	Rs. in Lakhs	
		Software	Total
I. Gross Block			
Balance as at April 1, 2025	23,686.56	710.48	24,397.04
Additions during the year	4,874.19	25.94	4,900.13
Disposals during the year	—	—	—
Balance as at March 31, 2026	28,560.75	736.42	29,297.17
II. Accumulated depreciation			
Balance as at April 1, 2025	14,880.42	603.79	15,484.21
Depreciation for the year	4,165.56	91.30	4,256.86
Eliminated on disposal of assets during the year	—	—	—
Balance as at March 31, 2026	19,045.98	695.09	19,741.07
III. Net block (I-II)			
Balance as at March 31, 2026	9,514.77	41.33	9,556.10
Balance as at March 31, 2025	8,806.14	106.69	8,912.83

Description of Assets	Development exp	Rs. in Lakhs	
		Software	Total
I. Gross Block			
Balance as at April 1, 2024	22,844.16	651.70	23,495.86
Additions during the year	842.40	58.78	901.18
Disposals during the year	—	—	—
Balance as at March 31, 2025	23,686.56	710.48	24,397.04
II. Accumulated depreciation			
Balance as at April 1, 2024	11,296.69	503.77	11,800.46
Depreciation for the year	3,583.73	100.02	3,683.75
Eliminated on disposal of assets during the year	—	—	—
Balance as at March 31, 2025	14,880.42	603.79	15,484.21
III. Net block (I-II)			
Balance as at March 31, 2025	8,806.14	106.69	8,912.83
Balance as at March 31, 2024	11,547.47	147.93	11,695.40

Note - 7 Non-Current Investment

Particulars	Rs. in Lakhs			
	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Unquoted investments in equity instruments of subsidiary at cost				
BSA Company Limited	3,68,800	10,451.66	3,68,800	10,451.66
(Fully paid equity shares of GBP 1 each)				
TICL Brands (India) Private Limited	5,000	0.50	5,000	0.50
(Fully paid equity shares of Rs. 10 each)				
Total	3,73,800	10,452.16	3,73,800	10,452.16

Note - 8a Other non-current assets

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
(a) Capital Advances	863.57	1,429.33
(b) Prepaid Expense	26.83	10.83
(c) Balances with government authorities		
(i) Advance Income Tax (TDS receivable)	77.85	34.95
Total	968.25	1,475.11

Note - 8b Other current assets

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
(a) Prepaid Expense	79.30	113.78
(b) Advance to Domestic Supplier / Service provider	544.02	268.46
(c) Balances with government authorities		
(i) GST Receivable	4,736.70	2,394.94
Total	5,360.02	2,777.18

Note - 9 Deferred Tax

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Deferred Tax Liability		
On property, plant & equipment	—	—
Others	—	—
Total(A)	—	—
Deferred Tax Asset		
Provision for Employee Benefits	—	—
Others	—	—
Total(B)	—	—
Net Asset/(Liability)	—	—

Note - 10 Inventories

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
(a) Raw materials (March 31, 2025 : NIL)	18,604.01	—
(b) Stock in trade [includes in transit Rs. 158.59 Lakhs (March 31, 2025 : Rs. 370.81 Lakhs)]	5,519.49	5,495.02
Total	24,123.50	5,495.02

Note - 11 Current Investments

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Carried at fair value through profit & Loss account		
Investments in Mutual Funds (quoted)	3,407.00	2,709.83
Total	3,407.00	2,709.83

Note - 12 Trade receivables

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Trade receivables:		
(a) Unsecured Considered good	9,474.53	2,943.63
(b) Doubtful	75.41	61.68
	9,549.94	3,005.31
Less: Allowance for Expected Credit Loss	(75.41)	(61.68)
Total	9,474.53	2,943.63

Trade Receivable Ageing Schedule

As at March 31, 2026

Rs. in Lakhs

Particulars	Outstanding for the following period from the due date of Payment					Total
	Less than 6 months	6 Months - 1 year	1-2 year	2-3 Year	More than 3 year	
Undisputed Trade Receivables – considered good	9,425.92	7.62	20.22	10.92	9.85	9,474.53
Undisputed Trade Receivables – which have significant increase in credit risk	27.68	10.89	17.94	2.43	16.47	75.41
Undisputed Trade receivable – credit impaired	–	–	–	–	–	–
Disputed Trade receivables - considered good	–	–	–	–	–	–
Disputed Trade receivables – which have significant increase in credit risk	–	–	–	–	–	–
Disputed Trade receivables – credit impaired	–	–	–	–	–	–
Total	9,453.60	18.51	38.16	13.35	26.32	9,549.94

As at March 31, 2025

Particulars	Outstanding for the following period from the due date of Payment					Total
	Less than 6 months	6 Months - 1 year	1-2 year	2-3 Year	More than 3 year	
Undisputed Trade Receivables – considered good	593.77	1,317.51	1,016.72	6.92	8.70	2,943.62
Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–
Undisputed Trade receivable – credit impaired	3.63	37.07	3.51	4.55	12.93	61.69
Disputed Trade receivables - considered good	–	–	–	–	–	–
Disputed Trade receivables – which have significant increase in credit risk	–	–	–	–	–	–
Disputed Trade receivables – credit impaired	–	–	–	–	–	–
Total	597.40	1,354.58	1,020.23	11.47	21.63	3,005.31

Note - 13 Cash & Cash Equivalents

Particulars	As at March 31, 2026	Rs. in Lakhs As at March 31, 2025	Reconciliation of the no. of shares outstanding at the beginning and at the end of the period:			
			As at March 31, 2026		As at March 31, 2025	
			No. of shares	Amount	No. of shares	Amount
Balances with banks						
(i) In current account	488.88	493.14				
Total	488.88	493.14				

Note - 14 Other current financial assets

Particulars	As at March 31, 2026	Rs. in Lakhs As at March 31, 2025	Reconciliation of the no. of shares outstanding at the beginning and at the end of the period:			
			As at March 31, 2026		As at March 31, 2025	
			No. of shares	Amount	No. of shares	Amount
Finacial assets at amortised cost						
a) Security Deposits	86.63	60.75				
b) Other Advances	1,836.74	839.29				
Total	1,923.37	900.04				

Other Advances includes advance to employees, other receivables.

Note - 15 Share Capital

Particulars	As at March 31, 2026	Rs. in Lakhs As at March 31, 2025	Reconciliation of the no. of shares outstanding at the beginning and at the end of the period:			
			As at March 31, 2026		As at March 31, 2025	
			Number of shares	% Shareholding	Number of shares	% Shareholding
Authorised:						
1,40,00,00,000 (March 31, 2025:						
1,40,00,00,000) Equity Shares of Rs 10/- each.	1,40,000.00	1,40,000.00				
	1,40,000.00	1,40,000.00				
Issued, Subscribed and Paid up:						
81,59,89,868 (March 31, 2025 : 75,46,58,797)						
equity shares of Rs 10/- each.	81,598.99	75,465.88				
Total	81,598.99	75,465.88				

Notes:

i) Number of shares held by each shareholder holding more than 5% shares in the company are as follows:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% Shareholding	Number of shares	% Shareholding
Equity Shares:				
Mahindra & Mahindra Limited	4,76,324,923	58.37%	4,52,795,511	60.00%
PHI Capital Trust - Phi capital growth fund I	1,15,000,000	14.09%	1,15,000,000	15.24%
Boman Irani	87,321,823	10.70%	64,085,990	8.49%
Total	6,78,646,746		6,31,881,501	

- ii) The Company has only one class of Share i.e. Equity Shares having par value of Rs. 10 each. Each holder of Equity Share is entitled to one vote per Share. In the event of liquidation of company, the holder of the Equity Share will be entitled to receive remaining assets, after deducting all its liabilities, in proportion to the number of Equity Share held

(iii) Share held by the promoters at the end of 31st March'2026

Promoter Name	Number of shares	% Shareholding	% Change During the Year
Mahindra & Mahindra Limited	47,63,24,923	58.37%	-1.63%
PHI Capital Trust - Phi capital growth fund I	11,50,00,000	14.09%	-1.15%
Boman Irani	8,73,21,823	10.70%	2.21%
Attarchand Trading Company Pvt Ltd	2,80,82,128	3.44%	-0.13%
Anupam Thareja	3,22,86,068	3.96%	-0.03%
Total	73,90,14,942		

(iv) Share held by the promoters at the end of 31st March'2025

Promoter Name	Number of shares	% Shareholding	% Change During the Year
Mahindra & Mahindra Limited	45,27,95,511	60.00%	0.00%
PHI Capital Trust - Phi capital growth fund I	11,50,00,000	15.24%	-6.67%
Boman Irani	6,40,85,990	8.49%	-2.46%
Attarchand Trading Company Pvt Ltd	2,69,61,680	3.57%	-0.31%
Anupam Thareja	3,00,67,581	3.98%	0.73%
Total	68,89,10,762		

(v) Share based payment

The Company has instituted the 'Classic Legends Employee Stock Option Plan, 2025' ("ESOP 2025" or "the Plan") for eligible employees of the Company. The Plan contemplates the creation, offer and grant of up to 3,77,00,000 (Three Crores Seventy-Seven Lakhs) employee stock options ("Options"), to be issued in one or more tranches, as approved by the shareholders at the Board Meeting held on July 28, 2025.

The Options granted under the Plan shall be exercisable after a minimum period of three years and within a maximum period of five years from the date of grant. Each Option entitles the holder to subscribe to one equity share of the Company at an exercise price determined at the time of grant. The exercise price for each grant is determined on the basis of valuation report of the management expert and approved by the Nomination and Remuneration Committee as on the date of grant of such Options.

(vi) Sweat equity

Pursuant to the provisions of Section 54 of the Companies Act, 2013, read with Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014 and Clause 7.1, Part B of the Articles of Association of the Company, the Company has issued sweat equity shares to Mr. Boman Irani (Director) in recognition of his significant contributions towards the expansion of the Company's business, in lieu of monetary compensation.

The value of such contribution has been fair valued and mutually agreed at Rs 5,750 lakhs. Accordingly, the Company has decided to issue sweat equity shares carrying a lock-in period of three years at a price of Rs 13 per share (being at a discount to the fair value).

Out of the above, 50% has been settled during the year through the issuance of 2,21,15,385 equity shares of face value Rs 10 each. The balance 50% shall be settled in FY 2026-27, subject to the fulfilment of mutually agreed conditions. Probability for which is considered as certain.

In line with the applicable accounting requirements, the Company has recognised an expense of Rs. 5,750 Lakhs in the Statement of Profit and Loss for the year and disclosed it separately under the head Other Expenses. Refer Note 28.

Note - 16 Other equity

	Rs. in Lakhs	
Particulars	As at March 31, 2026	As at March 31, 2025
(a) Securities premium account:		
Balance at the beginning of the year	12,034.12	-
Add:		
Addition during the year	2,741.89	12,034.12

Particulars	As at March 31, 2026	As at March 31, 2025
Less: Utilised on account of Share issue costs	-	-
Balance at the end of the year	14,776.01	12,034.12
(b) Retained earnings:		
Balance at the beginning of the year	(70,538.79)	(51,067.57)
Add:		
Loss for the year	(13,817.94)	(19,476.02)
Equity share issue expenses	-	-
Share Options Outstanding Account	27.81	-
Other comprehensive income for the year	12.98	4.80
Balance at the end of the year	(84,315.94)	(70,538.79)
Total	(69,539.93)	(58,504.67)

Note - 17a Non Current Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Secured (Carried at amortised cost)		
(a) Inter corporate Deposit*	10,000.00	-
Total	10,000.00	-

*- Secured against current assets of the Company

Note - 17b Current Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured (Carried at amortised cost)		
(a) Inter corporate Deposit	18,465.00	16,480.00
Total	18,465.00	16,480.00

Note - 17c Inter Corporate Deposit

The company has obtained short-term intercorporate deposit from group company Mahindra & Mahindra Limited. The outstanding balance as on 31st March 2025 was 16,480 Lakhs, During the Financial year 2025-26, the company has repaid Rs. 26,480 Lakhs and obtained fresh intercorporate deposits of Rs. 38,465 Lakhs. The closing balance of 18,465 Lakhs is considered as short-term and Rs 10,000 Lakhs is considered as long-term.

Note - 18a Other Non Current Financial Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Other Financial liabilities measured at amortised at cost		
(a) Security Deposits	1,205.50	676.50
Total	1,205.50	676.50

Note - 18b Other Current Financial Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Other Financial liabilities measured at amortised at cost		
a) Capital creditors	853.14	458.08
b) Security Deposits	0.90	1.10
c) Interest Accrued but not due	662.86	1,065.96
d) Others*	191.07	-
Total	1,707.97	1,525.14

* Represents a liability of Rs 191.07 Lakhs on account of a channel financing arrangement, where the bank pays the Company for goods bought by authorised

dealers when due and the dealers then pay the bank as per the agreed terms. The Company recognises financial liability to the extent that it has issued First Loss Default Guarantee.

Note - 19a Non Current Provisions

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
(a) Provision for employee benefits		
Provision for compensated absences	111.14	89.31
Provision for Gratuity	252.05	130.22
(b) Other Provisions		
Warranty	465.48	370.84
Free Service Coupons	65.71	53.62
Total	894.38	643.99

Note - 19b Current Provisions

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
(a) Provision for employee benefits		
Provision for compensated absences	40.20	38.90
Provision for Gratuity	21.77	17.97
(b) Other Provisions		
Warranty	233.78	170.72
Free Service Coupons	281.26	192.65
Total	577.01	420.24

The movement in provision for warranty and service coupon is as follows

Particulars	Rs. in Lakhs			
	As at March 31, 2026		As at March 31, 2025	
	Provision for Warranty	Provision for Service Coupon	Provision for Warranty	Provision for Service Coupon
Opening Balance	541.56	246.27	1,029.44	244.47
Additional Net Provision recognised	1,216.20	223.45	831.63	123.03
Amounts used during the period	(1,105.61)	(144.39)	(1,417.00)	(144.77)
Unwinding of discount	47.11	21.64	97.49	23.54
Closing Balance	699.26	346.97	541.56	246.27

Note - 20 Trade Payables

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Trade payable for goods & services		
- Total outstanding dues of micro and small enterprises	230.38	232.98
- Total outstanding dues of other than micro and small enterprises	36,935.39	14,679.13
Total	37,165.77	14,912.11

Trade Payable Ageing Schedule

Particulars	Rs. in Lakhs				
	Outstanding for the following period from the due date of Payment				
	Less than 1 year	1-2 year	2-3 Year	More than 3 year	Total
Total outstanding dues of micro enterprises and small enterprises	230.22	-	-	0.16	230.38
Total outstanding dues of creditors other than micro enterprises and small enterprises	29,143.56	2,934.07	63.46	4,794.30	36,935.39
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-

As at March 31, 2026

Particulars	Rs. in Lakhs				
	Outstanding for the following period from the due date of Payment				
	Less than 1 year	1-2 year	2-3 Year	More than 3 year	Total
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	29,373.78	2,934.07	63.46	4,794.46	37,165.77

As at March 31, 2025

Particulars	Rs. in Lakhs				
	Outstanding for the following period from the due date of Payment				
	Less than 1 year	1-2 year	2-3 Year	More than 3 year	Total
Total outstanding dues of micro enterprises and small enterprises	232.98	-	-	-	232.98
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,358.29	496.84	552.32	271.68	14,679.13
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	13,591.27	496.84	552.32	271.68	14,912.11

Note - 21 Other Current Liabilities

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
a) Statutory remittances (Contribution to PF, profession tax, withholding taxes, GST, etc.)	452.15	415.42
b) Interest payable	0.53	0.42
c) Advances received from customers	1,767.00	615.86
Total	2,219.68	1,031.70

Note - 22 Revenue from Operations

Particulars	Rs. in Lakhs	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Revenue from sale of products	1,03,816.20	64,310.43
(b) Sales of services	-	22.26
(c) Other operating revenue	784.89	304.43
Total	1,04,601.09	64,637.12

Note - 23 Other income

Particulars	Rs. in Lakhs	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Interest income on financial assets carried at amortised cost	5.00	41.90
(b) Interest income on non financial assets	-	3.67
(c) Net gain on foreign currency transaction and translation	547.30	134.58
(d) Net gain on Investment carried at fair value through profit or loss	329.71	998.17
(e) Miscellaneous income	31.93	-
Total	913.94	1,178.32

Note - 24 (a) Cost of raw material consumed

	Rs. in Lakhs			Rs. in Lakhs	
	For the year ended March 31, 2026	For the year ended March 31, 2025	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw Materials and Components Consumed			Royalty Expenses	1,060.18	1,019.75
Inventories at the beginning of the year	—	—	Legal and professional Fees	300.51	194.47
Add: Purchases	91,040.97	—	Auditor Remuneration		
	91,040.97	—	- Audit Fees	12.00	12.00
		—	- Out of Pocket Expense	—	—
Inventories at the end of the year	18,604.01	—	- Other services	2.47	2.91
Total	72,436.96	—	Travelling Expenses	1,131.24	943.28
			Freight and handling charges	1,301.54	632.38
			Warranty Expenses and Free Service		
			Charges (Net of Recoveries)	1,113.71	655.07
			Stockyard Expense	202.89	515.35
			R & D Expense	802.37	656.49
			Rent including lease rentals	157.94	128.78
			Provisions for doubtful Advances/ Debts	13.73	37.34
			Net loss on foreign currency transaction	—	—
			Director remuneration- issue of sweat equity shares	5,750.00	—
			Director remuneration- sitting fees and others	14.40	18.00
			Misc. expenses	814.57	634.90
			Total	24,978.32	17,730.25

Note - 24 (b) Changes in inventories of finished goods and stock-in-trade

	Rs. in Lakhs	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<u>Inventories at the beginning of the year</u>		
Stock in Trade	5,495.02	3,766.50
	5,495.02	3,766.50
<u>Inventories at the end of the year</u>		
Stock in Trade	5,519.49	5,495.02
	5,519.49	5,495.02
Net increase	(24.47)	(1,728.52)

Note - 25 Employee benefits expense

	Rs. in Lakhs	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Salaries and wages, including bonus	4,960.76	3,944.18
(b) Contribution to other funds	194.67	142.27
(c) Staff welfare expense	163.14	134.28
Total	5,318.57	4,220.73

Note - 26 Finance cost

	Rs. in Lakhs	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Interest expense for financial liabilities at amortised cost	48.05	49.33
b) Interest others	3,155.07	2,668.18
Total	3,203.12	2,717.51

Interest others includes unwinding of discount & working capital charge

Note - 27 Depreciation and amortisation expense

	Rs. in Lakhs	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Depreciation on property, Plant, Equipments	2,682.79	2,456.62
b) Depreciation of right-of-use assets	88.58	82.06
c) Amortisation on other Intangible Assets	4,256.87	3,683.73
Total	7,028.24	6,222.41

Note - 28 Other expenses

	Rs. in Lakhs	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Advertisement & Promotional Expense	4,798.30	10,141.28
Sub-contracting Charges*	4,992.42	—
Service Charges	2,003.21	1,748.87
Software Expense	506.84	389.38

* With effect from May 1, 2025, the Company has changed its arrangement with Mahindra & Mahindra ("M&M") from Contract Manufacturing Agreement (CMA) to Toll Manufacturing Agreement (TMA) where the Company is procuring materials on its own and supplying to M&M. The Company is paying job work charges to M&M the Parent Company with respect to TMA arrangement, the amount of which is mentioned above as sub-contracting charges for job work activities. The same is considered as Rs. 4,992.42 lakhs in this financial year.

Note - 29 Earning per share

Earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic & diluted earnings per share are as follows:

	Rs. in Lakhs	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share (in Rs.)	(1.72)	(2.58)
Diluted earnings per share (in Rs.)	(1.64)	(2.58)
<u>Basic earnings per share</u>		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Loss for the year, per statement of profit and loss (Rs. in lakhs)	(13,818)	(19,476)
Weighted average number of equity shares for the purposes of basic earnings per share	80,33,00,195	75,46,58,797
<u>Diluted earnings per share</u>		
The earnings and weighted average number of equity shares used in the calculation of diluted earnings per share are as follows:		
Loss for the year, per statement of profit and loss (Rs. in lakhs)	(13,818)	(19,476)
Weighted average number of equity shares for the purposes of basic earnings per share	80,33,00,195	75,46,58,797
Weighted average of potential equity shares to be issued in respect of :		
- Sweat equity Shares	1,49,05,164	—
- Employee stock Options (ESOPs)	2,49,95,616	—
Weighted average number of equity shares for the purposes of diluted earnings per share	84,32,00,975	75,46,58,797

Note - 30 Financial Instruments**Capital management**

The company's capital management objectives are:

The Board policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The board of directors monitors the return on capital employed.

The Company manages capital risk by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary.

The Company uses debt ratio as a capital management index and calculates the ratio as total liabilities divided by total equity. Total liabilities and total equity are based on the amounts stated in the separate financial statements.

	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Debt (Including Current Maturities and lease payables) (A)	28,578.02	16,681.14
Equity (B)	12,059.06	16,961.20
Debt Ratio (A / B)	2.37	0.98

Fair Value

Set out below is the comparison by class of the carrying amounts and fair value of the Company's financial instruments

	Rs. in Lakhs			
	Carrying Amount		Fair Value	
Particulars	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
FINANCIAL ASSETS				
Financial assets measured at amortised cost				
Current Assets				
a) Investments (fair value through profit & loss)	3,407.00	2,709.83	3,407.00	2,709.83
b) Trade Receivable	9,474.53	2,943.63	9,474.53	2,943.63
c) Cash & cash equivalents	488.88	493.14	488.88	493.14
d) Other Current Financial assets	1,923.37	900.04	1,923.37	900.04
Total Financial Assets	15,293.78	7,046.64	15,293.78	7,046.64
FINANCIAL LIABILITIES				
Financial liabilities measured at amortised cost				
Non Current Liabilities				
a) Borrowings including lease liabilities	10,015.39	103.52	10,882.52	101.47
b) Other non-current liabilities	1,205.50	676.50	1,205.50	676.50
Current Liabilities				
a) Borrowings including lease liabilities	18,562.63	16,577.63	19,119.56	17,736.48
b) Trade Payables	37,165.77	14,912.11	37,165.77	14,912.11
c) Other Current liabilities	1,707.97	1,525.15	1,707.97	1,525.15
Total Financial Liabilities	68,657.26	33,794.91	70,081.32	34,951.71

At the end of the reporting period, there are no significant concentrations of credit risk for financial assets designed at fair value through profit & loss. The carrying amount reflected above represents the company's maximum exposure to credit risk to such financial assets.

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK**(i) Credit risk management**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are mutual funds and banks with high credit-ratings.

Trade receivables - The company applies the simplified approach to provide for expected credit loss prescribed by IND AS 109, which permits the use of life time expected loss provision for old trade receivable. The company has taken security deposit which are considered as collateral and these are considered in determination of expected credit losses, where applicable.

There is no change in estimation techniques or significant assumptions during the reporting period.

Movement in the expected credit loss allowance:

	Rs. In Lakhs	
Particulars	March 31, 2026	March 31, 2025
Balance as at beginning of the year	61.68	24.34
Additions during the year	13.73	37.34
Amounts recovered during the year	-	-
Balance at end of the year	75.41	61.68

LIQUIDITY RISK**(i) Liquidity risk management**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

	March 31, 2026			March 31, 2025		
Particulars	Less than 1 Year	1-3 Years	3-5 Years	Less than 1 Year	1-3 Years	3-5 Years
Financial liabilities						
Borrowings (including current maturities and lease payables)	18,559.43	10,024.77	-	16,580.76	119.20	-
Other Financial liabilities	1,707.97	1,205.50	-	1,525.15	676.50	-
Trade payables	37,165.77	-	-	14,912.11	-	-
Total	57,433.17	11,230.27	-	33,018.02	795.70	-

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

a) Foreign Currency exchange rate risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exposure to currency risk relates primarily to the Company's operating activities and borrowings when transactions are denominated in a different currency from the Company's functional currency.

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. It hedges a part of these risks by using derivative financial instruments in line with its risk management policies. The information on derivative instruments is as follows.

Foreign currency exposures that are not hedged by derivative instruments

Particulars	Currency	As at March 31, 2026		As at March 31, 2025	
		Foreign Currency Amount	Rupees Lakhs	Foreign Currency Amount	Rupees Lakhs
Trade payables	USD	247,840	233.45	–	–
Trade receivable	USD	635,133	598.26	–	–
Trade payables	EURO	117,000	126.43	–	–
Trade receivable	EURO	6,278	6.78	–	–
Trade payables	GBP	64,562	80.28	23,400	25.93
Trade receivable	GBP	7,036,855	8,750.43	2,477,058	2,745.16

Note - 31 Fair Value Measurement

Financial assets/ financial liabilities	Fair value as at (Rs. in Lakhs)		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	March 31, 2026	March 31, 2025				
(i) Investment in Mutual Fund	3,407.00	2,709.83	Level 1	Quoted market price	–	–

Note: Carrying amount of Investment in unquoted equity shares closely approximates the fair value.

Financial instruments not measured using fair value i.e. measured using amortized cost

Financial instruments not measured using fair value i.e. measured using amortized cost						Rs. in Lakhs					
Particulars	Carrying Amount	Level 1	Rs. in Lakhs			Particulars	Carrying Amount	Level 1	Level 2	Level 3	Total
			Level 2	Level 3	Total						
Financial assets						<u>Current financial liabilities carried at amortised cost</u>					
As at 31st March 2026						- Borrowings including lease liabilities					
<u>Current Financial assets carried at amortised cost</u>						18,562.63					
- Trade Receivable						-					
9,474.53						19,119.56					
-						-					
9,474.53						-					
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Particulars	Carrying Amount	Rs. in Lakhs			
		Level 1	Level 2	Level 3	Total
Financial liabilities					
<u>Non-current financial liabilities carried at amortised cost</u>					
- Borrowings including lease liabilities	103.52	-	101.47	-	101.47
- Other non-current financial liabilities	676.50	-	676.50	-	676.50
<u>Current financial liabilities carried at amortised cost</u>					
- Borrowings including lease liabilities	16,577.63	-	17,736.48	-	17,736.48
- Trade Payables	14,912.11	-	14,912.11	-	14,912.11
- Other current financial liabilities	1,525.15	-	1,525.15	-	1,525.15
Total	33,794.91	-	34,951.71	-	34,951.71

Note - 32 Employee benefits**(a) Defined Contribution Plan**

Amount recognised as an expense in the Statement of Profit and Loss in respect of Defined Contribution Plans is Rs. 194.67 Lakhs (March 31, 2025 Rs. 142.27 Lakhs)

(b) Defined Benefit Plans:**Gratuity**

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee based on 15 days last drawn salary for each completed year of service. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Actuarial gains and losses in respect of defined benefit plans are recognised in the Financial statements through other comprehensive income.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields

A decrease in government bond yields will increase plan liabilities.

Inflation risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Life expectancy

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Defined benefit plans – as per actuarial valuation on 31st March, 2026

Particulars	Rs. in Lakhs	
	Unfunded Plan Gratuity	Unfunded Plan Gratuity
	2026	2025
Amounts recognised in profit and loss in respect of these defined benefit plans are as follows:		
Current Service Cost	90.35	47.73
Past service cost and (gains)/losses from settlements	49.78	-
Net interest expense	9.59	8.11
Transfer In/(Out)	6.56	26.23
Components of defined benefit costs recognised in profit or loss	156.28	82.07

Particulars	Rs. in Lakhs	
	Unfunded Plan Gratuity	Unfunded Plan Gratuity
	2026	2025
Amounts recognised in other comprehensive income		
Remeasurement on the net defined benefit liability		
Actuarial (gains) and loss arising from changes in demographic assumptions	7.04	(8.77)
Actuarial (gains) and loss arising from changes in financial assumptions	(3.61)	3.40
Actuarial (gains) and loss arising from experience adjustments	(20.78)	(1.04)
Components of defined benefit costs recognised in other comprehensive income	(17.35)	(6.41)
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31 st March	273.83	148.20
2. Fair value of plan assets as at 31 st March	-	-
3. Surplus/(Deficit)	(273.83)	(148.20)
4. Current portion of the above	(21.78)	(17.97)
5. Non current portion of the above	(252.05)	(130.22)
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	148.19	122.19
2. Transfer in /(out)	-	-
3. Expenses Recognised in Profit and Loss Account		
- Current Service Cost	140.13	47.73
- Transfer In/(Out)	6.56	26.23
- Interest Expense (Income)	9.59	8.11
4. Recognised in Other Comprehensive Income		
Remeasurement (gains) / losses arising from:		
i. Demographic Assumptions	7.04	(8.77)
ii. Financial Assumptions	(3.61)	3.40
iii. Experience Adjustments	(20.78)	(1.04)
5. Benefit payments	(13.29)	(49.66)
6. Present value of defined benefit obligation at the end of the year	273.83	148.19
III. Actuarial assumptions		
1. Discount rate (%)	6.90	6.60
2. Expected rate(s) of salary increase (%)	10.00	10.00
3. Attrition rate (%)	20.00	25.00

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Rs. in Lakhs		
	Changes in assumption	Increase in assumption	Decrease in assumption
Discount rate			
	2026	1.00%	(11.37)
	2025	1.00%	(5.59)
Salary growth rate			
	2026	1.00%	9.56
	2025	1.00%	4.39
Attrition rate			
	2026	1.00%	(1.47)
	2025	1.00%	(0.68)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the

sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

Maturity profile of defined benefit obligation:

	Rs. in Lakhs	
	2026	2025
Within 1 year	21.78	17.97
1 - 2 year	23.76	18.63
2 - 3 year	30.44	19.88
3 - 4 year	47.26	24.48
4 - 5 year	57.00	33.60
5 - 10 years	395.88	185.78

Note 33: Related Party Disclosures:

1) List of Related parties and relationships

Name of company / Individual	Relation
Mahindra and Mahindra Limited	Joint Venturer
Mr. Boman Irani	Joint Venturer
Phi capital Management LLP	Joint Venturer
Attarchand Trading Company Private Limited	Joint Venturer
BSA Company Limited	Subsidiary Company
Mahindra Two Wheelers Limited	Subsidiary of Joint Venturer
Mahindra Integrated Business Solutions Limited	Subsidiary of Joint Venturer
Mahindra Logistics Limited	Subsidiary of Joint Venturer
Tech Mahindra Limited	Associate of Joint Venturer
Fifth Gear Ventures Limited	Subsidiary of Joint Venturer
CIE Automotive India Limited	Associate of Joint Venturer
NBS International Limited	Subsidiary of Joint Venturer
Lords Freight India Private Limited	Fellow Subsidiary of Joint Venturer
Mahindra First Choice Wheels Limited	Subsidiary of Joint Venturer
Mahindra Holidays & Resorts India Limited	Subsidiary of Joint Venturer
Mahindra Last Mile Mobility Limited	Subsidiary of Joint Venturer
TICL Brands (India) Private Limited	Joint Venture Company
Roadbenders Private Limited	Entity controlled by KMP
Mr. Anupam Thareja	Managing Director
Mr. Ashish Joshi (upto 1st March, 2025)	Chief Executive Officer
Mr. Lalit Verma (from 6th March'2025)	Chief Operating Officer
Mr. Sharad Agarwal (from 6th March'2025 up to 31st Oct'2025)	Chief Business Officer
Mr. Sushil Sinha (from 6th March'2025)	Head R&D
Mr. Sitesh Maheshwari	Chief Financial Officer
Ms. Akshata A Khanolkar	Company Secretary

The weighted average duration of the defined benefit obligation as at March 31, 2026 is 8.45 years (March 31, 2025 is 6.91 years)

		Rs. in Lakhs	
VIII. Experience Adjustments:		Period Ended	Period Ended
		2026	2025
		Gratuity	Gratuity
1.	Defined Benefit Obligation	273.83	148.19
2.	Fair value of plan assets	—	—
3.	Surplus/(Deficit)	(273.83)	(148.20)
4.	Experience adjustment on plan liabilities [(Gain)/Loss]	(17.35)	(6.41)
5.	Experience adjustment on plan assets [Gain/(Loss)]	—	—

2) Related Party Transactions:

Rs. in Lakhs									
Name of related party	Nature of Transactions	Amount Current Year Transactions	Amount Outstanding as at 31 st March 2026		Amount Previous Year Transactions	Amount Outstanding as at 31 st March 2025			
			Credit	Debit		Credit	Debit		
1) Mahindra & Mahindra Limited	Purchase of Services	9,768.42	3,193.34	0.88	3,402.74	8,377.68	—		
	Purchase of Fixed Assets	48.36			112.23				
	Purchase of Goods	20,723.94			52,238.93				
	Other expenditure	550.02			1,044.00				
	Reimbursement of expenses paid	1,062.32	28,465.00	—	757.17	16,480.00	—		
	Reimbursement of Expenses Received	140.38			371.63				
	Sales of Goods	1.49			25.60				
	ICD taken	38,465.00			9,500.00				
	ICD Repaid	26,480.00	662.86	—	12,000.00	1,065.96	—		
	Interest paid on ICD	3,001.43			1,742.12				
	Issue of Share capital including share premium	3,600.00			21,000.00			—	—
	Issue of Compulsorily Convertible Preference Shares	—			(21,000.00)			—	—
	2) Mahindra Two Wheelers Limited	Purchase of Services	—	—	—	12.59	—	—	
		Purchase of Goods	—	—	—	—	—	—	
3) Mahindra Integrated Business Solutions Limited	Purchase of Services	36.10	2.61	—	32.02	2.14	—		
4) Mahindra Logistics Limited	Purchase of Services	15.56	0.49	—	0.05	—	—		
5) Tech Mahindra Limited	Purchase of Services	0.77	—	—	26.83	—	—		
6) Fifth Gear Ventures Limited	Purchase of Services	—	—	—	15.15	—	—		
7) Mahindra First Choice Wheels Limited	Purchase of Services	11.46	0.13	—	—	—	—		
	Balance payable	—			—	1.50	—		
8) CIE Automotive India Limited	Purchase of Goods	115.52	32.99	—	5.73	1.20	—		
9) Mahindra Holidays & Resorts India Limited	Purchase of Services	0.93	—	—	18.18	—	—		
10) Phi Capital Management LLP	Issue of Share capital including share premium	—	26.62	—	1,980.00	—	—		
	Reimbursement of expenses paid	27.65			—	—	—	—	
	Issue of Compulsorily Convertible Preference Shares	—	—	—	(1,980.00)	—	—		
11) NBS International Ltd	Purchase of services	0.40	—	—	0.30	—	—		
12) Lords Freight India Private Limited	Purchase of services	15.83	—	—	—	—	—		
13) Anupam Thareja	Issue of Share capital including share premium	339.43	—	—	—	—	—		
14) Boman Irani	Issue of Share capital including share premium	171.43	—	—	1,000.00	—	—		
	Sweat Equity Shares Allotment (incl premium)	2,875.00			—				
	Receipt of Share application money / (Alloted)	—			(1,000.00)				
15) Attarchand Trading Company Private Limited	Issue of Share capital	171.43	—	—	1,000.00	—	—		
	Issue of Compulsorily Convertible Preference Shares	—	—	—	(1,000.00)	—	—		
16) BSA Company Limited	Sales of Goods	10,621.72	—	—	1,569.31	—	2,745.16		
	Sales of services	—	80.52	8,749.97	22.26				
	Reimbursement of expenses paid	197.72	—	—	148.33				
	Reimbursement of expenses received	—	—	—	1.05				
17) Mahindra Last Mile Mobility Limited	Reimbursement of expenses paid	—	—	—	0.75	—	—		
18) TICL Brands (India) Private Limited	Reimbursement of expenses received	—	—	—	0.35	0.06	—		
	Investment in Shares	—	—	—	0.50	—	—		
	Royalty Expense	210.00	192.29	—	69.71	69.71	—		
19) Roadbenders Private Limited	Sales of Goods	1,322.10	—	—	119.32	—	—		
	Other expenditure	9.33	—	—	—	—	—		
	Reimbursement of expenses paid	1.97	—	—	—	—	—		
	Advance against supplies	0.09	—	—	21.08	—	—		
20) Sitting Fees to Directors	Director Fees	14.40	—	—	18.00	—	—		

Rs. in Lakhs							
Name of related party	Nature of Transactions	Amount Current Year Transactions	Amount Outstanding as at 31 st March 2026		Amount Previous Year Transactions	Amount Outstanding as at 31 st March 2025	
			Credit	Debit		Credit	Debit
21) Ashish Joshi-CEO	Remuneration to Chief Executive Officer*	718.97			307.74	—	—
22) Lalit Verma - COO	Remuneration to Chief Operating Officer*						
23) Sharad Agarwal - CBO	Remuneration to Chief Business Officer*						
24) Sushil Sinha - R&D Head	Remuneration to R&D Head*						
25) Sitesh Maheshwari - CFO	Remuneration to Chief Financial Officer**						
26) Ms. Akshata A Khanolkar - Company Secretary	Remuneration to Company Secretary**						

* Employee benefits payable (gratuity and leave encashment) are calculated on the basis of actuarial valuation. Amount payable for individual employee as at 31st March, 2026, cannot be separately identified and therefore has not been included above.

** Being deputed by Mahindra and Mahindra Ltd, remuneration is paid through Mahindra and Mahindra Ltd

Note: 34: Current Tax and Deferred Tax

(i) Movement in deferred tax balances

Particulars	Rs. in Lakhs			
	As at March 31, 2025	Amount recognised in P&L	Amount recognised in OCI	As at March 31, 2026
Deferred Tax Liability				
On property, plant & equipment	—	—	—	—
Others	—	—	—	—
Total	—	—	—	—
Deferred Tax Asset				
Provision for Employee Benefits	—	4.37	(4.37)	—
Unabsorbed Depreciation and Business Loss carried forward	—	—	—	—
Others	—	—	—	—
Total	—	4.37	(4.37)	—
Deferred Tax assets / (liability) Net:	—	4.37	(4.37)	—

Particulars	Rs. in Lakhs			
	As at March 31, 2024	Amount recognised in P&L	Amount recognised in OCI	As at March 31, 2025
Deferred Tax Liability				
On property, plant & equipment	—	—	—	—
Others	—	—	—	—
Total	—	—	—	—
Deferred Tax Asset				
Provision for Employee Benefits	—	1.61	(1.61)	—
Unabsorbed Depreciation and Business Loss carried forward	—	—	—	—
Others	—	—	—	—
Total	—	1.61	(1.61)	—
Deferred Tax assets / (liability) Net:	—	1.61	(1.61)	—

Net deferred tax assets have been recognised only to the extent that the Company has sufficient taxable temporary differences or there is convincing evidence that sufficient taxable profit will be available against which such deferred tax assets can be realised.

Income Tax recognised in profit or loss

Particulars	Rs. in Lakhs	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Tax		
In respect of current year	–	–
Deferred Tax		
In respect of current year origination and reversal of temporary differences	(1.33)	(1,478.29)
In respect of prior years	–	–
In respect of others	(3.04)	1,476.68
Income Tax as per P&L	(4.37)	(1.61)

The Reconciliation of estimated income tax expense at tax rate to income tax expense reported in Profit & Loss is as follows :

Particulars	Rs. in Lakhs	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Loss before tax	(13,822.31)	(19,477.63)
Applicable Income tax rate	25%	25%
Expected income tax expense	(3,478.80)	(4,902.13)
Effect of expenses not deductible in determining taxable profit	2.30	0.20
Effect of derecognition of deferred tax asset on previous years tax losses	–	–
Effect of Non recognition of deferred tax asset	3,475.17	3,423.64
Effect of Tax rate change	–	–
Others	(3.04)	1,476.68
Income Tax as per P&L	(4.37)	(1.61)

Note: 35: Capital Work in Progress and Intangible under development Ageing Schedule**A) Capital Work in Progress ageing Schedule:-****As at March 31, 2026**

Particulars	Rs. in Lakhs			
	Less than 1 year	1-2 year	2-3 Year	More than 3 year
Projects In Progress	739.40	7.38	11.35	0.94
Projects temporarily suspended	–	–	–	–
Total	739.40	7.38	11.35	0.94

As at March 31, 2025

Particulars	Rs. in Lakhs			
	Less than 1 year	1-2 year	2-3 Year	More than 3 year
Projects In Progress	249.09	38.77	1.26	–
Projects temporarily suspended	–	–	–	–
Total	249.09	38.77	1.26	–

B) Intangible asset under development (IAUD) ageing schedule:-**As at March 31, 2026**

Particulars	Rs. in Lakhs			
	Less than 1 year	1-2 year	2-3 Year	More than 3 year
Projects In Progress	3,230.26	682.48	393.65	524.35
Projects temporarily suspended	–	–	–	–
Total	3,230.26	682.48	393.65	524.35

As at March 31, 2025

Particulars	Rs. in Lakhs			
	Less than 1 year	1-2 year	2-3 Year	More than 3 year
Projects In Progress	3,523.50	419.29	411.70	112.65
Projects temporarily suspended	–	–	–	–
Total	3,523.50	419.29	411.70	112.65

Note: 36: Ratio Analysis and its element

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance	Reason for Variance
Current ratio	Current Assets	Current Liabilities	0.74	0.44	69%	Mainly due to sharp increase in current assets
Debt equity ratio	Debt	Total Equity	2.37	0.98	142%	There is an increase in the Debt & reduction in Equity
Debt service coverage ratio	Profit before depreciation & Amortisation, interest and taxes	Interest on borrowings+Current Borrowings	(0.24)	(0.64)	(62%)	There is increase in EBITDA
Return on equity ratio	Profit/loss after tax	Average Total Equity	(95%)	(212%)	117%	Mainly due to increase in profit
Inventory turnover ratio	Cost of Goods Sold	Average Inventory	5.32	11.75	(55%)	Increase in Inventory
Trade receivable turnover ratio	Sales of Products & Services	Average trade receivable	16.72	17.36	(4%)	
Trade payable turnover ratio	Purchases	Average trade payable	3.74	4.06	(8%)	
Net capital turnover ratio	Total revenue	Current Assets-Current Liabilities	(6.83)	(3.44)	98%	There is decrease in Working Capital
Net profit ratio	Profit/loss after tax	Total revenue	(13%)	(30%)	17%	
Return on capital employed	Profit before interest and taxes	Average Capital Employed	(29%)	(62%)	33%	Mainly due to increase in profit
Return on investment	Investment Income	Average Investment	2%	4%	(2%)	

37 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2026 is Rs.2,267.86 Lakhs (as at March 31, 2025 Rs. 2,218.95 lakhs).

38(A) Contingent Liabilities

- (i) Demands against the Company not acknowledged as debts and not provided for, in respect of which the Company is in appeal and exclusive of the effect of similar matters in respect of assessments remaining to be completed:

- GST* : Rs.84.79 Lakhs (as at March 31,2025: Nil)

(* this includes Interest of Rs.39.68 lakhs over demand order)

- (ii) In respect of (a) above, it is not practicable for the company to estimate the closure of these issues and consequential timings of cash flows, if any
- (iii) As per Toll manufacturing agreement entered by company with Mahindra and Mahindra Limited ("M&M"), the company is liable to pay Rs.1,470 lakhs under clause 6 read with schedule 2 of agreement. However, the Company has requested the waiver to the M&M and matter is currently under discussion. Based on the communication from the M&M, the charge is kept on hold (not accrued as recoverable from the Company). Since the outcome of the matter is unascertainable as on reporting date, the same is considered as Contingent.

(B) Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. During the Financial year 2025-26, the Company had incurred the loss of Rs.13,817.94 lakhs and net current liabilities position (net of current assets) of Rs.15,455.76 lakhs. However, based on the future projections, expected financial position and future commitment of equity infusion of Rs.465.00 crores by Mahindra & Mahindra Ltd ("M&M") and other investors, the use of going concern assumption was considered appropriate by the Company while preparing the financial statements of 2025-26.

39 Segment reporting

The Company is engaged in design, development, sales, marketing and related activities for two wheeler vehicle, predominantly in India, which represents single reportable business segment. These, in context of IND-AS 108 "Operating Segments" are considered to constitute one segment.

Geographical information

The "Geographical Segments" comprises of domestic segment which includes sales to customers located in India and the overseas segment includes sales to customers located outside India.

	Domestic	Overseas	Rs. in Lakhs Total
Revenue from operations			
For the year ended March 31, 2026	92,623.10	11,977.99	104,601.09
For the year ended March 31, 2025	62,409.65	2,227.47	64,637.12
Revenue from operations - External			
For the year ended March 31, 2026	91,299.51	1,356.27	92,655.78
For the year ended March 31, 2025	62,264.73	635.90	62,900.63
Non-current segment assets			
As at March 31, 2026	29,177.93	-	29,177.93
As at March 31, 2025	27,081.04	-	27,081.04
a) Domestic segment includes sales and services to customers located in India.			
b) Overseas segment includes sales and services rendered to customers located outside India			
c) Non-current segment assets represents total non current assets excluding non current financial assets.			
d) The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue have been identified to segments on the basis of their relationship to the operating activities of the segment.			

40 Dues to micro small and medium enterprises

Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosure as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act" are given below :

Particulars	As at March 31, 2026	Rs. Lakhs As at March 31, 2025
Dues remaining unpaid as at 31st Mar		
- Principal	230.38	232.98
- Interest on the above	-	-
Interest paid in terms of Section 16 of the Act, along with the amount of payment made to the supplier beyond the appointed day during the year		

Particulars	As at	Rs. Lakhs
	March 31, 2026	As at March 31, 2025
- Principal paid beyond the appointed date	134.46	61.82
- Interest paid in terms of Section 16 of the Act	0.41	0.55
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	0.52	0.41
Amount of interest accrued and remaining unpaid as at 31st Mar	0.52	0.41

41 Leases

The details of additions, carrying value and depreciation on right to use assets held by the Company is given in Note No. 5

Interest expenses on leases is Rs. 12.64 Lakhs for the year ended March 31, 2026 (Rs 14.21 Lakhs year ended March 31, 2025). Company incurred Rs. 157.94 Lakhs for the year ended March 31, 2026 (Rs. 128.78 Lakhs for year ended March 31, 2025) towards expenses relating to short-term lease and leases of low-value assets. Total cash outflow for leases is Rs. 100.77 Lakhs for the year ended March 31, 2026 (Rs. 88.94 Lakhs for the year ended Mar 31, 2025) including cash outflow for short term and low value leases.

42 Struck off companies

Transactions with struck off companies for the year ended March 31, 2026:

Name of struck off company	Balance Outstanding				Rs. In Lakhs	
	Investments in securities	Receivable	Payable	Shares held by struck off company	Nature of other outstanding balances	Relationship with the struck off Company, if any, to be disclosed
Travel Gear Private Limited	NIL	18.36	NIL	NIL	GST	N.A.

43 The Company has incurred a loss of Rs 13,817.94 lakhs during the year and has negative retained earnings of Rs. 84,315.94 lakhs as at the year-ended 31 March 2026. Based on the assessment by management, which includes reasonable estimates of future cash flows and actions to expand the business operations, the management is confident to generate sufficient future economic benefits to recover the carrying value of assets. Accordingly, no impairment of assets is considered necessary at the end of the reporting period.

44 Previous year's figures have been regrouped/reclassified wherever necessary.

For B. K. Khare & Co
Chartered Accountants
Firm Registration No. 105102W

For and on behalf of the Board
CIN No.U34101MH2015PTC265665

Anupam Thareja
DIN No: 01091533
 Managing Director

Amarjyoti Barua
DIN No: 09202472
 Director

Amit Mahadik
Partner
Membership Number: 125657

Sitesh Maheshwari
 (Chief Financial Officer)
 Membership Number: 077909

Akshata A. Khanolkar
 (Company Secretary)
 Membership Number: A29557

Date: 28th April, 2026
 Place: Mumbai

Date: 28th April, 2026
 Place: Mumbai

Form AOC 1

Pursuant to first proviso to Sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rule, 2014

Statement containing salient features of the financial statements of subsidiaries/associate company/joint ventures as included in the Consolidated Financial Statements

Part A: Subsidiaries

S. No	Name of the Subsidiary	The date since when subsidiary / Joint venture was acquired	Reporting Currency	Exchange Rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investment (excluding investment in subsidiaries)	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest	Rs. in lakhs	
																Proportion of voting power where Different	
1	BSA Company Limited	21.10.2016	GBP	124.35	353.40	(192.08)	11,704.92	11,543.60	*	11,620.05	(1,612.05)	-	(1,612.05)	-	100.00%		
2	B.S.A. Motor Cycles Limited	11.09.2020	GBP	124.35	*	-	*	-	-	-	-	-	-	-	100.00%		
3	The Birmingham Small Arms Company Limited	11.09.2020	GBP	124.35	*	-	*	-	-	-	-	-	-	-	100.00%		
4	BSA Corporation Limited	11.09.2020	GBP	124.35	*	-	*	-	-	-	-	-	-	-	100.00%		
5	TICL Brands (India) Private Limited	25.11.2024	INR	N.A.	0.50	3.65	113.26	109.11	-	105.00	(1.75)	-	(1.75)	-	50.00%		

* Amount less than Rs. 50000

For and on behalf of the Board
CIN No.U34101MH2015PTC265665Anupam Thareja
DIN No: 01091533
Managing DirectorSitesh Maheshwari
Chief Financial Officer
Membership Number: 077909Amarjyoti Barua
DIN No: 09202472
DirectorAkshata A. Khanolkar
Company Secretary
Membership Number: A29557
Date: 28th April, 2026
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BSA COMPANY LIMITED

Opinion

We have audited the financial statements of BSA Company Limited (the 'company') for the year ended 31 March 2026 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2026 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other

information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [https:// www.frc.org.uk/ auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Jon Noble (Senior Statutory Auditor)
For and on behalf of Azets Audit Services,
Statutory Auditor

Chartered Accountants

Third Floor, Gateway House
 Tollgate,
 Chandlers Ford
 Hampshire
 SO53 3TG
 Date:- 14th April 2026

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2026

	2026 £	2025 £
Turnover	9,362,376	1,683,631
Cost of Sales.....	(8,943,649)	(2,258,976)
Gross Profit/(Loss)	418,727	(575,345)
Administrative expenses	(1,978,301)	(2,072,041)
Other Operating Income/(expense)	230,619	(40,342)
Operating loss	(1,328,955)	(2,687,728)
Interest receivable and similar Income	–	16
Loss before taxation	(1,328,955)	(2,687,712)
Tax on loss	(31,563)	82,047
Loss for the financial year	(1,360,518)	(2,605,665)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

Mr Susheel Sinha

Director

Date:- 14th April 2026

Company Registration No. 01531594

BALANCE SHEET

AS AT 31 MARCH 2026

	Notes	2026		2025	
		£	£	£	£
Fixed Assets					
Intangible Assets	4	4,665,469		4,603,772	
Tangible assets	5	36,760		155,796	
Investments	6	9		9	
		<u>4,702,238</u>		<u>4,759,577</u>	
Current Assets					
Stock.....	7	384,984		372,353	
Debtors.....	8	3,555,060		888,905	
Cash at bank and in hand		705,737		376,133	
		<u>4,645,781</u>		<u>1,637,391</u>	
Creditors: amounts falling due within one year.....	9	<u>(9,218,293)</u>		<u>(4,906,724)</u>	
Net current liabilities		<u>(4,572,512)</u>		<u>(3,269,333)</u>	
Net assets		<u>129,726</u>		<u>1,490,244</u>	
Capital and reserves					
Called up share capital	10	368,800		368,800	
Share premium account.....		7,215,200		7,215,200	
Capital redemption reserve.....		60,000		60,000	
Profit and loss reserves		<u>(7,514,274)</u>		<u>(6,153,756)</u>	
Total equity		<u>129,726</u>		<u>1,490,244</u>	

These Financials statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 14th April 2026 and are signed on its behalf by:

Mr Susheel Sinha

Director

Date:- 14th April 2026

Company Registration No. 01531594

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

	Share capital £	Share premium account £	Capital redemption reserve £	Profit and Loss reserves £	Total £
Balance at 1 April 2024	368,800	7,215,200	60,000	(3,548,091)	4,095,909
Year ended 31 March 2025:					
Loss and total comprehensive income	—	—	—	(2,605,665)	(2,605,665)
Balance at 31 March 2025	368,800	7,215,200	60,000	(6,153,756)	1,490,244
Year ended 31 March 2026:					
Loss and total comprehensive income	—	—	—	(1,360,518)	(1,360,518)
Balance at 31 March 2026	368,800	7,215,200	60,000	(7,514,274)	129,726

Mr Susheel Sinha

Director

Date:- 14th April 2026

Company Registration No. 01531594

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1 Accounting Policies

Company information

BSA Company Limited is a private company limited by shares incorporated in England and Wales. The principal place of business is 70A North Street, Whitwick, Leicestershire, LE67 5HA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Classic Legends Private Limited. These consolidated financial statements are available from its registered office, Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400018.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In considering this assessment the directors have considered the improved results, the global expansion of the distribution network of the BSA branded motorcycles and the continued development of an electric motorcycle. They have also considered the support from its parent company for further Capital infusion and the expected continuation of the improvement in trading performance in 2027 and beyond. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Revenue comprises sales of goods or services provided to customers net of value added tax and other sales taxes, less an appropriate deduction for actual and expected returns and discounts. Revenue is recognised when performance obligations are satisfied and the control of goods or services is transferred to the buyer. Where the performance obligation is satisfied over time, revenue is recognised in accordance with its progress towards complete satisfaction of that performance obligation.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents and licences : Straight line over 15 years

Development Costs - Continuing : Amortisation deferred

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and Machinery : Straight Line between 3 and 9 years

Fixtures, fittings & equipment : Straight Line 10 years

Computer equipment : Straight Line 3 years

Motor Vehicles : Straight Line 3 years

Office equipment : Straight Line 4 years

1.7 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Borrowing costs related to fixed assets

Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.9 Impairment of fixed assets

Where a reasonable and consistent basis of allocation can be identified, assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

1.10 Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct material and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. The company considers all of its financial assets basic.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial Liabilities

Basic financial Liabilities, including creditors, and amounts owed to group undertaking are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liability if payments is due within one or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.13 Equity Instruments

Equity instruments issued by the company are recorded at the proceeds less, net of transaction costs.

1.14 Taxation

The Tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes item of Income or expense that are taxable or deductible in other years and it further excludes item that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by reporting end date.

Deferred Tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor accounting profit.

1.15 Employee Benefits

The costs of short term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits

1.16 Retirement Benefits

Payment to defined contribution retirement benefit scheme are charged as an expense as they fall due.

1.17 Leases

As Lessee

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.18 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income on an accrual basis when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability as deferred income.

Government grant income relating to the funding of fixed asset additions is released over the life of the asset in line with the amortisation or depreciation policy of the asset. Unreleased income is recognised as a liability as deferred income.

Grants that are received in respect of expenses already incurred by the entity are recognised in the profit and loss in the period when the grant becomes receivable.

1.19 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2026 Number	2025 Number
Total	<u>12</u>	<u>16</u>

4 Intangible fixed assets

	Patents and licenses	Development costs - continuing	Total
	£	£	£
Cost			
At 1 April 2025	125,400	4,603,772	4,729,172
Additions.....	–	61,697	61,697
At 31 March 2026	<u>125,400</u>	<u>4,665,469</u>	<u>4,790,869</u>
Amortisation and impairment			
At 1 April 2025 and 31st March 2026	<u>125,400</u>	<u>–</u>	<u>125,400</u>
Carrying amount			
At 31 March 2026	<u>–</u>	<u>4,665,469</u>	<u>4,665,469</u>
At 31 March 2025	<u>–</u>	<u>4,603,772</u>	<u>4,603,772</u>

5 Tangible fixed assets

	Plant and machinery etc	Office equipments	Total
	£	£	£
Cost			
At 1 April 2025	470,181	14,514	484,695
Additions.....	11,997	–	11,997
Disposals.....	(194,315)	(11,560)	(205,875)
At 31 March 2026	<u>287,863</u>	<u>2,954</u>	<u>290,817</u>
Depreciation and impairment			
At 1 April 2025	316,266	12,633	328,899
Depreciation charged in the year.....	50,950	1,373	52,323
Eliminated in respect of disposals	(116,113)	(11,052)	(127,165)
At 31 March 2026	<u>251,103</u>	<u>2,954</u>	<u>254,057</u>
Carrying amount			
At 31 March 2026	<u>36,760</u>	<u>–</u>	<u>36,760</u>
At 31 March 2025	<u>153,915</u>	<u>1,881</u>	<u>155,796</u>

6 Fixed asset investments

	2026 £	2025 £
Shares in group undertakings and participating interests.....	<u>9</u>	<u>9</u>

7 Stocks

	2026 £	2025 £
Stocks.....	<u>384,984</u>	<u>372,353</u>

8 Debtors

	2026 £	2025 £
Amount falling due within one year:		
Trade debtors	3,090,420	440,276
Corporation tax recoverable.....	104,385	–
Other debtors	<u>360,255</u>	<u>448,629</u>
	<u>3,555,060</u>	<u>888,905</u>

9 Creditors:

	2026 £	2025 £
Amount falling due within one year:		
Trade creditors	108,144	179,351
Amounts owed to group undertakings.....	6,971,726	2,477,057
Taxation and social security.....	10,203	21,813
Deferred grant income	1,359,440	1,364,046
Other creditors	3,190	5,333
Accruals and deferred income.....	<u>765,590</u>	<u>859,124</u>
	<u>9,218,293</u>	<u>4,906,724</u>

10 Called up share Capital

	2026 Number	2025 Number	2026 £	2025 £
Ordinary share capital				
Issued and fully paid Ordinary shares of £1 each	<u>368,800</u>	<u>368,800</u>	<u>368,800</u>	<u>368,800</u>

**11 Operating lease commitments
As Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments (excluding VAT) under non-cancellable operating leases, as follows:

	2026 £	2025 £
Total commitments	<u>48,046</u>	<u>477,101</u>

12 Parent company

The immediate parent company is Classic Legends Private Limited, which is a subsidiary of Mahindra & Mahindra Limited.

the following are the parents of the largest and smallest group in which this company's results are considered:

Largest group	Mahindra & Mahindra Limited
Smallest group	Classic Legends Private Limited

The registered office of the above companies is at Mahindra Towers, P.K. Kurne Chowk, Worli, Mumbai - 400018.

Mr Susheel Sinha

Director

Date:- 14th April 2026

Company Registration No. 01531594

Balance Sheet as at 31 March 2026

	2026 £	2025 £
Current Assets		
Cash at Bank and in hand	1	1
Net Assets	1	1
Issued share capital		
100 Ordinary shares of £ 0.01 each	1	1
Total Shareholder funds	1	1

STATEMENTS

- For the year ending 31 March 2026 the company was entitled to exemption under section 480 of the Companies Act 2006 relating to dormant companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 14th April, 2026

And signed on their behalf by:

Rajeev Goyal, Director

BALANCE SHEET AS AT 31 MARCH 2026

	2026 £	2025 £
Current Assets		
Cash at Bank and in hand	7	7
Net Assets	<u>7</u>	<u>7</u>
Issued share capital		
7 Ordinary shares of £ 1 each	7	7
Total Shareholder funds	<u>7</u>	<u>7</u>

STATEMENTS

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- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 14th April' 2026

And signed on their behalf by:
Rajeev Goyal, Director

BALANCE SHEET AS AT 31 MARCH 2026

	2026 £	2025 £
Current Assets		
Cash at Bank and in hand	1	1
Net Assets	<u>1</u>	<u>1</u>
Issued share capital		
100 Ordinary shares of £ 0.01 each	1	1
Total Shareholder funds	<u>1</u>	<u>1</u>

STATEMENTS

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- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 14th April' 2026

And signed on their behalf by:
Rajeev Goyal, Director

INDEPENDENT AUDITOR'S REPORT

To the Members of SML Mahindra Limited (formerly known as SML Isuzu Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SML Mahindra Limited (formerly known as SML Isuzu Limited) (the "Company") which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act.

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

Key Audit Matter

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.

Revenue recognition	
See Note 23 to financial statements	
The key audit matter	How the matter was addressed in our audit
The Company recognises revenue from sale of products upon transfer of control over the goods to the customer, in accordance with the specific terms and conditions of the respective sale contracts. Revenue is a key performance indicator for the Company and its external stakeholders. Consequently, revenue recognition during the year and at the year end has been identified as a key audit matter as there could be an incentive or external pressure to meet expectations resulting in revenue being overstated or recognized before the goods are accepted by the customers.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: 1. Assessed whether the Company's revenue recognition policies are consistent with the applicable accounting standards. 2. Evaluated the design and implementation and tested the operating effectiveness of relevant key financial controls (including IT application controls) with respect to revenue recognition for sale of products. 3. Performed substantive testing on samples selected using statistical sampling, for revenue transactions recorded during the year by testing underlying documents such as contractual terms to assess performance obligation and basis for revenue recognition, customer order, invoices, gate outward report, third party shipping documents/customer acceptances, subsequent receipts in the bank statements (as applicable) to assess whether revenue is recognized in the relevant period in which control is transferred. 4. Tested, on a sample basis using statistical sampling, revenue transactions recorded in periods before and after the financial year-end to assess revenue was recognised in the appropriate financial year; 5. Compared monthly trend of revenue recognised over historical period to identify any unusual trends; 6. Tested journal entries posted to revenue ledger selected based on specified risk-based criteria to identify unusual items; 7. Assessed the adequacy of disclosures in the financial statements in accordance with the requirements of applicable accounting standards.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other Matter

The financial statements of the Company for the year ended 31 March 2025 were audited by the predecessor auditor who had expressed an unmodified opinion on 30 May 2025.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

- e. On the basis of the written representations received from the directors as on 01 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its financial statements - Refer Note 31 to the financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d
 - (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 51 (a) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 51 (b) to the financial

statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 43 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility.

The feature of recording audit trail (edit log) facility for the accounting software has operated throughout the year except for certain tables relating to financial reporting and masters where the same has been enabled in a phased manner during the year.

For the period where audit trail (edit log) facility was enabled and operated we did not come across any instance of the audit trail feature being tampered with. Additionally, except where the audit trail was not enabled in a prior year, the audit trail has been preserved by the Company as per statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP.**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Gaurav Mahajan
Partner

Place: Mumbai
Date: 20 April 2026

Membership No. 507857
ICAI UDIN: 26507857QRAFBF1017

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF SML MAHINDRA LIMITED (FORMERLY KNOWN AS SML ISUZU LIMITED) FOR THE YEAR ENDED 31 MARCH 2026

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Discrepancies noticed on such verification were not material and have been appropriately adjusted in the financial statements.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records

of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments or provided any guarantee or given any security or advances in the nature of loans to companies, firms, limited liability partnership or any other parties and has not granted loans to companies, firms or limited liability partnership during the year. The Company has granted unsecured loans to other parties in respect of which the requisite information is as below.

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to employees as below:

Particulars	Interest bearing Loans (In ₹ lakhs)	Non-interest bearing Loans (In ₹ lakhs)
Aggregate amount during the year Others (employees of the Company)	2.50	29.03
Balance outstanding as at balance sheet date Others (employees of the Company)	1.66	0.06

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not made any investment or provided guarantee or given security or granted advances in the nature of loan during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except certain loans given to employees which are non-interest bearing as per approved policy of the Company. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it and services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in a few cases of professional tax and labour welfare fund.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 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 on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute except as mentioned below:

Name of the statute	Nature of the dues	Amount* (In ₹ lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income-tax Act, 1961	Income tax	622.34	FY 2007-08	Punjab and Haryana High Court	—
Income-tax Act, 1961	Income tax	157.84	FY 2014-15	Punjab and Haryana High Court	—
Income-tax Act, 1961	Income tax	—	FY 2015-16	Commissioner of Income Tax (Appeals)	—
Income-tax Act, 1961	Income tax	11.56	FY 2015-16	Commissioner of Income Tax (Appeals)	—
Income-tax Act, 1961	Income tax	84.77	FY 2017-18	Assessing Officer	—
Income-tax Act, 1961	Income tax	249.73	FY 2017-18	Punjab and Haryana High Court	—
Income-tax Act, 1961	Income tax	165.47	FY 2019-20	Commissioner of Income Tax (Appeals)	—
Income-tax Act, 1961	Income tax	534.18	FY 2020-21	Commissioner of Income Tax (Appeals)	—
Income-tax Act, 1961	Income tax	20.71	FY 2021-22	Commissioner of Income Tax (Appeals)	—
Income-tax Act, 1961	Income tax	5.74	FY 2021-22	Tribunal (ITAT)	—
Income-tax Act, 1961	Income tax	42.44	FY 2022-23	Dispute Resolution Panel	—
Income-tax Act, 1961	Income tax	1.60	FY 2022-23	Commissioner of Income Tax (Appeals)	—
Income-tax Act, 1961	Income tax	—	FY 2023-24	Commissioner of Income Tax (Appeals)	—
Central Excise Act, 1944	Duty of Excise	5.70	FY 2005-06	Commissioner (Appeals)	—
Central Excise Act, 1944	Duty of Excise	12.08	October 2007 to June 2017	Customs Excise and Service Tax Appellate Tribunal (CESTAT)	—
The Customs Act, 1962	Custom Duty	0.06	December 2017 to October 2018	Deputy Commissioner of Customs Group - 2K, JNCH Maharashtra	—
Punjab VAT Act, 2005	Value added tax	1.18	FY 2007-08	Deputy Excise and Taxation Commissioner cum Joint Director Enforcement, Patiala	—
The West Bengal Value Added Tax Rules, 2005	Entry tax	0.29	FY 2012-13	West Bengal Commercial Taxes Appellate and Revisional Board, Bench VI	—

Name of the statute	Nature of the dues	Amount* (In ₹ lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
A.P. VAT Act, 2005	Value added tax	—	FY 2016-17	Tribunal- Vishakhapatnam- Andhra Pradesh	—
CGST Act, 2017	Goods and Service Tax	—	July 2017 to May 2020	GSTAT, Chandigarh	—
CGST Act, 2017	Goods and Service Tax	157.58	July 2017 to December 2022	Commissioner Appeals, Ludhiana	—
CGST/HGST Act, 2017	Goods and Service Tax	0.40	FY 2018-19	Commissioner Appeals, Faridabad	—
CGST Act, 2017	Goods and Service Tax	6.30	July 2017 to July 22	Commissioner Appeals, Ludhiana	—
Tamilnadu GST Act, 2017	Goods and Service Tax	0.37	FY 2020-21	Assistant Commissioner commercial Tax, Chennai	—

* Net of amounts paid under protest (where applicable)

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 5 CICs as part of the Group
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and there were no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which

causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP.**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Gaurav Mahajan
Partner

Place: Mumbai
Date: 20 April 2026

Membership No. 507857
ICAI UDIN: 26507857QRAFBF1017

Annexure B to the Independent Auditor's Report on the financial statements of SML Mahindra Limited (formerly known as SML Isuzu Limited) for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of SML Mahindra Limited (formerly known as SML Isuzu Limited) ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with

reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP.**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Gaurav Mahajan
Partner

Place: Mumbai
Date: 20 April 2026

Membership No. 507857
ICAI UDIN: 26507857QRAFBF1017

BALANCE SHEET AS AT 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

	Note No.	As at 31 March 2026	As at 31 March 2025
Assets			
Non-current assets			
Property, plant and equipment	3	29,119.38	26,344.63
Capital work-in-progress	3	2,329.54	4,228.56
Right of use assets	3	764.07	456.36
Intangible assets	3	3,827.35	5,302.73
Intangible assets under development	3	2,359.88	1,720.24
Financial assets			
– Loans	4A	74.20	151.01
– Other financial assets	5A	328.28	287.72
Income tax assets (net)	6	264.39	433.35
Other non-current assets	7	1,738.45	687.37
Total non-current assets		40,805.54	39,611.97
Current Assets			
Inventories	8	66,067.45	57,799.37
Financial assets			
– Trade receivables	9	27,020.98	26,525.31
– Cash and cash equivalents	10	450.85	310.10
– Bank balances other than cash and cash equivalents	11	1,619.25	1,673.48
– Loans	4B	85.45	89.51
– Other financial assets	5B	192.06	219.83
Other current assets	12	3,436.29	3,711.71
Total current assets		98,872.33	90,329.31
Total assets		1,39,677.87	1,29,941.28
Equity and Liabilities			
Equity			
Equity share capital	13	1,447.88	1,447.88
Other equity	14	50,486.03	36,818.39
Total equity		51,933.91	38,266.27
Liabilities			
Non-current liabilities			
Financial liabilities			
– Borrowings	15A	1,064.86	6,255.36
– Lease liabilities	32	667.74	249.09
– Other financial liabilities	16A	1,372.24	1,232.99
Provisions	18A	3,340.04	4,800.74
Deferred tax liabilities (net)	19	2,051.67	1,782.38
Other non-current liabilities	20	276.21	184.37
Total non-current liabilities		8,772.76	14,504.93
Current liabilities			
Financial liabilities			
– Borrowings	15B	26,950.17	25,922.61
– Lease liabilities	32	228.28	278.25
– Trade payables	21		
(a) total outstanding dues of micro enterprises and small enterprises		3,621.18	3,264.70
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		36,933.37	33,748.00
– Other financial liabilities	16B	1,305.65	2,515.82
Other current liabilities	17	5,857.88	7,900.39
Provisions	18B	4,060.14	3,310.17
Current tax liabilities (net)	22	14.53	230.14
Total current liabilities		78,971.20	77,170.08
Total liabilities		87,743.96	91,675.01
Total equity and liabilities		1,39,677.87	1,29,941.28
Material accounting policy information	2		
Notes to the financial statements	1-51		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number: 507857

For and on behalf of the Board of Directors of SML Mahindra Limited
(Formerly SML Isuzu Limited)

Pushkar Patwardhan
Chief Financial Officer
ACA: 117347

Parvesh Madan
Company Secretary
ACS: 31266

Vinod Kumar Sahay
Executive Chairman
DIN: 07884268

Dr. Venkataraman Srinivas
Executive Director & CEO
DIN: 11163042

Place: Mumbai
Date: 20 April 2026

Place: Mumbai
Date: 20 April 2026

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

(All amounts in Rs. Lakhs unless stated otherwise)

	Note No.	Year ended 31 March 2026	Year ended 31 March 2025
Income:			
Revenue from operations	23	2,83,791.74	2,39,899.28
Other income	24	832.63	605.34
Total income		2,84,624.37	2,40,504.62
Expenses:			
Cost of materials consumed	25	2,13,915.89	1,72,648.34
Purchases of stock-in-trade		10,004.39	8,784.91
Changes in inventories of finished goods, work in progress and stock-in-trade	26	(7,220.26)	778.76
Employee benefits expense	27	22,757.84	20,626.04
Finance costs	28	2,074.58	2,987.90
Depreciation and amortisation expense	29	5,202.78	4,835.31
Other expenses	30	16,493.78	13,605.68
Total expenses		2,63,229.00	2,24,266.94
Profit before tax		21,395.37	16,237.68
Tax expense:	39		
Current tax		5,251.10	331.01
Deferred tax		169.23	3,739.23
Income tax expense		5,420.33	4,070.24
Profit for the year		15,975.04	12,167.44
Other comprehensive income	14		
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plans		397.56	(193.22)
(ii) Income tax related to items that will not be reclassified to profit or loss		(100.06)	48.63
Other comprehensive income / (loss) for the year, net of tax		297.50	(144.59)
Total comprehensive income for the year		16,272.54	12,022.85
Basic and diluted earnings per share in Rupees	33	110.39	84.08
(Face value of ₹ 10 per share)			
Material accounting policy information	2		
Notes to the financial statements	1-51		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
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For and on behalf of the Board of Directors of SML Mahindra Limited
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Dr. Venkataraman Srinivas
Executive Director & CEO
DIN: 11163042

Place: Mumbai
Date: 20 April 2026

Place: Mumbai
Date: 20 April 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

A. Equity share capital

	Note	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year		1,447.88	1,447.88
Balance at the end of the year	13	1,447.88	1,447.88

B. Other equity

Particulars	Reserves and Surplus			Total other equity
	Securities premium (refer note 14)	General reserve (refer note 14)	Retained earnings (refer note 14)	
Balance as at 1 April 2025	7,452.88	10,202.51	19,163.00	36,818.39
Profit for the year	—	—	15,975.04	15,975.04
Other comprehensive income, net of tax	—	—	297.50	297.50
Total comprehensive income for the year	—	—	16,272.54	16,272.54
Dividend	—	—	(2,604.90)	(2,604.90)
Balance as at 31 March 2026	7,452.88	10,202.51	32,830.64	50,486.03
Balance as at 1 April 2024	7,452.88	10,202.51	9,455.61	27,111.00
Profit for the year	—	—	12,167.44	12,167.44
Other comprehensive loss, net of tax	—	—	(144.59)	(144.59)
Total comprehensive income for the year	—	—	12,022.85	12,022.85
Dividend	—	—	(2,315.46)	(2,315.46)
Balance as at 31 March 2025	7,452.88	10,202.51	19,163.00	36,818.39

Description of the nature and purpose of Other Equity:

- i. Securities premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 (the Act) for specified purposes.
- ii. Profits from retained earnings are transferred to general reserve from time to time for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.
- iii. Retained earnings represents the profits that the Company has earned till date less any transfer to general reserve, dividends distributed, or other distributions to shareholders. It also includes other comprehensive income / (loss), net of tax, comprising remeasurement of defined benefit plans.

Material accounting policy information 2
Notes to the financial statements 1-51

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number: 507857

For and on behalf of the Board of Directors of SML Mahindra Limited
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Pushkar Patwardhan
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DIN: 07884268

Dr. Venkataraman Srinivas
Executive Director & CEO
DIN: 11163042

Place: Mumbai
Date: 20 April 2026

Place: Mumbai
Date: 20 April 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

	Year ended 31 March 2026	Year ended 31 March 2025
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	21,395.37	16,237.68
Adjustments for:		
Depreciation and amortization expense	5,202.78	4,835.31
Unrealised (gain) / loss on foreign exchange fluctuation (net)	(5.48)	11.96
Finance costs	2,074.58	2,987.90
Interest income	(361.26)	(409.84)
Property, plant and equipment written off (net)	25.45	57.59
Net (gain) on sale of property, plant and equipment	(13.92)	(16.19)
Gain on lease modification	(0.96)	(0.22)
Loss allowance for trade receivables	77.09	32.02
Provision for inventories written down	697.31	102.48
Bad debts / advances written off	8.40	15.64
Liabilities / provisions no longer required written back	(113.99)	(72.30)
Operating profit before working capital changes	28,985.37	23,782.03
Working capital adjustments :		
(Increase) in Trade receivables	(511.70)	(9,618.69)
(Increase) / Decrease in Inventories	(8,965.39)	71.21
(Increase) in Other non-current and current financial assets	(25.53)	(44.19)
Decrease in Other non-current and current loans	78.67	28.31
Decrease / (Increase) in Other non-current and current assets	221.45	(1,228.01)
Increase in Trade payables	3,541.85	3,830.23
(Decrease) in Non-current and current provisions	(385.26)	(447.77)
(Decrease) / Increase in Other non-current and current financial liabilities	(62.43)	74.00
(Decrease) / Increase in Other non-current and current liabilities	(1,950.67)	1,347.42
CASH GENERATED FROM OPERATIONS	20,926.36	17,794.54
Less: Income tax paid (net)	5,307.16	46.40
NET CASH GENERATED FROM OPERATING ACTIVITIES	15,619.20	17,748.14
B. CASH FLOWS FROM INVESTING ACTIVITIES :		
Payment for property, plant and equipment, intangible assets, capital work in progress and intangible assets under development	(7,033.15)	(6,198.24)
Proceeds from sale of property, plant and equipment	22.14	25.39
Investment in bank deposits (including margin money deposits)	(502.64)	(542.28)
Proceeds from maturity of bank deposits (including margin money deposits)	572.89	221.51
Movement in unpaid dividend accounts (net)	(21.01)	—
Interest income received	379.01	399.48
NET CASH (USED IN) INVESTING ACTIVITIES	(6,582.76)	(6,094.14)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

	Year ended 31 March 2026	Year ended 31 March 2025
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term borrowings taken during the year	2,544.19	5,809.29
Long-term borrowings repaid during the year	(5,829.66)	(2,700.02)
Payment of lease liabilities (Principal)	(172.44)	(195.13)
Payment of lease liabilities (Interest)	(84.68)	(50.27)
Short-term borrowings (repaid) during the year (net)	(877.46)	(12,496.85)
Dividend paid (including payment of unclaimed dividend)	(2,583.89)	(2,323.21)
Withdrawal from unpaid dividend accounts (net)	—	7.76
Finance costs paid	(1,891.75)	(2,877.48)
NET CASH (USED IN) FINANCING ACTIVITIES	(8,895.69)	(14,825.91)
Net increase / (decrease) in cash and cash equivalents	140.75	(3,171.91)
Cash and cash equivalents at the beginning of the year	310.10	3,482.01
Cash and cash equivalents at the end of the year	450.85	310.10

Reconciliation to Cash Flow Statement :-

Components of cash and cash equivalents

Cash on hand	—	0.33
Balances with banks		
- Bank deposits (original maturity of 3 months or less)	—	175.00
- Current accounts	450.85	134.77
	450.85	310.10

2. The above "Statement of Cash flows" has been prepared as per the Indirect method as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

3. Refer note 41(b) of financial statements for reconciliation of movements of liabilities to cash flows arising from financing activities.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration number: 101248W/W-100022

Gaurav Mahajan
Partner
Membership Number: 507857

For and on behalf of the Board of Directors of SML Mahindra Limited
(Formerly SML Isuzu Limited)

Pushkar Patwardhan
Chief Financial Officer
ACA: 117347

Parvesh Madan
Company Secretary
ACS: 31266

Vinod Kumar Sahay
Executive Chairman
DIN: 07884268

Dr. Venkataraman Srinivas
Executive Director & CEO
DIN: 11163042

Place: Mumbai
Date: 20 April 2026

Place: Mumbai
Date: 20 April 2026

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

1. Reporting entity

SML Mahindra Limited (Formerly SML Isuzu Limited) ('the Company') is a public Company domiciled in India with its registered office situated at Village: Asron, Distt. Shahid Bhagat Singh Nagar (Nawanshahr), Punjab and its equity shares are listed on the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE) in India. The Company is primarily engaged in the business of manufacture and sale of Commercial Vehicles and their parts. The Company has its operations primarily in India.

2. Material Accounting Policy information

(a) Basis of preparation

(i) Statement of compliance

These financial statements ("financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and, other relevant provisions of the Act.

The financial statements have been prepared as per the requirements of Schedule III (Division II) of the Companies Act, 2013 on accrual and going concern basis.

The financial statements were authorized for issue by the Company's Board of Directors on 20 April 2026.

(ii) Functional and presentation currency

The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian Rupees. All amounts have been rounded-off to the nearest lakhs, up to two places of decimal, unless otherwise indicated.

(iii) Basis of measurement

The financial statements have been prepared on the historical cost basis, except for the net defined benefit (asset) / liability, which is measured at the fair value of the plan assets less the present value of defined benefits obligations as explained in note 2(e).

(iv) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key sources of estimation uncertainty, critical judgments and assumptions at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of the below:

- Note 2 (b) and 3 – Assessment of useful life and residual value of Property, plant and equipment
- Note 2 (c) and 3 – Assessment of useful life of Intangible assets
- Note 2 (d) and 8 – Provision on inventory with respect to cost versus net realisable value
- Note 2 (f), 2 (g), 18 A, 18 B and 31 – Provision for warranties, provision for contingencies, and contingent liabilities
- Note 2 (e), 18 (A), 18 (B) and 37 – measurement of defined benefit obligations: key actuarial assumptions
- Note 2 (o) (ii) – Impairment test of non-financial assets: key assumptions underlying recoverable amounts
- Note 2 (o) (i) - Impairment of financial assets: measurement of expected credit losses

- Note 19 and 2 (1) - recognition of deferred tax asset on unabsorbed losses

(v) Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to measurement of fair values.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

Further information about the assumptions made while measuring fair values is included in note 38 – financial instruments.

(vi) Current / Non-Current classification

The operating cycle is the time between deployment of resources and the realization in cash or cash equivalents of the consideration for such services rendered, the Company's normal operating cycle is twelve months.

(b) Property, plant and equipment ('PPE')

(i) Recognition, measurement and derecognition

Property, plant and equipment (including capital work in progress) are measured at cost, which includes capitalised borrowing costs attributable to the construction or acquisition of qualifying tangible assets up to the date the assets are ready for use, less accumulated depreciation and/or accumulated impairment losses, if any. The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost includes purchase price, non-recoverable taxes and duties, labour cost and direct overheads for self-constructed assets and other direct costs incurred up to the date the asset is ready for its intended use.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the asset can be measured reliably.

(iii) Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method, and is recognised in the Statement of Profit and Loss. Freehold land is measured at historical cost and is not depreciated.

Depreciation on items of PPE is calculated on the basis estimated useful lives as specified below:

Particulars	Management estimate of useful life (Years)	Useful life as per Schedule II of the Companies Act, 2013 (Years)
Buildings	3-60	3-60
Office equipment	2-10	5
Furniture and fixtures	3-10	10
Vehicles	4-10	8-10
Plant and equipment	2-35	15-35
Computers	3-6	3-6

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

(c) Intangible assets

(i) Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(ii) Internally generated: Research and development

Expenditure on research activities is recognised in the Statement of Profit and Loss as incurred.

Development expenditure towards technical knowhow is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the Statement of Profit and Loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and/ or any accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured

reliably. All other expenditure is recognised in the Statement of Profit and Loss as incurred.

(iv) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the Statement of Profit and Loss.

The estimated useful lives are as follows:

– Software	3-10 years
– Technical know-how	2.5-10 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

(v) Derecognition

Intangible assets are derecognised on disposal or when no future economic benefits are expected from their use and disposal.

(d) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the moving weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

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

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. The comparison of cost and NRV is made on an item by item basis.

(e) Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., salaries and wages, short term compensated absences and bonus etc., if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Post-employment benefits

-Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions and will have no legal or constructive obligation to pay further amounts. The Company makes specified contributions towards these schemes such as Superannuation Fund, Provident Fund and Employee State Insurance. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss in the periods during which the related services are rendered by employees.

-Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefits obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an actuary using the projected unit credit method.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Remeasurement of the net defined benefit liability i.e. Gratuity, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in other comprehensive income. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

Compensated absences

The Company's net obligations in respect of long-term employee benefits other than post-employment benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Obligations such as those related to compensated absences are measured on the basis of an annual independent actuarial valuation using the projected unit cost credit method. The employees can carry forward unutilized compensated absences and utilize them in future periods or receive cash in lieu thereof as per the Company's policy. Remeasurement gains or losses are recognised in the Statement of Profit and Loss in the period in which they arise. The obligations are presented as current liabilities in the balance sheet to the extent that the company does not have right to defer the settlement for at least twelve months after the reporting date.

(f) Provisions (other than for employee benefits)

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. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. 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. The unwinding of the discount is recognised as finance cost.

Expected future operating losses are not provided for.

Provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighing of all possible outcomes by their associated probabilities. The timing of outflows will vary as and when warranty claim will arise.

(g) Contingent liabilities

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognized when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed where an inflow of economic benefits is probable.

(h) Commitments

Commitments include the amount of purchase order / contracts (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

(i) Revenue

Sale of goods or services

Revenue from sale of goods is recognised upon satisfaction of the performance obligation which is at a point in time, generally on delivery of the goods, when control of the goods is transferred to customers. Consideration received for services not yet rendered and for which the Company has an obligation to perform is recognised as revenue received in advance and subsequently recognised as revenue in the Statement of Profit and Loss over the period of the contract.

The Company recognises revenue from sale of goods or services at the amount of transaction price (excluding variable consideration that is constrained), that is allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects it to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of third parties.

An amount of consideration can vary because of discounts, rebates, incentives etc. which are explicitly stated in the contract or are as per customary business practices. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The Company includes variable consideration as part of transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

Variable consideration is estimated using the expected value method or the most likely amount depending on which method the Company expects to better predict the amount of consideration to which it will be entitled and is applied consistently throughout the contract.

Royalty income

Revenue from royalty is recognised on accrual basis as per the terms of agreement entered into with the respective parties.

(j) Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. 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 through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

(k) Borrowing costs

Borrowing costs includes interest and other costs (including exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(l) Income-tax

Income tax comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax asset is recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. Therefore, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefits will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authorities.

(m) Leases

As a lessee

The Company's lease asset classes primarily consist of leases for Buildings and Plant and equipment. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases.

For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date. These are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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

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

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

(n) Financial Instruments

i) Recognition and initial measurement

Trade receivables are initially recognised at their transaction price. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (except trade receivables) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- Amortised cost; or
- Fair value through profit and loss ('FVTPL')

Financial assets are not reclassified subsequent to their initial recognition, except if the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL, if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

iii) *De-recognition*

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or if it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

iv) *Offsetting*

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(o) **Impairment**

i) *Impairment of financial assets*

The Company recognises loss allowances for expected credit loss (ECL) on financial assets measured at amortised cost. At each reporting date, the Company assesses whether the credit risk on such financial assets has increased significantly since initial recognition.

The Company measures loss allowances at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition; otherwise, it is measured at an amount equal to 12-month ECL.

With respect to trade receivables, the Company follows the 'simplified approach' and measures the loss allowance at an amount equal to lifetime ECL.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtors do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedure for recovery of amounts due.

ii) *Impairment of non-financial assets*

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in statement of profit or loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(p) **Operating segments**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

(q) **Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, demand deposits held with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(r) **Statement of Cash flows**

Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

(s) Earnings per share

Basic earnings per share are calculated by dividing the net profit / (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year end, except where the results would be anti-dilutive.

(t) Recent accounting pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 13 August 2025, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, applicable from 1 April 2026, as below:

Ind AS 1 - Presentation of Financial Statements - If a covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current, even if the lender subsequently agrees not to demand repayment. It is classified as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided—by the reporting date—a grace period extending at least 12 months beyond that date, during which the breach can be rectified and repayment cannot be demanded, the liability is classified as non-current. The Company has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

Note 3 Property, plant and equipment (PPE) and capital work in progress *

	Freehold land **	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Computers	Total	Capital work in progress^
GROSS BLOCK									
Balance as at 1 April 2024	48.74	12,842.17	32,813.82	1,330.59	348.36	1,153.76	1,313.05	49,850.49	257.39
Add: Additions during the year	—	450.34	1,758.23	101.30	38.06	189.23	158.47	2,695.63	6,179.74
Less: Disposals	—	41.44	283.86	132.75	17.07	148.41	114.82	738.35	2,208.57
Balance as at 31 March 2025	48.74	13,251.07	34,288.19	1,299.14	369.35	1,194.58	1,356.70	51,807.77	4,228.56
Add: Additions during the year	—	643.17	5,112.96	121.40	60.83	70.53	141.36	6,150.25	3,857.11
Less: Disposals	—	3.60	170.34	3.33	23.58	154.37	17.58	372.80	5,756.13
Balance as at 31 March 2026	48.74	13,890.64	39,230.81	1,417.21	406.60	1,110.74	1,480.48	57,585.22	2,329.54
ACCUMULATED DEPRECIATION									
Balance as at 1 April 2024	—	4,234.16	15,677.33	1,108.11	307.52	860.33	943.64	23,131.09	—
Add: Charge during the year	—	570.36	2,088.53	57.10	16.08	110.18	170.01	3,012.26	—
Less: Disposals	—	11.35	260.80	132.62	17.07	144.10	114.27	680.21	—
Balance as at 31 March 2025	—	4,793.17	17,505.06	1,032.59	306.53	826.41	999.38	25,463.14	—
Add: Charge during the year	—	579.08	2,362.77	57.92	24.80	133.49	185.97	3,344.03	—
Less: Disposals	—	0.68	150.19	3.27	23.46	146.15	17.58	341.33	—
Balance as at 31 March 2026	—	5,371.57	19,717.64	1,087.24	307.87	813.75	1,167.77	28,465.84	—
NET BLOCK									
Balance as at 31 March 2025	48.74	8,457.90	16,783.13	266.55	62.82	368.17	357.32	26,344.63	4,228.56
Balance as at 31 March 2026	48.74	8,519.07	19,513.17	329.97	98.73	296.99	312.71	29,119.38	2,329.54

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

Intangible assets

	Softwares – Acquired	Technical know-how – Developed	Total	Intangible assets under development ^
GROSS BLOCK				
Balance as at 1 April 2024	1,085.17	11,493.36	12,578.53	800.79
Add: Additions during the year #	55.58	42.85	98.43	1,017.88
Less: Disposals	–	20.83	20.83	98.43
Balance as at 31 March 2025	1,140.75	11,515.38	12,656.13	1,720.24
Add: Additions during the year #	88.00	61.00	149.00	788.64
Less: Disposals	–	–	–	149.00
Balance as at 31 March 2026	1,228.75	11,576.38	12,805.13	2,359.88
ACCUMULATED AMORTISATION				
Balance as at 1 April 2024	774.70	4,973.66	5,748.36	–
Add: Charge during the year	107.87	1,509.36	1,617.23	–
Less: Disposals	–	12.19	12.19	–
Balance as at 31 March 2025	882.57	6,470.83	7,353.40	–
Add: Charge during the year	107.70	1,516.68	1,624.38	–
Less: Disposals	–	–	–	–
Balance as at 31 March 2026	990.27	7,987.51	8,977.78	–
NET BLOCK				
Balance as at 31 March 2025	258.18	5,044.55	5,302.73	1,720.24
Balance as at 31 March 2026	238.49	3,588.87	3,827.35	2,359.88

Right of use assets

	Buildings	Plant and equipment	Total
GROSS BLOCK			
Balance as at 1 April 2024	819.80	558.48	1,378.28
Add: Additions during the year	112.96	49.69	162.65
Less: Disposals	55.51	23.80	79.31
Balance as at 31 March 2025	877.25	584.37	1,461.62
Add: Additions during the year	521.30	44.01	565.31
Less: Disposals	767.41	–	767.41
Balance as at 31 March 2026	631.14	628.38	1,259.52
ACCUMULATED DEPRECIATION			
Balance as at 1 April 2024	578.13	299.37	877.50
Add: Charge during the year	128.48	77.34	205.82
Less: Disposals	54.26	23.80	78.06
Balance as at 31 March 2025	652.35	352.91	1,005.26
Add: Charge during the year	164.79	69.58	234.37
Less: Disposals	744.18	–	744.18
Balance as at 31 March 2026	72.96	422.49	495.45

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

	Buildings	Plant and equipment	Total
NET BLOCK			
Balance as at 31 March 2025	224.90	231.46	456.36
Balance as at 31 March 2026	558.18	205.89	764.07

Notes:

* refer note 15 for information with regard to PPE pledged as security by the Company.

** Title deeds of all immovable properties are held in the name of the Company.

Additions during the year includes capitalised borrowing costs of Rs. 81.43 lakhs (previous year Rs. 77.85 lakhs) in intangible assets under development, with a capitalisation rate of 7.49% (previous year 8.82%).

^ Disposals included in capital work-in-progress / intangible assets under development represents assets capitalised during the year.

Capital work in progress ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2026 *					
Projects in progress **	2,262.99	24.57	0.28	41.70	2,329.54
As at 31 March 2025 *					
Projects in progress **	4,176.44	9.25	39.56	3.31	4,228.56

Intangible assets under development ageing schedule (IAUD)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2026 *					
Projects in progress **	657.34	910.87	568.58	223.09	2,359.88
As at 31 March 2025 *					
Projects in progress **	925.57	571.58	223.09	–	1,720.24

Notes:

* There are no projects whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2026 and 31 March 2025.

** Capital work in progress comprises expenditure for buildings under construction, plant and equipments yet to be installed and intangible assets under development mainly consists of new technical knowhow.

Note 4

	As at 31 March 2026	As at 31 March 2025
LOANS *		
(Unsecured considered good unless stated otherwise)		
A. Non-current		
Loan to employees	74.20	151.01
	74.20	151.01
B. Current		
Loan and advances to employees	85.45	89.51
	85.45	89.51
	159.65	240.52

* The Company's exposure to credit and market risks related to financial assets are disclosed in note 38.

Note 5

	As at 31 March 2026	As at 31 March 2025
OTHER FINANCIAL ASSETS *		
A. Non-current		
Other bank balances:		
– Bank deposits **	184.53	118.41
Bank deposits held as margin money ^	–	64.95
Earmarked balances with banks #	3.83	–
Interest accrued but not due on bank deposits	4.93	5.84
Security deposits	134.99	98.52
	328.28	287.72

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

	As at 31 March 2026	As at 31 March 2025
B. Current		
Interest accrued but not due on deposits	21.00	37.84
Royalty income receivable	69.26	52.11
Export incentive receivable	64.45	76.05
Security deposits	37.35	53.83
	192.06	219.83
	520.34	507.55

* The Company's exposure to credit and market risks related to financial assets are disclosed in note 38.

These balances are earmarked to meet certain employee related contingencies and not freely usable.

^ These balances are held as margin money against bank guarantees.

** includes restricted bank deposits amounting to Rs. 184.53 lakhs (previous year Rs. 117.41 lakhs) held as security in relation to interest and repayment of bank borrowings and Nil (previous year Rs. 1 lakh) held as security against overdraft account.

Note 6

	As at 31 March 2026	As at 31 March 2025
INCOME TAX ASSETS (NET)		
Advance income-tax and tax deducted at source (net of provision for income tax)	264.39	433.35
	264.39	433.35

Note 7

	As at 31 March 2026	As at 31 March 2025
OTHER NON-CURRENT ASSETS		
(Unsecured considered good unless stated otherwise)		
Balance with government authorities	—	13.91
Capital advances	1,428.75	436.48
Prepaid expenses and other advances	58.71	86.53
Amount paid under protest to government authorities		
— Income tax	128.59	119.17
— Sales tax/VAT/GST		
Considered good	121.06	29.94
Considered doubtful	181.53	—
Less: Allowance for doubtful advances	181.53	—
	121.06	29.94
— Excise duty	1.34	1.34
	1,738.45	687.37

Trade receivables ageing schedule

Particulars	Unbilled dues	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2026								
(i) Undisputed trade receivables — considered good	—	20,426.09	6,639.95	3.33	34.66	30.45	—	27,134.48
(ii) Disputed trade Receivables — credit impaired	—	—	—	—	—	—	196.03	196.03
Sub total	—	20,426.09	6,639.95	3.33	34.66	30.45	196.03	27,330.51
Less: Allowance for expected credit losses								309.53
Total								27,020.98

Note 8

	As at 31 March 2026	As at 31 March 2025
INVENTORIES **		
(valued at cost or net realisable value, whichever is lower)		
Raw materials *	15,090.91	14,154.47
Work-in-progress	15,688.64	8,239.08
Finished goods (vehicles) *	34,222.16	34,306.11
Stock-in-trade (spare parts) *	721.70	867.05
Stores and spares *	325.90	218.39
Loose tools *	18.14	14.27
	66,067.45	57,799.37

* Includes goods / stock-in-transit:

— Raw materials	1,467.77	1,386.30
— Finished goods (vehicles)	5,333.78	7,595.78
— Stock-in-trade (spare parts)	58.48	38.70
— Stores and spares	1.49	3.89
— Loose tools	0.32	2.20

** For disclosure relating to hypothecation of inventory, refer to note 15 B

Note:

The net inventory written down during the year amounted to Rs. 697.31 lakhs (previous year Rs. 102.48 lakhs)

Note 9

	As at 31 March 2026	As at 31 March 2025
TRADE RECEIVABLES * #		
Trade receivables considered good - secured	531.47	539.25
Trade receivables considered good - unsecured	26,603.01	26,022.96
Trade receivables - credit impaired	196.03	196.03
	27,330.51	26,758.24
Less: Allowance for expected credit losses	309.53	232.93
	27,020.98	26,525.31

* The Company's exposure to credit and market risks related to financial assets are disclosed in note 38.

Trade receivables is part of contract balances as per Ind AS 115. These are non-interest bearing and are generally on terms of 7 to 90 days [refer credit risk note 38 (A) (II)].

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

Particulars	Unbilled dues	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2025								
(i) Undisputed trade receivables — considered good	—	20,518.48	5,140.05	846.95	30.45	26.28	—	26,562.21
(ii) Disputed trade Receivables — credit impaired	—	—	—	—	—	—	196.03	196.03
Sub total	—	20,518.48	5,140.05	846.95	30.45	26.28	196.03	26,758.24
Less: Allowance for expected credit losses								232.93
Total								26,525.31

Note 10

	As at 31 March 2026	As at 31 March 2025
CASH AND CASH EQUIVALENTS *		
Balances with banks		
— in deposit accounts (original maturity of three months or less)	—	175.00
— in current accounts	450.85	134.77
Cash on hand	—	0.33
	450.85	310.10

* The Company's exposure to credit and market risks related to financial assets are disclosed in note 38.

Note 11

	As at 31 March 2026	As at 31 March 2025
BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS *		
Bank deposits **	213.31	357.37
Balance in unpaid dividend accounts	49.90	28.89
Bank deposits held as margin money ^	1,318.07	1,247.63
Earmarked balances with banks #	37.97	39.59
	1,619.25	1,673.48

* The Company's exposure to credit and market risks related to financial assets are disclosed in note 38.

These balances are earmarked to meet certain employee related contingencies and not freely usable.

^ These balances are held as margin money against bank guarantees [also refer footnote *** (i) to note 18].

** includes restricted bank deposits amounting to Rs. 213.06 lakhs (previous year Rs. 357.37 lakhs) held as security in relation to interest and repayment of bank borrowings and Rs. 0.25 lakhs (previous year Nil) held as security with Consumer Disputes Redressal Commission.

Note 12

	As at 31 March 2026	As at 31 March 2025
OTHER CURRENT ASSETS		
(Unsecured considered good unless stated otherwise)		
Balance with government authorities	2,620.60	3,081.13
Advances for supply of goods	243.14	147.14
Prepaid expenses and other advances *	572.55	483.44
	3,436.29	3,711.71

* includes an amount of Rs. 49.81 lakhs representing excess spent of Corporate Social Responsibility as at 31 March 2026.

Note 13

	As at 31 March 2026	As at 31 March 2025
EQUITY SHARE CAPITAL		
1. Details of share capital		
	Amount	Amount
Authorised		
4,00,00,000 Equity shares of Rs. 10 each	4,000.00	4,000.00
(Previous year 4,00,00,000 Equity shares of Rs. 10 each)		
	4,000.00	4,000.00
Issued, subscribed and paid up		
1,44,71,646 Equity shares of Rs. 10 each fully paid up (previous year 1,44,71,646 Equity shares of Rs. 10 each fully paid up) *	1,447.17	1,447.17
Forfeited equity shares of Rs.10 each	0.71	0.71
	1,447.88	1,447.88

*Includes 100 (previous year 100) equity shares of Rs.10 each, fully paid up, held by a non resident indian ('NRI') for which approval from the Reserve Bank of India is pending.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

2. Rights, preferences and restrictions attached to the equity shares :-

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, if any, in proportion to the number of equity shares held.

3. Details of shares held by Holding Company / and their subsidiaries:

	As at 31 March 2026	As at 31 March 2025
	No. of shares	No. of shares
Mahindra & Mahindra Limited	85,33,726	—

4. Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31 March 2026		As at 31 March 2025	
Particulars	No. of shares	Amount	No. of shares	Amount
Balance at the beginning and at the end of the year	1,44,71,646	1,447.17	1,44,71,646	1,447.17

5. Details of promoters shareholding

Shares held by promoters at the end of the year

Promoter name	No. of shares held	% of total shares	% Change during the year
31 March 2026			
1. Mahindra & Mahindra Limited	85,33,726	58.97%	58.97%
31 March 2025			
1. Sumitomo Corporation, Japan	63,62,306	43.96%	(43.96%)

6. Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2026		As at 31 March 2025	
Name of shareholders	No. of shares	% of equity shares held	No. of shares	% of equity shares held
Mahindra & Mahindra Limited	85,33,726	58.97%	—	—
Sumitomo Corporation, Japan	—	—	63,62,306	43.96%
Isuzu Motors Limited	—	—	21,70,747	15.00%
Navodya Enterprises (Sachin Bansal and Vivek Bansal partner of Navodya Enterprises) [refer note below]	—	—	13,29,000	9.18%
SPV Traders (Sachin Bansal - partner of SPV Traders) [refer note below]	—	—	9,31,000	6.43%

Note: As per the declaration submitted by Navodya Enterprises under SEBI (SAST) Regulations, 2011 :

- As on 31st March 2026, Navodya Enterprises (Acquirer) along with Person Acting in Concert (PAC) - SPV Traders, Anandam Enterprises, Sapna Gupta and Sachin Bansal, holds 18,15,639 shares (12.5462%).
- As on 31st March 2025, Navodya Enterprises (Acquirer) along with Person Acting in Concert (PAC) - SPV Traders, Anandam Enterprises, Sapna Gupta and Sachin Bansal, held 29,15,100 shares (20.1435%).

7. Shares reserved for issue and details of shares allotted in the last five years:

There are no shares reserved for issue under options and contracts/commitments. Further, there are no shares that have been allotted during last 5 years pursuant to a contract without payment being received in cash, or by way of bonus shares or shares bought back.

Note 14

	As at 31 March 2026	As at 31 March 2025
OTHER EQUITY		
i. Securities premium		
Balance at the beginning of the year	7,452.88	7,452.88
Add: Movement during the year	—	—
Balance at the end of the year	7,452.88	7,452.88
ii. General reserve		
Balance at the beginning of the year	10,202.51	10,202.51
Add : Amount transferred from surplus	—	—
Balance at the end of the year	10,202.51	10,202.51
iii. Retained earnings		
Balance at the beginning of the year	19,163.00	9,455.61
Add: Profit for the year	15,975.04	12,167.44
Add: Other comprehensive income/ (loss), net of tax	297.50	(144.59)
Less: Dividend	2,604.90	2,315.46
Balance at the end of the year	32,830.64	19,163.00

Note 15

	As at 31 March 2026	As at 31 March 2025
BORROWINGS *		
A. Non-current		
Term loan		
— From banks - secured **	6,388.07	9,673.54
Less: Current maturities of term loan [refer note 15(B)]	(5,323.21)	(3,418.18)
	1,064.86	6,255.36

* The Company's exposure to liquidity and market risks related to financial liabilities are disclosed in note 38.

** includes the following:-

- outstanding term loan - 1 of Nil (previous year Rs. 300 lakhs), carrying variable interest rate of 1 year MCLR + 0.10%, repayable in quarterly instalments commencing from 31 December 2022 and ending on 31 December 2025. The lender has exclusive charge on the fixed assets of the Company which are created through this term loan. The lender also has negative lien on fixed assets of the Company (excluding fixed assets exclusively charged for this loan).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

- (ii) outstanding term loan - 2 of Nil (previous year Rs. 45.70 lakhs), carrying variable interest rate of 1 month MCLR + 0.15% / 3 months MCLR + 0.25%, repayable in monthly instalments commencing from 5 August 2022 and ending on 5 April 2025. The lender has exclusive charge on movable fixed assets (Plant and Machinery) of the project.
- (iii) outstanding term loan - 3 of Rs. 2,281 lakhs (previous year Rs. 3,531 lakhs), carrying variable interest rate of 3 months T bill rate + 1.72% for disbursements upto 30 April 2023 and 3 months T bill rate + 1.97% for disbursements from 1 May 2023 onwards, repayable in quarterly instalments commencing from 1 April 2024 and ending on 1 January 2028. The lender has first charge on movable fixed assets of the Company, giving a minimum cover of 1.25 times of the loan amount (excluding those movable fixed assets which are exclusively charged to other lenders).
- (iv) outstanding term loan - 4 of Rs. 670 lakhs (previous year Rs. 1,334 lakhs), carrying variable interest rate of 1 year MCLR + 0.10%, repayable in quarterly instalments commencing from 31 March 2025 and ending on 31 March 2027. The lender has exclusive charge on the fixed assets of the Company which are created through this term loan specifically. The lender also has negative lien on fixed assets of the Company (excluding fixed assets exclusively charged for this loan).
- (v) outstanding term loan - 5 of Rs. 3,201 lakhs (previous year Rs. 3,200 lakhs), carrying variable interest rate of based on Repo rate ranging 7.25% to 8.25% (previous year 8.25% to 8.50%), repayable in quarterly instalments commencing from 30 September 2025 and ending on 30 June 2028. The lender has first exclusive charge on the fixed assets of the Company being funded from the term loan of Axis bank. The lender also has negative lien on fixed assets of the Company (excluding fixed assets exclusively charged for this loan).
- (vi) outstanding working capital term loan of Nil (previous year Rs. 1,000 lakhs), carrying variable interest rate of 1 month MCLR without spread at 8.35%, repayable in ten quarterly instalments commencing from 20 August 2025 and ending on 20 November 2027. The lender has equitable mortgage (first and exclusive) of Industrial Unit (Land and Building) located at village Asron, Shahid Bhagat Singh Nagar, Punjab.
- (vii) outstanding term loans for vehicles Rs. 112.53 lakhs (previous year Rs. 158.54 lakhs), carrying fixed interest rate ranging from 8.75% to 9.50% per annum (previous year 8.75% to 9.50% per annum), repayable in monthly instalments commencing from 10 April 2023 and ending on 5 March 2029. The lender has exclusive charge on vehicle financed by such loan.
- (viii) outstanding term loans for vehicles Rs. 123.54 lakhs (previous year Rs. 104.31 lakhs), carrying floating interest rate (Repo rate+Spread) presently ranging from 8.50% to 8.85% (previous year 8.80% to 8.85%), repayable in monthly instalments commencing from 15 August 2024 and ending on 15 March 2030. The lender has exclusive charge on vehicle financed by such loan.

	As at 31 March 2026	As at 31 March 2025
B. Current		
Loans repayable on demand		
Cash credit from banks - secured (i) *	5,125.78	3.17
Other loans from banks - secured (ii) *	16,500.00	18,750.00
Other loans from banks - unsecured (iii)	1.18	3,751.26
Current maturities of term loan [refer to note 15(A)]	5,323.21	3,418.18
	26,950.17	25,922.61

- (i) The cash credit limits sanctioned by the bankers are secured by a pari passu charge on the Company's current assets. These carry floating interest rate ranging from 8.50% to 9.20% per annum during 2025-26 (previous year 9.10% to 9.25% per annum).
- (ii) Other loans from banks – secured represents working capital demand loan taken from various banks, secured by pari passu charge or first pari-passu charge on current assets of the Company. These carry an interest rate ranging from 6.40% to 8.55% per annum (previous year 7.85% to 8.58% per annum).

- (iii) Other loans from banks – unsecured represents working capital demand loan, working capital loan and credit card facility taken from various banks. These loans carry an interest rate ranging from 6.80% to 7.53% per annum (previous year 7.97% to 8.22% per annum).

* The Company has borrowings from banks on the basis of security of current assets and quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

Note 16

	As at 31 March 2026	As at 31 March 2025
OTHER FINANCIAL LIABILITIES *		
A. Non-current		
Security deposits from dealers	1,372.24	1,232.99
	1,372.24	1,232.99
B. Current		
Capital creditors^	553.37	1,552.18
Unpaid dividends	49.90	28.89
Interest accrued but not due on borrowings	49.53	73.21
Payable to employees	459.90	644.83
Payable to non-executive directors (refer note 36)	55.96	87.50
Security deposit from others	136.99	129.21
	1,305.65	2,515.82

* The Company's exposure to liquidity and market risks related to financial liabilities are disclosed in note 38.

^ For disclosures relating to Micro Enterprises and Small Enterprises, refer to note 21

Note 17

	As at 31 March 2026	As at 31 March 2025
OTHER CURRENT LIABILITIES		
Advance from customers	3,813.51	3,366.16
Revenue received in advance	452.03	358.85
Statutory dues	1,592.34	4,175.38
	5,857.88	7,900.39

CONTRACT BALANCES *

Contract liability comprises of consideration received from customers against which goods/services are yet to be provided, is disclosed as under:

	As at 31 March 2026	As at 31 March 2025
Advance from customers	3,813.51	3,366.16
Revenue received in advance (current)	452.03	358.85
Revenue received in advance (non-current) [refer note 20]	276.21	184.37
	4,541.75	3,909.38

* During the year, the Company recognised revenue of Rs. 3,270.54 lakhs (previous year Rs. 2,042.20 lakhs) and adjusted Rs. 95.62 lakhs (previous year Rs. 67.82 lakhs), relating to advance from customers, against dealer claims. Further, Rs. 358.85 lakhs (previous year Rs. 341.61 lakhs) was recognised from revenue received in advance included within contract liabilities at the beginning of the year. The closing balance of contract liabilities as at the year end, comprising revenue received in advance and advances from customers, will be recognised as revenue over a period of one to three years.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

Note 18

	As at 31 March 2026	As at 31 March 2025
PROVISIONS		
A. Non-current		
Provisions for employee benefits (refer note 37)		
Gratuity	787.40	752.46
Compensated absences	1,472.64	3,209.62
	2,260.04	3,962.08
Other provisions		
Provision for warranties*	1,080.00	838.66
	3,340.04	4,800.74
B. Current		
Provisions for employee benefits (refer note 37)		
Gratuity	—	—
Compensated absences	912.84	547.75
Superannuation	95.30	84.46
	1,008.14	632.21
Other provisions		
Provision for warranties*	1,803.42	1,372.95
Provision for liquidated damages**	4.26	18.07
Provision for contingencies ***	1,244.32	1,286.94
	3,052.00	2,677.96
	4,060.14	3,310.17

Movement of other provisions

Particulars	Warranties*	Liquidated Damages**	Contingencies***
Balance as on 1 April 2024	1,798.87	24.08	1,275.06
Add: Accrued / (reversed) during the year [net] #	1,086.73	3.32	11.88
Less: Amount utilized during the year	720.44	9.33	—
Add: Unwinding of discount	46.45	—	—
Balance as on 31 March 2025	2,211.61	18.07	1,286.94
Add: Accrued / (reversed) during the year [net] #	1,359.22	31.54	(32.62)
Less: Amount utilized during the year	757.32	45.34	10.00
Add: Unwinding of discount	69.91	—	—
Balance as on 31 March 2026	2,883.42	4.26	1,244.32

net of reversal of unutilised provisions during the year for warranty Rs. 7.89 lakhs (previous year Rs. 6.50 lakhs), liquidated damages Rs.5.75 lakhs (previous year Rs.6.77 lakhs) and contingencies Rs. 32.62 lakhs (previous year Nil).

* The Company is liable towards warranty claims made by end users of its products. The year-end provision is based on its estimate of past experience regarding failure trends of products and costs of repair or replacement. It is estimated that the provision would be fully utilised over the warranty period, which range from two to five years.

** Represents provision for liquidated damages as per the contracts entered with the customers and expected to be utilised within one year from the reporting date.

*** Represents provision for contingencies pertaining to estimated outflow in respect of litigations and disputes. While the timing and amount of cash outflows is determinable only on occurrence of future uncertain events, the Company expects outflow within one year from the reporting date. It includes:

- (i) contingencies pertaining to arbitration award received by the company amounting to Rs. 1,152.44 lakhs. In September 2010, the Company had initiated arbitration proceedings against the Delhi Metro Railway Corporation (DMRC) seeking compensation for losses due to cancellation of a contract. The Company had won an arbitral award in August 2014 allowing claims of Rs. 1,152.44 lakhs which was challenged by DMRC before Hon'ble High Court of Delhi ('High Court'). During the year ended 31 March 2024, the Company had filed an Execution Petition before High Court for enforcement of Arbitration Award and High Court directed the release of the said amount to the Company, subject to satisfaction of the Registrar General on submission of security. The amount of Rs. 1,152.44 lakhs was released to the Company on 30 March 2024, upon furnishing bank guarantee. The management is expecting a favorable outcome based on the evaluation of the case. As the case filed by DMRC is presently sub-judice and bank guarantee had been furnished, the management recorded a provision for contingencies of Rs. 1,152.44 lakhs in the financial statements during the year ended 31 March 2024.
- (ii) contingencies pertaining to sales tax and consumer court case amounting to Rs. 91.88 lakhs (previous year Rs. 134.50 lakhs).

Note 19

	As at 31 March 2026	As at 31 March 2025
DEFERRED TAX ASSETS (NET) *		
Deferred tax liabilities	3,301.14	3,332.44
Deferred tax assets	(1,249.47)	(1,550.06)
	2,051.67	1,782.38

* Refer note 39 for details of deferred tax liabilities and assets

Note 20

	As at 31 March 2026	As at 31 March 2025
OTHER NON-CURRENT LIABILITIES		
Revenue received in advance (refer note 17)	276.21	184.37
	276.21	184.37

Note 21

	As at 31 March 2026	As at 31 March 2025
TRADE PAYABLES * #		
Total outstanding dues of micro enterprises and small enterprises	3,621.18	3,264.70
Total outstanding dues of creditors other than micro enterprises and small enterprises **	36,933.37	33,748.00
	40,554.55	37,012.70

* The Company's exposure to liquidity and market risks related to financial liabilities are disclosed in note 38.

** includes Rs. 210.14 lakhs (previous year Rs. 9.70 lakhs) payable to related parties (refer note 36).

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Company as under :

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

Particulars	As at 31 March 2026	As at 31 March 2025
(a) The amounts remaining unpaid to micro enterprises and small enterprises as at the end of the year		
– Principal [^]	3,911.31	3,338.93
– Interest	0.46	
(b) The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006	–	–
(c) The amounts of the payments made to micro enterprises and small enterprises beyond the appointed day during each accounting year	–	–
(d) The amount of interest due and payable for the period (where the principal has been paid but interest under the Micro Small and Medium Enterprises Development Act, 2006 not paid)	0.46	–
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.46	–
(f) The amount of further interest 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 expenditure under the Micro, Small and Medium Enterprises Development Act, 2006	0.46	–

[^] includes Rs. 290.59 lakhs (previous year Rs. 74.23 lakhs) pertaining to capital creditors (refer note 16 B)

Ageing of trade payables

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues [*]	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2026							
(i) MSME	449.26	3,168.82	–	–	–	–	3,618.08
(ii) Others	5,250.84	22,613.75	8,970.48	46.74	10.64	40.92	36,933.37
(iii) Disputed dues – MSME	0.27	–	2.83	–	–	–	3.10
Total	5,700.37	25,782.57	8,973.31	46.74	10.64	40.92	40,554.55

As at 31 March 2025

(i) MSME	17.89	3,246.81	–	–	–	–	3,264.70
(ii) Others	2,634.87	22,917.70	8,065.89	50.87	64.12	14.55	33,748.00
Total	2,652.76	26,164.51	8,065.89	50.87	64.12	14.55	37,012.70

^{*} includes dues recognised on account of provisions at the year end.

there are no disputed trade payables as at 31 March 2025.

Note 22

	As at 31 March 2026	As at 31 March 2025
CURRENT TAX LIABILITIES (NET)		
Provision for income tax (net of advance tax and tax deducted at source)	14.53	230.14
	14.53	230.14

Note 23

	Year ended 31 March 2026	Year ended 31 March 2025
REVENUE FROM OPERATIONS [*]		
Sale of products (Recognised at a point in time)		
Finished goods - vehicles	2,65,705.45	2,24,402.26
Traded goods - spare parts	15,761.68	13,467.34
Rendering of services (Recognised over a period of time)	426.74	–
	2,81,893.87	2,37,869.60
Other operating revenues [^]		
Sale of scrap	1,068.36	914.86
Rendering of services (Recognised over a period of time)	–	388.61
Export incentives	258.16	169.94
Royalty	571.35	483.97
Liabilities/provisions no longer required written back	–	72.30
	1,897.87	2,029.68
	2,83,791.74	2,39,899.28

^{*} For disaggregation of revenue, refer to note 34.

[^] Other operating revenues have been recognised at a point in time for the year ended 31 March 2026 and 31 March 2025, except revenue from rendering of services which is recognised over a period of time.

Reconciliation of revenue recognised with contract price:

Contracted price	286,066.10	241,279.20
Less: Adjustment on account of incentives and discounts	4,172.23	3,409.60
Revenue from contract with customers	281,893.87	237,869.60

Note 24

	Year ended 31 March 2026	Year ended 31 March 2025
OTHER INCOME		
Interest income on		
Bank deposits carried at amortised cost	127.51	136.88
Refund of income tax	34.42	18.48
Others [*]	199.33	254.48
Net gain on sale of property, plant and equipment	13.92	16.19
Exchange gain on foreign exchange fluctuations (net)	155.09	93.83

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

	Year ended 31 March 2026	Year ended 31 March 2025
Liabilities/provisions no longer required written back	113.99	—
Miscellaneous	188.37	85.48
	832.63	605.34

* includes interest recovered from dealers Rs. 178.50 lakhs (previous year Rs. 229.07 lakhs)

Note 25

	Year ended 31 March 2026	Year ended 31 March 2025
COST OF MATERIALS CONSUMED		
Inventory of materials at the beginning of the year	14,154.47	13,538.79
Add: Purchase of materials	2,14,852.33	1,73,264.02
	2,29,006.80	1,86,802.81
Inventory of materials at the end of the year	15,090.91	14,154.47
	2,13,915.89	1,72,648.34

Note 26

	Year ended 31 March 2026	Year ended 31 March 2025
CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE		
Opening stock		
– Finished goods (Vehicles)	34,306.11	37,441.96
– Stock-in-trade (Spare parts)	867.05	881.57
– Work-in-progress	8,239.08	5,867.47
	43,412.24	44,191.00
Less : Closing stock		
– Finished goods (Vehicles)	34,222.16	34,306.11
– Stock-in-trade (Spare parts)	721.70	867.05
– Work-in-progress	15,688.64	8,239.08
	50,632.50	43,412.24
	(7,220.26)	778.76

Note 27

	Year ended 31 March 2026	Year ended 31 March 2025
EMPLOYEE BENEFITS EXPENSE		
Salaries and wages, including bonus	18,524.72	17,271.76
Contribution to provident and other funds (refer note 37)	2,546.89	1,800.66
Staff welfare expenses	1,686.23	1,553.62
	22,757.84	20,626.04

Note 28

	Year ended 31 March 2026	Year ended 31 March 2025
FINANCE COSTS		
Interest expense on		
Financial liabilities measured at amortised cost	1,745.49	2,682.60
Others *	101.07	89.53
Interest on defined benefit liability / asset (net)	51.92	60.24
Interest on lease liabilities	84.68	50.27
Unwinding of discount on warranty provisions	69.91	46.45
Other borrowing costs	21.51	58.81
	2,074.58	2,987.90

* includes interest on security deposits from dealers Rs. 79.51 lakhs (previous year Rs. 81.80 lakhs)

Note 29

	Year ended 31 March 2026	Year ended 31 March 2025
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation of property, plant and equipment (refer note 3)	3,344.03	3,012.26
Depreciation of right of use assets (refer note 3)	234.37	205.82
Amortisation of intangible assets (refer note 3)	1,624.38	1,617.23
	5,202.78	4,835.31

Note 30

	Year ended 31 March 2026	Year ended 31 March 2025
OTHER EXPENSES		
Consumption of stores and spares and loose tools	589.15	553.07
Repairs and maintenance:		
– Plant and machinery	562.16	440.47
– Buildings	107.10	277.82
– Others	448.08	274.30
Power and fuel	1,248.41	874.27
Rent (refer note 32)	117.06	94.69
Rates and taxes	256.81	400.93
Legal and professional	280.06	200.84
Auditor's remuneration:		
Statutory audit	32.00	24.20
Tax audit	5.25	3.75
Limited review	28.00	36.00
Other services	2.65	1.50
Reimbursement of expenses	2.88	4.38
Insurance	396.68	234.81

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

rate applied to lease liabilities is 8% per annum (previous year 8% per annum).

(a) Lease liabilities presented in the Balance sheet are as follows:

	As at 31 March 2026	As at 31 March 2025
Current	228.28	278.25
Non-Current	667.74	249.09
	896.02	527.34

The maturity analysis of undiscounted lease liabilities amounting to Rs. 1,057.51 lakhs (previous year Rs. 635.19 lakhs) has been disclosed in Note 38 (A) (III) Financial risk management - liquidity risk.

The following is the movement in lease liabilities during the year:-

	Year ended 31 March 2026	Year ended 31 March 2025
Balance as at beginning of the year	527.34	561.29
Additions	565.31	162.65
Finance cost accrued during the year	84.68	50.27
Payment of lease liabilities	(257.12)	(245.40)
Lease modification	(24.19)	(1.47)
Balance as at end of the year	896.02	527.34

(b) The detail of Right of use assets recognised during the year has been disclosed separately in note 3.

(c) Expense recognised in Statement of profit or loss:

	Year ended 31 March 2026	Year ended 31 March 2025
Rent for short term leases	117.06	94.69
Interest on lease liabilities	84.68	50.27
Depreciation of Right of use assets	234.37	205.82

Note 33 Earnings per share

	As at 31 March 2026	As at 31 March 2025
Basic earnings per share (Rs.)	110.39	84.08
Diluted earnings per share (Rs.)	110.39	84.08
Face value per share (Rs.)	10.00	10.00

Note:

Profit for the year attributable to equity shareholders	15,975.04	12,167.44
Weighted average number of equity shares outstanding during the year (in nos.)	14,471,646	14,471,646

Note 34 Segment information

The Company is primarily engaged in the business of manufacturing of commercial vehicles and related components which constitutes a single business segment and accordingly, the disclosures of Ind AS 108, "Operating Segments" are not required to be given. As defined in Ind AS 108, the Chief Operating Decision Maker (CODM), i.e. the Board of directors, evaluates the performance of the Company and allocates resources based on the analysis of the various performance indicators of the Company as a single unit.

	Year ended 31 March 2026	Year ended 31 March 2025
Printing, stationery and other communication	135.34	130.26
Travelling and conveyance	957.11	887.33
Loss allowance for trade receivables	77.09	32.02
Packing and freight outward	7,412.41	5,895.56
Warranty	1,359.22	1,086.73
Other selling and distribution expenses	1,207.86	969.99
Testing and homologation	443.48	462.96
Property, plant and equipment written off (net)	25.45	57.59
Bad debts / advances written off	8.40	15.64
Corporate social responsibility (refer note 49)	138.52	49.81
Miscellaneous	652.61	596.76
	16,493.78	13,605.68

Note 31

Contingent liabilities and commitments

(to the extent not provided for)

Contingent liabilities

(a) Claims against the Company not acknowledged as debts:

	As at 31 March 2026	As at 31 March 2025
Income tax matters	1,896.38	1,721.11
Sales tax and Goods and service tax matters	184.67	306.04
Excise and service tax matters	19.18	19.18
Civil matters	683.70	559.40
	2,783.93	2,605.73

The above matters comprise of proceedings pending with various direct tax, indirect tax and other authorities.

(b) The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

Future cash outflows in respect of the above are determinable only on receipt of judgement / decisions pending with various forums / authorities.

Capital commitments

	As at 31 March 2026	As at 31 March 2025
Capital Commitments (net of advances) not provided for	4,204.79	2,078.96

Note 32 Leases

The Company (lessee) leases a number of buildings, plant and equipment used in its operations. Leases of buildings and plant and equipment generally have lease terms between 2 to 9 years. The Company assesses at lease commencement whether it is reasonably certain to exercise the extension or termination option as per respective lease agreements. The weighted average incremental borrowing

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

Geographical information

Particulars	Domestic	Overseas	Total
Revenue from operations			
2025-26	2,70,518.86	13,272.88	2,83,791.74
2024-25	2,30,386.28	9,513.00	2,39,899.28

Notes:

a. Overseas segment includes sales and services rendered to customers located outside India.

b. Domestic segment includes sales and services rendered to customers located in India.

c. The Company has its business operations primarily in India. There are no non-current assets outside India.

Major customer

No single customer accounted for more than 10% of the Company's revenue for the financial years 2025-26 and 2024-25.

B. Other related parties with whom transaction have taken place during the year:

Fellow Subsidiary

Mahindra Holidays And Resorts India Limited (w.e.f. 1 August 2025)

Key management personnel

Mr. Vinod Kumar Sahay - Executive Chairman (w.e.f. 3 August 2025)

Mr. Junya Yamanishi - Managing Director & CEO (upto 16 April 2025)

Mr. Yasushi Nishikawa - Managing Director & CEO (w.e.f. 17 April 2025 to 1 August 2025)

Dr. Venkataraman Srinivas - Executive Director & CEO (w.e.f. 1 August 2025)

Mr. S.K. Tuteja - Chairman, Non Executive and Independent Director (upto 21 September 2024)

Mr. Chandra Shekhar Verma - Chairman *, Non Executive and Independent Director

Mr. Ravi Venkatraman - Non Executive and Independent Director (w.e.f 1 August 2025)

Mr. Arun Kumar Malhotra - Non Executive and Independent Director (w.e.f. 1 August 2025)

Ms. Smita Mankad - Non Executive and Independent Director (w.e.f. 1 August 2025)

Mr. Sudhir Nayar - Non Executive and Independent Director (upto 21 September 2024)

Mr. Sanjeev Mehan - Non Executive and Independent Director (w.e.f. 22 September 2024 to 1 August 2025)

Mrs. Atima Khanna - Non Executive and Independent Director (upto 1 August 2025)

* appointed as Chairman of the Board of Directors w.e.f. 22 September 2024 and held the position upto 2 August 2025.

Related parties as per Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Mr. Rakesh Bhalla - Chief Financial Officer (upto 30 September 2025)

Mr. Pushkar Patwardhan - Chief Financial Officer (w.e.f. 1 October 2025)

Mr. Parvesh Madan - Company Secretary

Isuzu Motors Limited, Japan (upto 1 August 2025) ^

Navodya Enterprises (Acquirer) along with Person Acting in Concert (PAC) - SPV Traders, Anandam Enterprises, Sapna Gupta and Sachin Bansal ^

^ Shareholder holding 10% or more share in the Company

C. Transactions with related parties and outstanding balances as at year-end:

(i)	Particulars	Year ended	Controlling Enterprise	Parent Company	Fellow Subsidiary
	Nature of transactions				
	a) Purchase of components and spares	31 March 2026	19.33	—	—
		31 March 2025	69.80	—	—
	b) Dividend paid	31 March 2026	1,145.22	—	—
		31 March 2025	1,017.97	—	—
	c) Availment of services	31 March 2026	—	—	1.50
		31 March 2025	—	—	—
	d) Reimbursement made to parties (refer note 2)	31 March 2026	—	601.84	—
		31 March 2025	—	—	—

Note 35

The Company has established a comprehensive system for maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of income tax expense and that of provision for taxation.

Note 36 Related parties

A. Related party and nature of related party relationship where control exists:

Controlling enterprise: Sumitomo Corporation, Japan (upto 1 August 2025)

Parent Company: Mahindra & Mahindra Limited (M&M) (w.e.f. 1 August 2025)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

(i)	Particulars	Year ended	Controlling Enterprise	Parent Company	Fellow Subsidiary
	Balances Outstanding with Related Parties				
	a) Advance for supply of goods	31 March 2026	–	–	–
		31 March 2025	18.17	–	–
	b) Prepaid expenses and other advances	31 March 2026	–	18.67	–
		31 March 2025	–	–	–
	c) Trade payables	31 March 2026	–	210.14	–
		31 March 2025	9.70	–	–
(ii)	Key Managerial Personnel (KMP)				
	Particulars	Year ended	Short-term employee benefits	Sitting fees	Commission
	Mr. Vinod Kumar Sahay (refer note 2)	31 March 2026	80.00	–	–
		31 March 2025	–	–	–
	Mr. Junya Yamanishi	31 March 2026	7.02	–	–
		31 March 2025	152.45	–	–
	Mr. Yashushi Nishikawa	31 March 2026	44.10	–	–
		31 March 2025	–	–	–
	Dr. Venkataraman Srinivas (refer note 2)	31 March 2026	93.33	–	–
		31 March 2025	–	–	–
	Mr. Rakesh Bhalla	31 March 2026	46.72	–	–
		31 March 2025	85.51	–	–
	Mr. Pushkar Patwardhan (refer note 2)	31 March 2026	32.50	–	–
		31 March 2025	–	–	–
	Mr. Parvesh Madan	31 March 2026	66.63	–	–
		31 March 2025	56.79	–	–
	Mr. Ravi Venkatraman	31 March 2026	–	7.50	10.25
		31 March 2025	–	–	–
	Mr. Arun Kumar Malhotra	31 March 2026	–	6.60	8.06
		31 March 2025	–	–	–
	Ms. Samita Mankad	31 March 2026	–	4.30	9.52
		31 March 2025	–	–	–
	Mr. S.K. Tuteja	31 March 2026	–	–	–
		31 March 2025	–	3.10	12.50
	Mr. Sudhir Nayar	31 March 2026	–	–	–
		31 March 2025	–	2.50	12.50
	Mr. Chandra Shekhar Verma	31 March 2026	–	10.20	25.08
		31 March 2025	–	6.10	25.00
	Mr. Sanjeev Mehan	31 March 2026	–	5.00	4.08
		31 March 2025	–	4.20	12.50
	Mrs. Atima Khanna	31 March 2026	–	5.00	5.19
		31 March 2025	–	5.80	25.00
	Balances Outstanding with KMPs:				
	Payable to KMPs	31 March 2026	87.75	1.08	79.06
		31 March 2025	–	–	156.80

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

(iii) Shareholders holding 10% or more share in the Company

Particulars	Year ended	Amount
Nature of transactions		
Dividend paid to Isuzu Motors Limited, Japan (ceased to be shareholder w.e.f. 1 August 2025)	31 March 2026 31 March 2025	390.73 347.32
Dividend paid to Navodya Enterprises (Acquirer) along with Person Acting in Concert (PAC)	31 March 2026 31 March 2025	459.56 456.50

Notes:

- All related party transactions that were entered into during the financial year were at arm's length, in the ordinary course of business.
- Reimbursements made to the parent company includes Rs. 140.73 lakhs towards deputation of personnel and Rs. 205.83 lakhs towards short-term employee benefits of key managerial personnel. The said amount is also disclosed separately in Note 36(C)(ii).
- Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash.
- The charge for gratuity and compensated absences, where applicable, in respect of the key managerial personnel, is not separately determinable as the remuneration is primarily reimbursed to the parent company.
- Dividend paid to Sumitomo Corporation, Japan and Isuzu Motors Limited, Japan during the year ended 31 March 2026 pertains to financial year 2024-25.
- In addition to Ind AS 24, Company has disclosed RPTs as per Companies Act, 2013 and SEBI LODR Regulations.

Note 37 Employee benefits

(i) Net liabilities relating to employee benefits

	As at 31 March 2026	As at 31 March 2025
Non-current		
Liability for gratuity	787.40	752.46
Liability for compensated absences	1,472.64	3,209.62
	2,260.04	3,962.08
Current		
Liability for compensated absences	912.84	547.75
Liability for superannuation	95.30	84.46
	1,008.14	632.21
Total	3,268.18	4,594.29

For details about the related employee benefit expenses, refer to note 27.

(ii) Defined benefit plan - Gratuity

The Company operates a gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death whichever is earlier. The benefits vest after five years of continuous service. Gratuity benefits valued are in accordance with the payment of Gratuity Act, 1972.

The above defined benefit plan exposes the Company to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India.

a) Funding

This is a funded benefit plan for all employees. The Company makes contributions to Life Insurance Corporation of India ("LIC of India"). The assets managed by the fund manager are highly liquid in nature and the Company does not expect any significant liquidity risks.

The Company expects to pay Rs. 400 lakhs (previous year Nil) in contribution to its defined benefit plans in 2026-27.

b) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	6,426.35	6,104.91
Benefits paid	(649.87)	(674.37)
Past service cost	546.68	—
Current service cost	433.90	415.86
Interest cost	421.00	417.01
Actuarial losses / (gains) recognised in other comprehensive income		
– changes in financial assumptions	(401.23)	143.69
– changes in demographic assumptions	—	—
– experience adjustment	39.06	19.25
Balance at the end of the year	6,815.89	6,426.35

c) Reconciliation of the present value of plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	5,673.89	4,521.77
Contributions paid into the plan	600.00	1,500.00
Benefits paid	(649.87)	(674.37)
Expected return income on plan assets	369.08	356.77
Remeasurement (loss) / gain - return on plan assets recognised in other comprehensive income	35.39	(30.28)
Balance at the end of the year	6,028.49	5,673.89

d) Expense recognised in Statement of profit or loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Past service cost	546.68	—
Current service cost	433.90	415.86
Interest cost	51.92	60.24
	1,032.50	476.10

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

e) Remeasurements recognised in other comprehensive income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Actuarial loss / (gain) on defined benefit obligation	(362.17)	162.94
Remeasurement loss / (gain) - return on plan assets	(35.39)	30.28
	<u>(397.56)</u>	<u>193.22</u>

f) Plan assets

The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investments maintained by Life Insurance Corporation of India and asset-liability matching strategies are not available with the Company and have not been disclosed.

g) Actuarial assumptions

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate (per annum)	7.74% p.a	6.90% p.a
Future salary growth rate (per annum)	9.00% p.a	9.00% p.a
Attrition rate	5.00% p.a	5.00% p.a
Future Mortality	IALM 2012-14 (Ultimate)	IALM 2012-14 (Ultimate)

h) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would increase / (decrease) defined benefit obligation by the amounts shown below:-

	As at 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(223.06)	236.99	(215.44)	229.46
Future salary growth rate (1.0% movement)	477.34	(431.44)	459.94	(413.96)
Attrition rate (0.5% movement)	(20.73)	21.92	(28.07)	29.86

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and assumptions used in preparing the sensitivity analysis did not change as compared to the previous year.

Maturity profile of defined benefit obligation:

Expected cash flows (valued on undiscounted basis):

Particulars	As at 31 March 2026	As at 31 March 2025
Within 1 year	834.91	767.05
2-5 years	2,921.21	2,592.41

Particulars	As at 31 March 2026	As at 31 March 2025
6-10 years	2,962.49	2,632.08
After 10 years	6,260.23	5,580.78

The weighted average duration of the defined benefit obligation of gratuity fund at 31 March 2026 is 14.50 years (previous year 14.77 years).

(iii) Defined contribution plans

The Company makes contribution towards employees' provident fund, superannuation fund and employees' state insurance plan scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes. The Company has recognised expense towards contribution to these plans as detailed below:

Particulars*	Year ended 31 March 2026	Year ended 31 March 2025
Provident fund	1,174.09	1,050.24
Superannuation fund	389.69	330.15
Employees' state insurance scheme	2.52	4.41
	<u>1,566.30</u>	<u>1,384.80</u>

* Included in contribution to provident and other funds in note 27

Note 38 Financial Instruments - Risk Management and Fair Values

(A) Financial risk management

During the course of its business, the Company is exposed to certain financial risks that could have significant influence on the Company's business and operational / financial performance. These include market risk (including foreign currency risk, interest rate risk), credit risk and liquidity risk.

The Board of Directors reviews and approves risk management framework and policies for managing these risks and has constituted Risk Management Committee to monitor mitigating actions taken by Management, minimize potential adverse effects and achieve greater predictability to earnings.

The Company has exposure to the following risk arising from financial instruments:

- Market risk (refer (I))
- Credit risk (refer (II)) and
- Liquidity risk (refer (III))

(I) Market risk

Market risk is the risk of any loss in future earnings, realisable fair values or future cash flows that may result from fluctuations in the pricing of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future market changes cannot be normally predicted with reasonable accuracy.

i. Foreign currency risk management:

The Company is exposed to foreign currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and functional currency of the Company, i.e. Indian Rupee (Rs.). The currencies in which these transactions are primarily denominated are US Dollar and Euro. The Company's policy is to ensure that its net exposure is kept to an acceptable level which will not have material effect on the profits of the Company if there is any fluctuation in the currency rates.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period, as reported to management, are as follows:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

As on 31 March 2026:

Foreign Currency	Liabilities			Assets			Net overall exposure-net assets / (net liabilities) (in Rs. lakhs)
	Gross Exposure (in Rs. lakhs)	Exposure hedged using derivatives (in Rs. lakhs)	Net liability exposure (in Rs. lakhs)	Gross Exposure (in Rs. lakhs)	Exposure hedged using derivatives (in Rs. lakhs)	Net asset exposure (in Rs. lakhs)	
USD	–	–	–	480.21	–	480.21	480.21
EUR	–	–	–	–	–	–	–

As on 31 March 2025:

Foreign Currency	Liabilities			Assets			Net overall exposure-net assets / (net liabilities) (in Rs. lakhs)
	Gross Exposure (in Rs. lakhs)	Exposure hedged using derivatives (in Rs. lakhs)	Net liability exposure (in Rs. lakhs)	Gross Exposure (in Rs. lakhs)	Exposure hedged using derivatives (in Rs. lakhs)	Net asset exposure (in Rs. lakhs)	
USD	–	–	–	816.01	–	816.01	816.01
EUR	48.18	–	48.18	–	–	–	(48.18)

– Sensitivity analysis:

A reasonably possible strengthening (weakening) of the Indian Rupee by 1% against below currencies at 31 March 2026 and 31 March 2025 would have increased / decreased the exposure in relation to financial instruments denominated in foreign currency and increased / decreased profit before tax and equity by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	31 March 2026	31 March 2025
Impact on profit before tax and equity (pre-tax) for the year		
USD	4.80	8.16
EURO	–	0.48

ii. Interest rate risk management:

The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

As at year end, financial liabilities (borrowings) of Rs. 27,794.77 lakhs (previous year Rs. 32,019.43 lakhs) were subject to variable interest rates.

– Sensitivity analysis:

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

A reasonably possible change of 1 % in interest rates at the reporting date would have increased / decreased the profit before tax and equity by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	31 March 2026	31 March 2025
Impact on profit before tax and equity (pre-tax) for the year	277.95	320.19

The Company's certain long term loans taken from bank carries variable rate of interest, hence, it is subject to interest rate risk since carrying amount or the future cash flows will fluctuate because of a change in market interest rates.

(II) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as

well as concentration risks. None of the financial instruments of the Company result in material concentrations of credit risks.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as at 31 March 2026 and 31 March 2025.

The Company primarily has exposure from following types of customers:

- Dealers
- Government institutions

To manage trade receivables, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts, aging of such receivables and the country in which customers operate.

The Company's exposure to credit risk for trade receivables by the type of customers is as follows:

	Carrying amount as at	
	31 March 2026	31 March 2025
Dealers	17,149.23	21,166.25
Government institutions	9,871.75	5,239.42
Others	–	119.64
	27,020.98	26,525.31

The loss allowance for trade receivables using expected credit loss for different ageing periods is as follows:

	Gross	Allowance	Net	Average expected credit loss rate %
As at 31 March 2026				
Not due	20,426.09	–	20,426.09	–
Due less than 6 months	6,639.95	59.40	6,580.55	0.89%
Due more than 6 months	264.47	250.13	14.34	94.58%
	27,330.51	309.53	27,020.98	1.13%
As at 31 March 2025				
Not due	20,518.48	–	20,518.48	–
Due less than 6 months	5,140.05	1.30	5,138.75	0.03%
Due more than 6 months	1,099.71	231.63	868.08	21.06%
	26,758.24	232.93	26,525.31	0.87%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

The Company makes an allowance for doubtful trade receivables using the simplified approach for expected credit loss and by continuously monitoring the recoverability of receivable balances.

Movement in expected credit loss allowance

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	232.93	211.80
Add: Incremental expected credit allowance	77.09	32.02
Less: Bad debts written off	0.49	9.22
Less: Reversal of provisions	—	1.67
Balance at the end of the year	309.53	232.93

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings.

Other financial assets measured at amortised cost: Other financial assets measured at amortized cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously and there were no indications that defaults in payment obligations would occur.

(III) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained working capital borrowing limits of Rs. 55,000 lakhs (previous year Rs. 80,783.56 lakhs) from various banks to meet its liquidity needs, out of which Rs. 21,626.97 lakhs (previous year Rs. 22,504.43 lakhs) has been utilised as at 31 March 2026.

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

Particulars	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Total	Carrying Value
31 March 2026					
Trade payables	40,554.55	—	—	40,554.55	40,554.55
Lease liabilities	280.14	738.65	38.72	1,057.51	896.02
Other financial liabilities	1,305.65	—	1,372.24	2,677.89	2,677.89
Borrowings	27,231.22	1,085.21	—	28,316.43	28,015.03
	69,371.56	1,823.86	1,410.96	72,606.38	72,143.49
31 March 2025					
Trade payables	37,012.70	—	—	37,012.70	37,012.70
Lease liabilities	313.55	280.42	41.22	635.19	527.34
Other financial liabilities	2,515.82	—	1,232.99	3,748.81	3,748.81
Borrowings	26,560.13	6,556.76	—	33,116.89	32,177.97
	66,402.20	6,837.18	1,274.21	74,513.59	73,466.82

38. Financial Instruments - Risk Management and Fair Values

(B) Accounting classification and fair values

The following table shows the carrying amounts and fair value of financial assets and financial liabilities including their level in the fair value hierarchy:

Particulars	Level of hierarchy	As at 31 March 2026			As at 31 March 2025		
		FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets							
Non-current							
Loans		—	—	74.20	—	—	151.01
Other financial assets		—	—	328.28	—	—	287.72
Current							
Trade receivable		—	—	27,020.98	—	—	26,525.31
Cash and cash equivalents		—	—	450.85	—	—	310.10
Bank balances other than cash and cash equivalents above		—	—	1,619.25	—	—	1,673.48
Loans		—	—	85.45	—	—	89.51
Other financial assets		—	—	192.06	—	—	219.83
Total financial assets		—	—	29,771.07	—	—	29,256.96
Financial liabilities							
Non-current							
Borrowings		—	—	1,064.86	—	—	6,255.36
Lease liabilities		—	—	667.74	—	—	249.09

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

Other financial liabilities	-	-	1,372.24	-	-	1,232.99
Current						
Borrowings	-	-	26,950.17	-	-	25,922.61
Trade payables	-	-	40,554.55	-	-	37,012.70
Lease liabilities	-	-	228.28	-	-	278.25
Other financial liabilities	-	-	1,305.65	-	-	2,515.82
Total financial liabilities	-	-	72,143.49	-	-	73,466.82

Note:

(i) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(ii) Fair value of non-current financial assets has not been disclosed as there are no material differences between carrying value and fair value.

(iii) The fair value of borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates. Fair value has not been disclosed for borrowings since it approximates the carrying amount.

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

Level 1: The fair value of financial instruments that are quoted in active markets are determined on the basis of quoted price for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques based on observable market data.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2026 and 31 March 2025.

Note 39 Income Tax

(a) Income tax recognised in profit or loss

	Year ended 31 March 2026	Year ended 31 March 2025
Current tax		
In respect of current year	5,251.10	362.12
In respect of prior years	-	(31.11)
	5,251.10	331.01
Deferred tax		
In respect of current year	169.23	3,739.23
	169.23	3,739.23
Total income tax expense recognised in profit or loss	5,420.33	4,070.24

(b) Income tax expense for the year reconciled to the accounting profit:

	Year ended 31 March 2026	Year ended 31 March 2025
Profit before tax	21,395.37	16,237.68
Income tax rate	25.168%	25.168%

(d) Analysis of deferred tax assets/ liabilities

	As at 1 April 2025	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2026
Deferred tax (liabilities) / assets in relation to:				
Property, plant and equipment, intangible assets and right of use assets (net)	(3,306.48)	43.67	-	(3,262.81)
Provisions - employee benefits	1,156.29	(233.70)	(100.06)	822.53
Allowance for expected credit loss and others	261.05	(59.63)	-	201.42
Lease liabilities	132.72	92.79	-	225.51
Other items	(25.96)	(12.36)	-	(38.32)
Total	(1,782.38)	(169.23)	(100.06)	(2,051.67)

	Year ended 31 March 2026	Year ended 31 March 2025
Income tax expense	5,384.79	4,086.70
Effect of non-deductible expenses / income	35.54	12.54
Current tax related to prior years	-	(31.11)
Others	-	2.11
Income tax expense recognised in profit or loss	5,420.33	4,070.24

(c) Income tax recognized in other comprehensive income

	Year ended 31 March 2026	Year ended 31 March 2025
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurements of defined benefit obligations	(100.06)	48.63
Total income tax recognised in other comprehensive income	(100.06)	48.63

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

	As at 1 April 2024	Recognized in profit or loss	Recognized in other comprehensive income	As at 31 March 2025
Deferred tax (liabilities)/ assets in relation to :				
Property, plant and equipment, intangible assets and right of use assets (net)	(3,447.82)	141.34	–	(3,306.48)
Provisions - employee benefits	1,275.00	(167.34)	48.63	1,156.29
Allowance for expected credit loss and others	155.49	105.56	–	261.05
Unabsorbed depreciation and carry forward losses	3,800.66	(3,800.66)	–	–
Lease liabilities	141.27	(8.55)	–	132.72
Other items	(16.38)	(9.58)	–	(25.96)
Total	1,908.22	(3,739.23)	48.63	(1,782.38)

Note 40

The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses certain accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail (edit log) feature has operated throughout the year, except for certain tables relating to financial reporting and master data, where the same was enabled in a phased manner during the year. For the period during which the audit trail (edit log) facility was enabled and operated, the Company did not come across any instance of the audit trail feature being tampered with. Further, except for the period during which the audit trail was not enabled in the prior year, the audit trail has been preserved by the Company in accordance with the statutory requirements for record retention.

Note 41 (a) Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern, while maximising the return to stakeholders through

efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds. The Company uses the operational cash flows and equity to meet its working capital requirements. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings. The Company is not subject to any externally imposed capital requirements.

Management of the Company reviews the capital structure of the Company on a regular basis and uses debt equity ratio to monitor the same. As part of this review, management of the Company considers risks associated with the movement in the working capital and capex needs.

The following table summarises the capital structure of the Company:

Particulars	As at 31 March 2026	As at 31 March 2025
Borrowings (current and non-current)	28,316.43	33,116.89
Less: Cash and cash equivalents	450.85	310.10
Net debt (A)	27,865.59	32,806.79
Total Equity (B)	51,933.91	38,266.27
Net debt to total equity ratio (A/B)	0.54	0.86

(b) Reconciliation of movements of liabilities to cash flows arising from financing activities :-

Particulars	Borrowings (Current and non-current)	Lease liabilities (Current and non- current)	Interest accrued	Total
Balance as at 31 March 2024	41,565.55	561.29	119.75	42,246.59
Cash movements:				
Proceeds from borrowings	5,809.29	–	–	5,809.29
Repayment of borrowings	(15,196.87)	–	–	(15,196.87)
Payment of lease liabilities / interest	–	(195.13)	(2,927.75)	(3,122.88)
Non-cash movements:				
Additions in Lease liabilities / interest accrued	–	162.65	2,881.21	3,043.86
Lease modification	–	(1.47)	–	(1.47)
Balance as at 31 March 2025	32,177.97	527.34	73.21	32,778.52
Cash movements:				
Proceeds from borrowings	2,544.19	–	–	2,544.19
Repayment of borrowings	(6,707.12)	–	–	(6,707.12)
Payment of lease liabilities / interest	–	(172.44)	(1,976.43)	(2,148.87)
Non-cash movements:				
Additions in Lease liabilities / interest accrued	–	565.31	1,952.75	2,518.06
Lease modification	–	(24.19)	–	(24.19)
Balance as at 31 March 2026	28,015.04	896.02	49.53	28,960.59

Note: Non-cash investing activity includes acquisition of Right of use assets (refer note 3).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

Note 42 Research and development costs are as follows:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue expenditure recognised in statement of profit and loss under appropriate account heads	2,041.03	1,916.12
Capital expenditure *	562.26	337.22

* allowed as deduction under section 35(1)(iv) of Income tax act., 1961

Note 43 Final Dividend

The Board of Directors at their meeting held on 20 April 2026, has considered and recommended a final dividend of Rs. 23.50 per equity share (previous year Rs.18 per equity share) of Rs. 10 each fully paid up amounting to Rs. 3,400.84 lakhs (previous year Rs. 2,604.90 lakhs) for the year ended 31 March 2026, subject to approval by the shareholders at the ensuing Annual General Meeting, and it has not been recognised as liability in these financial statements.

During the year ended 31 March 2026, the Company has paid a final dividend of Rs. 18 per equity share of Rs. 10 each fully paid up amounting to Rs. 2,604.90 lakhs in respect of previous year ended 31 March 2025, which was considered and recommended by the Board of Directors at their meeting held on 30 May 2025 and was subsequently approved by the shareholders at the Annual General Meeting, held on 26 September 2025.

Note 44

On 26 April 2025, Sumitomo Corporation, Japan (Promoter shareholder) and Isuzu Motors Limited, Japan (Public shareholder) entered into Share Purchase Agreements with Mahindra & Mahindra Limited ("Acquirer"), whereby they agreed to sell 63,62,306 equity shares (representing 43.96% of the equity share capital of the Company) and 21,70,747 equity shares (representing 15.00% of the equity share capital of the Company) respectively, of face value of Rs.10/- each, at a price of Rs. 650/- per share.

Pursuant to the above, on 1 August 2025, Mahindra & Mahindra Limited acquired an aggregate of 58.96% of the equity share capital of the Company, in accordance with Regulation 22(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011. Accordingly, the Company has become a subsidiary of Mahindra & Mahindra Limited w.e.f. 1 August 2025.

Subsequent to the completion of the open offer, the shareholding of Mahindra & Mahindra Limited increased to 58.97% of the equity share capital of the Company.

Note 49 Details of corporate social responsibility expenditure

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
(i) Amount required to be spent by the company during the year *	192.20	16.70
(ii) Amount of expenditure incurred		
(a) Construction/acquisition of any asset	-	-
(b) On purpose other than (a) above *		
- Amount spent during the year	138.52	49.81
- Amount of set off against excess spend in earlier years	54.11	16.70
- Total	192.63	66.51
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	-	-
(vi) Nature of CSR activities	Girls education, vocational education, medical infrastructure	Girls education, vocational education, medical infrastructure
(vii) details of related party transactions	-	-

* as approved by the board of directors, the amount of excess spend available for utilisation in future periods is Rs. 49.81 lakhs.

Note 45

The name of the Company has been changed from 'SML Isuzu Limited' to 'SML Mahindra Limited' with effect from 8 October, 2025, on issuance of a fresh certificate of incorporation by the Registrar of Companies, following the exit of Isuzu Motors Limited, Japan as a shareholder and to reflect the change in ownership.

Note 46

During the previous year, the Company had received anonymous complaint alleging that some employees may have financial dealings with specific dealers. To investigate the matter, the Company, on the directions of Audit Committee, had appointed an external expert who submitted their report to the Audit Committee in the previous year. Thereafter, the Audit Committee appointed a sub-committee of two independent directors to look into all aspects and conclude the matter. Based on expert's findings and the sub-committee's review, there is no evidence of financial impropriety or fraud against the Company. Accordingly, management believes that the matter does not have any material impact on the accompanying financial statements and, consequently, no adjustment is required to be made to the financial statements for the year ended 31 March 2026.

Note 47

The Ministry of Environment, Forest and Climate Change has notified the Environment Protection (End-of-Life Vehicles) Rules, 2025 ("ELV Rules"), which are effective from 1 April 2025. As per these rules, Extended Producer Responsibility (EPR) obligations are imposed on producers ("vehicle manufacturers") for the scrapping of End-of-Life Vehicles and such obligations are to be fulfilled through the purchase of EPR certificates from registered Vehicle Scrapping Facilities via a Centralised Online Portal. The implementation details and operational procedures of the ELV rules including the modalities of the pricing mechanism for the EPR certificates are yet to be developed.

Consequently, the Company is currently unable to reliably estimate a range of possible outcomes and the potential impact of these rules. The Company will continue to assess the ability to measure its obligations pursuant to the ELV Rules, as and when the aforesaid details of implementation framework are available.

Note 48

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively "new labour code") - consolidating 29 existing labour laws.

In accordance with the new Labour Codes, the Company has currently estimated the incremental impact on retiral benefits to be Rs. 546.68 lakhs. The Company continues to monitor developments on the Rules to be notified by regulatory authorities, including clarifications / additional guidance from authorities and will continue to assess the accounting implications, basis such developments/ guidance.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

(All amounts in Rs. Lakhs unless stated otherwise)

50 Key Financial Ratios

Particulars	Numerator	Denominator	Year ended 31 March 2026	Year ended 31 March 2025	Change	Reason where change more than 25%
(i) Current ratio	Current assets	Current liabilities	1.25	1.17	7%	Not applicable
(ii) Debt equity ratio	Total borrowings (current and non-current)	Total equity	0.54	0.84	-36%	Due to increase in total equity and decrease in borrowings
(iii) Debt service coverage ratio	Earnings available for debt service *	Debt service **	2.99	3.60	-17%	Not applicable
(iv) Return on equity ratio (%)	Profit after tax	Average total equity	35.4%	36.4%	-3%	Not applicable
(v) Inventory turnover	Cost of goods sold	Average total inventory	3.50	3.15	11%	Not applicable
(vi) Debtors turnover	Revenue from operations	Average trade receivables	10.60	11.05	-4%	Not applicable
(vii) Trade payables turnover ratio	Purchase of materials & stock-in-trade	Average trade payables	5.80	5.19	12%	Not applicable
(viii) Net capital turnover ratio	Revenue from operations	Total current assets - Total current liabilities	14.26	18.23	-22%	Not applicable
(ix) Net profit / (loss) margin (%)	Profit after tax	Revenue from operations	5.6%	5.1%	11%	Not applicable
(x) Return on capital employed (%)	Profit before interest and tax	Capital employed ***	31.3%	29.7%	5%	Not applicable
(xi) Return on investment (%)	—	—	N.A.	N.A.	—	Not applicable

* Earnings available for debt service = profit after tax + depreciation + finance costs + property, plant and equipment written off (net) + gain/(loss) on sale of property, plant and equipment + bad debts/advances written off

** Debt service = finance costs + principal repayments of long term borrowings + rent expense

*** Capital employed = total equity + total borrowings (current and non-current) + Deferred tax liabilities - right of use assets - intangible assets - intangible assets under development

Note 51

- The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- The creditors covered by Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act, 2006") have been identified on the basis of information available with the Company.
- The Company has no such layers as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017. Hence, the said clause is not applicable to the Company.
- The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.
- The Company did not have any balances or transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year.
- No charges or satisfaction are yet to be registered with ROC beyond the statutory period.
- No proceeding have been initiated on or is pending against the Company for holding benami property under the Benami Transactions Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

As per our report of even date attached

For B S R & Co. LLP Chartered Accountants

ICAI Firm registration number: 101248W/W-100022

Gaurav Mahajan

Partner

Membership Number: 507857

For and on behalf of the Board of Directors of SML Mahindra Limited (Formerly SML Isuzu Limited)

Pushkar Patwardhan

Chief Financial Officer

ACA: 117347

Parvesh Madan

Company Secretary

ACS: 31266

Vinod Kumar Sahay

Executive Chairman

DIN: 07884268

Dr. Venkataraman Srinivas

Executive Director & CEO

DIN: 11163042

Place: Mumbai

Date: 20 April 2026

Place: Mumbai

Date: 20 April 2026

INDEPENDENT AUDITORS' REPORT

To
**The Members of
GROMAX AGRI EQUIPMENT LIMITED**

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of GROMAX AGRI EQUIPMENT LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("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, its loss and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures but does not include the Financial Statements and our Auditors' 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.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents 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.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the

audit and significant audit findings, including any significant deficiencies in internal controls 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 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (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 controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
 - (g) The Company has not paid/provided any remuneration to managerial personnel as defined in the Act. Accordingly, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable to the Company.

- (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 36 to the Financial Statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There 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, 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-clauses (a) and (b) contain any material misstatement;
 - (v) The Company has not declared/paid/declared and paid any dividend during the year; and
 - (vi) Based on our examination which included test checks, the Company has used an 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Chaitanya Vinay Joshi
Partner
Membership No. 131403
UDIN: 26131403DHHFTQ8776

Place: Mumbai
Date: April 17, 2026

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date]

1. (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
(B) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.
(b) The Company has a regular programme for physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management once in a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. In accordance with the programme, the Company has physically verified property, plant and equipment during the current financial year and did not observe any material discrepancies.
(c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) According to the information and explanations given to us, the inventory comprising of raw materials, work-in-progress, finished and semi-finished goods, stores and spares, loose tools and stock-in-trade has been physically verified at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records.
(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from Axis Bank Limited on the basis of security of fixed deposits held with the bank. According to information and explanation provided to us by the management, no statements were required to be filed for working capital limits availed against the fixed deposits. Therefore, reporting under clause 3 (ii) (b) is not applicable to the Company.
3. According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.
4. According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.
5. According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.
6. The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.
7. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Profession tax, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of undisputed statutory dues in respect of Goods and Services Tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year

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 on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at March 31, 2026, which have not been deposited with the appropriate authorities on account of any dispute. The statutory dues in respect of Income-tax as at March 31, 2026, which have not been deposited with the appropriate authorities on account of a dispute, are as under:

Name of Statute	Nature of dues	Amount (Rs. in lakhs)	Period to which amount relates	Forum where pending
The Income Tax Act, 1961	Income Tax	313.73	Assessment year 2014-2015	Commissioner of Income Tax (Appeals)

8. According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
9. (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any loans or other borrowings during the year. Accordingly, the reporting under Clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender till the date of our audit report.
- (c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long-term purposes as at the Balance Sheet date.
- (e) The Company does not have any subsidiaries, joint ventures or associates. Accordingly, the reporting under Clauses 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
10. (a) According to the information and explanations given to us, the Company has not raised any moneys 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) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
11. (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) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
12. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
14. (a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit reports of the Company issued till date for the period under audit.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.
16. (a) According to the information and explanations given to us, 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) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us, 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 Clauses 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations given to us, we report that the Group has five Core Investment Companies.
17. In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses during the current financial year and had incurred cash losses amounting to Rs 94.98 lakhs during the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors

and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

20. According to the information and explanations given to us, the provisions of Section 135 of the Act relating to expenditure on corporate social responsibility are not applicable to the Company for the current financial year. Accordingly, the reporting under Clauses 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Chaitanya Vinay Joshi
Partner
Membership No. 131403
UDIN: 26131403DHHFTQ8776

Place: Mumbai
Date: April 17, 2026

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2(f) under 'Report on other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Gromax Agri Equipment Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to financial statements 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 B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W
Chaitanya Vinay Joshi
Partner
Membership No. 131403
UDIN: 26131403DHHFTQ8776

Place: Mumbai
Date: April 17, 2026

BALANCE SHEET AS AT 31ST MARCH, 2026

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	As at 31 st March, 2026	As at 31 st March, 2025
I ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3	1,871.61	1,887.79
(b) Capital Work-in-Progress	3	12.49	27.54
(c) Other Intangible Assets	4	—	—
(d) Financial Assets			
(i) Investments	5	—	—
(ii) Loans	7	—	—
(iii) Other Financial Asset	8	2,957.96	2,509.47
(e) Non-Current Tax Assets (Net)	9	202.33	184.02
(f) Deferred Tax Assets (Net)	9	271.86	—
(g) Other Non-current Assets	10	39.72	10.88
SUB-TOTAL		5,355.96	4,619.71
CURRENT ASSETS			
(a) Inventories	11	5,856.53	3,598.67
(b) Financial Assets			
(i) Trade Receivables	6	3,571.61	3,515.72
(ii) Cash and Cash Equivalents	12a	0.11	0.11
(iii) Other Bank Balances	12b	2.75	22.81
(iv) Loans	7	—	—
(v) Other Financial Assets	8	31.79	5.00
(c) Current Tax Assets (Net)	9	—	—
(d) Other Current Assets	10	2,866.41	2,791.77
SUB-TOTAL		12,329.21	9,934.09
TOTAL ASSETS		17,685.17	14,553.80
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	13	5,430.20	5,430.20
(b) Other Equity	14	(879.57)	(1,872.60)
SUB-TOTAL		4,550.62	3,557.59
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	20	—	—
(ii) Lease Liability	15	—	—
(iii) Other Financial Liabilities	17	197.30	222.98
(b) Provisions	18	326.21	201.05
(c) Non-Current Tax Liabilities (Net)	9	—	—
SUB-TOTAL		523.51	424.03
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	20	162.51	323.39
(ii) Trade Payables	16		
— Total outstanding dues of micro and small enterprises		467.10	162.01
— Total outstanding dues of creditors other than micro and small enterprises		8,500.26	7,238.99
(iii) Lease Liability	15	—	—
(iv) Other Financial Liabilities	17	2,540.89	2,189.99
(b) Provisions	18	579.73	368.84
(c) Current Tax Liabilities	9	—	—
(d) Other Current Liabilities	19	360.54	288.95
SUB-TOTAL		12,611.04	10,572.16
TOTAL LIABILITIES		17,685.17	14,553.80

Summary of Material Accounting Policies

1 and 2

In terms of our report attached
For **B.K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Chaitanya Vinay Joshi
Membership No. 131403
Partner
Place : Mumbai
Date : 17th April 2026

For and on behalf of the Board of Directors

Vijay Nakra
DIN: 02638616
(Director)
Ashish Shah
Membership No: 114522
(Chief Financial Officer)
Ravi Soni
(Manager)

Place : Mumbai
Date : 17th April 2026

Manoj Harlalka
DIN: 10711633
(Director)
Jatin Belwalkar
Membership No: ACS-A79934
(Company Secretary)

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

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Note No.	Year ended on 31 st March, 2026	Year ended on 31 st March, 2025
I Revenue from operations	21	39,773.09	29,403.11
II Other Income	22	245.40	286.63
III Total Revenue (I + II)		40,018.49	29,689.73
IV EXPENSES			
(a) Cost of materials consumed	23(a)	32,734.18	24,281.53
(b) Purchases of Stock-in-trade		1,124.81	860.27
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23(b)	(814.89)	(486.49)
(d) Employee benefits expense	24	2,149.69	1,961.71
(e) Finance costs	25	67.27	54.09
(f) Depreciation and amortisation expense	3 and 4	276.81	265.74
(g) Other expenses	26	3,634.27	3,113.61
Total Expenses (IV)		39,172.15	30,050.45
Profit/(loss) before exceptional item and tax (III - IV)		846.34	(360.72)
Exceptional Item	24	(82.73)	—
V Profit/(loss) before tax		763.62	(360.72)
VI Tax Expense			
(a) Current tax	9	21.86	—
(b) Deferred tax	9	(266.68)	—
Less: MAT Credit entitlement		—	—
Total tax expense		(244.82)	—
VII Profit/(loss) after tax (V - VI)		1,008.43	(360.72)
VIII Other comprehensive income			
a. Will not be reclassified subsequently to profit or loss			
Actuarial (Loss)/Gain as per actuarial valuation		(20.57)	1.26
Deferred tax impact on Actuarial (Loss)/Gain		5.18	—
b. Will be reclassified subsequently to profit or loss when specific conditions are met		—	—
IX Total comprehensive income/(loss) for the year (VII + VIII)		993.04	(359.45)
X Earnings/(loss) per equity share			
(a) Basic	28	1.86	(0.66)
(b) Diluted	28	1.86	(0.66)
Summary of Material Accounting Policies	1 and 2		

In terms of our report attached
For **B.K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Chaitanya Vinay Joshi
Membership No. 131403
Partner
Place : Mumbai
Date : 17th April 2026

For and on behalf of the Board of Directors

Vijay Nakra
DIN: 02638616
(Director)
Ashish Shah
Membership No: 114522
(Chief Financial Officer)
Ravi Soni
(Manager)

Place : Mumbai
Date : 17th April 2026

Manoj Harlalka
DIN: 10711633
(Director)
Jatin Belwalkar
Membership No: ACS-A79934
(Company Secretary)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2026

All amounts are in Rupees Lakhs unless otherwise stated

Particulars	Year ended on 31 st March, 2026	Year ended on 31 st March, 2025
I Cash flows from operating activities		
Profit/(loss) before tax for the year and OCI	763.62	(360.72)
Finance costs	65.87	53.09
Loss/(Profit) on disposal of property, plant and equipment (net)	6.28	(4.42)
Depreciation and amortisation expense	276.81	265.74
Provision for doubtful trade and other receivables, loans and advances	226.76	486.78
Liabilities no longer required written back	(76.32)	(71.84)
	1,263.02	368.64
Movements in working capital:		
(Increase)/decrease in trade and other receivables	(841.34)	(1,941.35)
(Increase)/decrease in inventories	(2,257.86)	(1,423.37)
(Decrease)/increase in liabilities	2,312.46	3,198.88
	476.29	202.80
Cash generated from operations	476.29	202.80
Income taxes refunded/(paid)	(40.17)	(4.84)
	436.11	197.95
II Cash flows from investing activities		
Payments for property, plant and equipment	(251.86)	(258.16)
Proceeds from sale of property, plant and equipment	-	-
	(251.86)	(258.16)
III Cash flows from financing activities		
Proceeds from/(Repayment of) borrowings	(160.88)	78.96
Movement in Lease Liability	-	(8.17)
Interest paid	(23.37)	(10.59)
	(184.25)	60.19
IV Net decrease in cash and cash equivalents	(0.00)	(0.01)
Cash and cash equivalents at the beginning of the year	0.11	0.12
Effects of exchange rate changes on the balance of cash held in foreign currencies	-	-
	0.11	0.11
V Cash and cash equivalents at the end of the year	0.11	0.11

In terms of our report attached
For **B.K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Chaitanya Vinay Joshi
Membership No. 131403
Partner
Place : Mumbai
Date : 17th April 2026

For and on behalf of the Board of Directors

Vijay Nakra
DIN: 02638616
(Director)
Ashish Shah
Membership No: 114522
(Chief Financial Officer)
Ravi Soni
(Manager)

Place : Mumbai
Date : 17th April 2026

Manoj Harlalka
DIN: 10711633
(Director)
Jatin Belwalkar
Membership No: ACS-A79934
(Company Secretary)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

All amounts are in Rupees Lakhs unless otherwise stated

Note Nos. 1 and 2 : Summary of Material Accounting Policies

1. Corporate Information

Gujarat Tractor Corporation Limited (GTCL) a Public Limited Company domiciled in India and incorporated on 31st March, 1978 under the provisions of the Companies Act, 1956 (CIN : U34100GJ1978PLC003127) and a Government of Gujarat Undertaking. As a part of Disinvestment by Government of Gujarat, the Mahindra & Mahindra Limited. acquired 60% stake in Equity Shares of the Company in 1999-2000. The name of the Company changed to Mahindra Gujarat Tractor Limited (MGTL / the Company) in the year 2000. The name of company further changed to Gromax Agri Equipment Limited with effect from 24th August, 2017.

Currently Mahindra Group holds 60% and Government of Gujarat holds 40% Equity in the Company. The Company is mainly engaged in the Manufacture and Sale of Tractors under the brand name "Shaktimaan", "Hindustan", "Farm Plus", "Trakstar" and spares of the same. The Company carries out its business activities in India and Nepal. The Factory and Registered Office of the Company is located at Vishwamitri, Vadodara, Gujarat and Sales and Distribution Offices and Yards in major States of India."

2. Material Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared taking into consideration all material aspects with Indian Accounting Standards (Ind-AS) notified under section 133 of the Companies Act, 2013 (the "Act") [Companies (Indian Accounting Standards) Rules, 2015, as amended] and the other relevant provisions of the Act.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the value paid for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The financial statements have been prepared on historical convention except Defined benefit plans.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within 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.

The principal accounting policies are set out below:

2.3 Revenue recognition

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. Upon satisfaction of performance obligation

which is at a point in time when control of the goods is transferred to the customer, generally on delivery of the goods. Depending on the terms of the contract, which differs from contract to contract, the goods are sold on a reasonable credit term. The Revenue is excluding taxes and after deducting various Dealer Incentives and Discounts.

2.3.1. Sale of goods

- 1) Timing of recognition- Sales are recognized when control parameters as laid down in IND AS 115 are satisfied. Control means customer has accepted the product, legal title has been transferred, transfer of significant risk and rewards, right to receive the payment and transfer of physical possession. Sales are recognised at a point in time based on the revenue recognition standard.
- 2) Measurement of revenue:
 - A) Revenue is measured based on the consideration specified in a contract with a customer (net of variable consideration) and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product.
 - B) Any change resulting in increase or decrease in estimated revenue or cost are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by Management.
 - C) Transaction price is the amount of consideration expected to be entitled to in exchange for transferring of goods and services excluding the amount collected from third party.
 - D) Revenue from sales is based on the price specified in the sales contracts (net of the variable consideration) and returns at the time of sale. Accumulated experience is used to estimate and provide for the discounts and returns. The volume discounts are assessed based on anticipated annual purchases

2.3.2 Royalties

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably). Royalties determined on a time basis are recognised on a straight-line basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

2.3.3 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. 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 through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.5 Employee benefits

2.5.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

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

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.5.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.5.3 Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).

If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

2.6 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.6.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.6.2 Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in

which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.6.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.7 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under lease are depreciated over the lease term of the ROU (Right of use).

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.7.1 Useful lives of tangible assets

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as prescribed in Part C of Schedule II of the Companies Act, 2013

Particulars	Life (Years)
Building - Non Factory	60
Building - Factory	30
Plant and Machineries, Jigs and Fixtures and Pattern and Moulds	15
Furniture and Fixtures, Electrical Installation	10
Motor Vehicles - Cars and Tractors	8
Computers - Servers and Network	6
Office Equipment	5
Computers - End-use devices (Desktop, Laptop, Printers, etc.)	3
Assets Value < Rs.5000	1

2.8 Intangible assets

2.8.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

2.8.2 Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.8.3 Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Particulars	Life (Years)
Development Expenditure	5
Software	3

2.9 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.10 Inventories

Inventories are stated at the lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Costs of inventories are determined on a weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost of raw material and traded goods comprises of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of Inventories also include all other cost incurred in bringing the inventories to their present location and condition. Cost of purchase inventory are determined after deducting rebates and discounts.

2.11 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

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

Provisions are not recognised for future operating losses.

2.11.1 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.11.2 Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Company's obligation.

2.11.3 Contingent liabilities acquired in a business combination

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

2.12 Financial instruments

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

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

2.12.1 Cash and cash equivalents:-

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

2.13 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.13.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange

differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

2.13.2 Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.13.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.13.4 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with

the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

2.14 Financial Liabilities

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.14.1 Classification of financial liabilities

The company classifies all financial liabilities as subsequently measured at amortised cost.

2.14.2 Initial recognition of financial liabilities

Financial liabilities are carried at amortised cost using the effective interest method.

2.14.3 Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification (Refer Note 29)

2.15 Leases

2.15.1 Initial Recognition:

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

2.15.2 Company as a lessee:

Leases, other than short term lease and low value assets, of property, plant and equipment are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2.16 EPS

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the authorization for issue of the financial statements by the Board of Directors.

2.17 Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

2.18 Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

2.19 Current v/s Non-Current classification:-

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

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle

- b) Held primarily for the purpose of trading
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

The Company has identified twelve months as its operating cycle for the purpose of current and non-current classification of assets and liabilities

2.20 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2.1 to 2.18, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Detailed information about each of these estimates and judgements included in relevant notes together with information about the basis of calculation of each different line item in the financial statements.

Areas involving judgements and estimations:

- 1) Provision for warranty and service coupon
- 2) Provision for ECL
- 3) Provision for Employee Benefits

Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such Notification which is applicable from April 1, 2025.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2026

All amounts are in Rupees Lakhs unless otherwise stated

A. Equity share capital

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Balance at the beginning of the current reporting period	5,430.20	5,430.20
Changes in Equity Share Capital due to prior period errors	—	—
Restated balance at the beginning of the current reporting period	—	—
Changes in equity share capital during the current year	—	—
Balance at the end of the current reporting period	5,430.20	5,430.20

Shares held by promoters as on 31st March 2026

Sr Promoter Name	No. of Shares	% of total shares	% Change during the year
1 Mahindra Holdings Limited	2,66,07,970	49.00%	No
2 Mahindra & Mahindra Limited	59,73,218	11.00%	No
3 Government of Gujarat	2,17,20,791	40.00%	No

B. Other Equity

Particulars	Capital Reserve	Comprehensive Income	Reserves and Surplus Other Retained Earnings	Total
As at 1st April, 2024	217.13	(10.00)	(1,720.26)	(1,513.13)
Changes in accounting policy or prior period errors	—	—	—	—
Restated balance at the beginning of the current reporting period	—	—	—	—
Profit/(Loss) for the year	—	—	(360.72)	(360.72)
Other Comprehensive Income/(Loss) for the current year	—	1.26	—	1.26
Total Income/(Loss) for the year	—	1.26	(360.72)	(359.45)
Dividends	—	—	—	—
Transfer to retained earnings	—	—	—	—
Any other changes	—	—	—	—
As at 31st March, 2025	217.13	(8.74)	(2,080.99)	(1,872.60)
Changes in accounting policy or prior period errors	—	—	—	—
Restated balance at the beginning of the current reporting period	—	—	—	—
Profit/(Loss) for the year	—	—	1,008.43	1,008.43
Other Comprehensive Income/(Loss) for the current year	—	(15.40)	—	(15.40)
Total Income/(Loss) for the year	—	(15.40)	1,008.43	993.04
Dividends	—	—	—	—
Transfer to retained earnings	—	—	—	—
Any other changes	—	—	—	—
As at 31st March, 2026	217.13	(24.13)	(1,072.56)	(879.57)

In terms of our report attached
For **B.K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Chaitanya Vinay Joshi
Membership No. 131403
(Partner)
Place : Mumbai
Date : 17th April 2026

For and on behalf of the Board of Directors

Vijay Nakra
DIN: 02638616
(Director)
Ashish Shah
Membership No: 114522
(Chief Financial Officer)
Ravi Soni
(Manager)

Place : Mumbai
Date : 17th April 2026

Manoj Harlalka
DIN: 10711633
(Director)
Jatin Belwalkar
Membership No: ACS-A79934
(Company Secretary)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

All amounts are in Rupees Lakhs unless otherwise stated

Note No. 3 - Property, Plant and Equipment

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
a. Property, plant and equipment	1,871.61	1,887.79
b. Right of use assets	—	—
	<u>1,871.61</u>	<u>1,887.79</u>

a. Property, plant and equipment

Description of Assets	Land - Freehold	Buildings - Freehold	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Carrying Amount							
Balance as at 1 April 2025	1.03	695.87	2,661.30	85.05	84.58	361.15	3,888.98
Additions	—	25.42	195.86	15.82	—	31.81	268.92
Disposals	—	(8.72)	(69.04)	(13.15)	—	(9.69)	(100.61)
Balance as at 31st March, 2026	<u>1.03</u>	<u>712.57</u>	<u>2,788.12</u>	<u>87.71</u>	<u>84.58</u>	<u>383.28</u>	<u>4,057.28</u>
II. Accumulated depreciation and impairment							
Balance as at 1 April 2025	—	254.59	1,438.89	66.72	64.06	176.93	2,001.18
Depreciation expense for the year	—	32.30	191.60	7.12	5.71	40.08	276.81
Eliminated on disposal of assets	—	(7.69)	(62.93)	(12.50)	—	(9.21)	(92.33)
Balance as at 31st March 2026	<u>—</u>	<u>279.19</u>	<u>1,567.56</u>	<u>61.34</u>	<u>69.77</u>	<u>207.81</u>	<u>2,185.67</u>
III. Net carrying amount (I-II)	<u>1.03</u>	<u>433.38</u>	<u>1,220.56</u>	<u>26.37</u>	<u>14.81</u>	<u>175.47</u>	<u>1,871.61</u>

Description of Assets	Land - Freehold	Buildings - Freehold	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Carrying Amount							
Balance as at 1 April 2024	1.03	612.67	2,475.29	82.32	82.24	402.40	3,655.95
Additions	—	83.20	222.11	6.37	2.34	—	314.02
Disposals	—	—	(36.10)	(3.65)	—	(41.25)	(81.00)
Balance as at 31st March, 2025	<u>1.03</u>	<u>695.87</u>	<u>2,661.30</u>	<u>85.05</u>	<u>84.58</u>	<u>361.15</u>	<u>3,888.98</u>
II. Accumulated depreciation and impairment							
Balance as at 1 April 2024	—	221.39	1,282.09	64.03	58.46	166.84	1,792.80
Depreciation expense for the year	—	33.20	176.80	5.26	5.60	41.80	262.66
Eliminated on disposal of assets	—	—	(20.00)	(2.57)	—	(31.71)	(54.28)
Balance as at 31st March, 2025	<u>—</u>	<u>254.59</u>	<u>1,438.89</u>	<u>66.72</u>	<u>64.06</u>	<u>176.93</u>	<u>2,001.18</u>
III. Net carrying amount (I-II)	<u>1.03</u>	<u>441.28</u>	<u>1,222.41</u>	<u>18.33</u>	<u>20.52</u>	<u>184.22</u>	<u>1,887.79</u>

b. Right of use assets

Description of Assets	Buildings— Leasehold	Total	Description	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
I. Gross Carrying Amount								
Balance as at 1 April 2025	27.23	27.23	Projects in progress	12.49	—	—	—	12.49
Additions	—	—	Projects temporarily suspended	—	—	—	—	—
Deletions	27.23	27.23						
Balance as at 31st March, 2026	<u>—</u>	<u>—</u>						
II. Accumulated depreciation and impairment								
Balance as at 1 April 2025	19.58	19.58						
Additions	—	—						
Deletions	19.58	19.58						
Balance as at 31st March, 2026	<u>—</u>	<u>—</u>						
III. Net carrying amount (I-II)	<u>—</u>	<u>—</u>						

CWIP Ageing Schedule as at 31st March, 2026

Description	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	12.49	—	—	—	12.49
Projects temporarily suspended	—	—	—	—	—

CWIP Ageing Schedule as at 31st March, 2025

Description	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	27.54	—	—	—	27.54
Projects temporarily suspended	—	—	—	—	—

Notes:

Property, plant and equipment comprise of owned and leased assets that do not meet the definition of investment property.

Impairment losses not recognised in the year:

During the year ended on 31 March 2026, there were no impairment indicators. Hence, no impairment loss has been recognised.

Depreciation Method and Useful Life

The depreciation methods used and the useful lives or the depreciation rates used are mentioned in Note on Material Accounting Policies.

GROMAX AGRI EQUIPMENT LIMITED
(FORMERLY KNOWN AS MAHINDRA GUJARAT TRACTOR LIMITED)

Tangible Asset given to Co-operative Society on Hire Purchase

Certain fixed assets were transferred to various Industrial Co-operative Societies on hire purchase basis, had been reduced from the Gross Block of Fixed Assets of the Company in the year of actual transactions in past, but they still remain the property of the Company till the last instalment is paid.

Note No. 4 - Other Intangible Assets

Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at 1 st April, 2025	53.95	53.95
Additions from acquisitions	—	—
Eliminated from Books of Account	(41.36)	(41.36)
Balance As at 31st March, 2026	12.59	12.59
II. Accumulated depreciation and impairment		
Balance as at 1 st April, 2025	53.95	53.95
Amortisation expense for the year	—	—
Eliminated from Books of Account	(41.36)	(41.36)
Balance As at 31st March, 2026	12.59	12.59
III. Net carrying amount (I-II)	—	—

Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at 1 st April, 2024	53.95	53.95
Additions from acquisitions	—	—
Eliminated from Books of Account	—	—
Balance as at 31st March, 2025	53.95	53.95
II. Accumulated depreciation and impairment		
Balance as at 1 st April, 2024	53.95	53.95
Amortisation expense for the year	—	—
Eliminated from Books of Account	—	—
Balance as at 31st March, 2025	53.95	53.95
III. Net carrying amount (I-II)	—	—

Note No. 5 - Investments (Non-Current)

Particular	As at 31 st March, 2026		As at 31 st March, 2025	
	QTY	Amount Rs.	QTY	Amount Rs.
Investments Carried at:				
Designated as Fair Value Through Profit and Loss				
I. Unquoted Investments (all fully paid)				
Other Non-Current Investments	—	4.45	—	4.45
Total Unquoted Investments	—	4.45	—	4.45
TOTAL INVESTMENTS CARRIED AT FAIR VALUE	—	4.45	—	4.45
TOTAL INVESTMENTS	—	4.45	—	4.45
Total Impairment value for investment carried at FVTPL	—	(4.45)	—	(4.45)
TOTAL INVESTMENTS CARRYING VALUE	—	—	—	—

Note:

Details of Investments in the Shares of Industrial Co-Operative Societies within Gromax Premises

Sr.	Name of Industrial Co-Operative Societies	% of Holding of Company	No. of shares held by Company	As at 31 st March, 2026	As at 31 st March, 2025
1	Pragati Industrial Co-operative Society Limited	41.61%	228	1.14	1.14
2	Sarvoday Industrial Co-operative Society Limited	40.00%	140	0.70	0.70
3	Parishram Industrial Co-operative Society Limited	37.93%	154	0.77	0.77
4	Adarsh Industrial Co-operative Society Limited	36.84%	140	0.70	0.70
5	Akshay Industrial Co-operative Society Limited	40.04%	227	1.14	1.14
	TOTAL			4.45	4.45

Note No. 6 - Trade receivables

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Trade receivables		
1) Secured, considered good	1,301.88	391.96
2) Unsecured, considered good	2,269.73	3,123.76
3) Which have significant increase in Credit Risk	—	—
4) Credit impaired	1,273.34	1,679.11
	4,844.96	5,194.83
Less: Allowance for expected credit loss	(1,273.34)	(1,679.11)
TOTAL	3,571.61	3,515.72

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Trade Receivables as on 31st March 2026 >

Outstanding for following periods from due date of payment

Particulars	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	3,212.79	246.12	6.24	2.39	1.01	3,468.55
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	—	—	—	—	—	—
(iii) Undisputed Trade Receivables — credit impaired	—	207.91	29.12	17.06	45.43	299.52
(iv) Disputed Trade Receivables — considered good	—	—	—	—	—	—
(v) Disputed Trade Receivables — which have significant increase in credit risk	52.29	50.78	—	—	—	103.07
(vi) Disputed Trade Receivables — credit impaired	—	9.34	196.64	251.44	516.40	973.82
Trade Receivables as on 31st March 2026 >	3,265.08	514.15	232.00	270.89	562.83	4,844.96
Trade Receivables as on 31st March 2026 less of allowance for expected credit loss	3,265.08	296.89	6.24	2.39	1.01	3,571.61

Trade Receivables as on 31st March 2025

Outstanding for following periods from due date of payment

Particulars	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	3,000.51	387.79	36.82	32.51	48.32	3,505.96
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	—	—	—	—	—	—
(iii) Undisputed Trade Receivables — credit impaired	0.00	58.75	546.84	435.61	335.65	1,376.85
(iv) Disputed Trade Receivables — considered good	—	—	—	—	—	—
(v) Disputed Trade Receivables — which have significant increase in credit risk	1.22	8.55	—	—	—	9.77
(vi) Disputed Trade Receivables — credit impaired	—	2.85	20.94	58.81	219.66	302.25
Trade Receivables as on 31st March 2025 >	3,001.74	457.93	604.60	526.93	603.63	5,194.83
Trade Receivables as on 31st March 2025 less of allowance for expected credit loss	3,001.74	396.34	36.82	32.51	48.32	3,515.72

Note:

The Company has Bank Guarantees as security as on 31st March 2026: Rs. 1214 Lakhs (31 March 2025: Rs. 171.00 Lakhs), where appropriate, as a means of mitigating the risk of financial loss from defaults. Other than these, the Company also has Security Deposits of various dealers as necessary amount, classified under Note No. 17.

Note No. 7 - Loans

Particulars	As at 31 st March, 2026	As at 31 st March, 2025	Particulars	As at 31 st March, 2026	As at 31 st March, 2025
	Current	Non - Current			
Other Advances	—	—	Current Tax:		
Advances to Employees	—	—	In respect of current year	21.86	—
GRAND TOTAL	—	—	In respect of prior years	—	—
			Total income tax expense on continuing operations	21.86	—

(b) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Note No. 8 - Other Financial Assets

Particulars	As at 31 st March, 2026	As at 31 st March, 2025	Particulars	As at 31 st March, 2026	As at 31 st March, 2025
	Current	Non - Current			
Interest accrued on Deposits	16.71	—	Profit before tax from continuing operations and OCI	763.62	(359.45)
Other Bank Balances	—	2,884.58	Income tax expense calculated at 25.168%	192.18	(90.46)
Security Deposits	—	73.38	Effect of expenses that is non-deductible in determining taxable profit	182.75	9.99
Other Receivables	15.08	—	Effect of Expenses on which deferred tax asset is not created	(227.45)	74.44
TOTAL	31.79	2,957.96	Effect of current year losses for which no deferred tax asset is recognised	—	6.03
			Effect of reversal of previous year losses on which deferred tax is not recognised	(125.62)	—
			Others	—	—

Notes:

The carrying amount of Fixed deposit pledged as security for Cash Credit Facility from Bank is Rs 2637.35 as on 31 March 2026

Note No. 9 - Current Tax and Deferred Tax (Non Current and Current)

(a) Income Tax recognised in profit or loss

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Advance Payment of Income Tax	388.93	348.76
Provisions for Income Tax	(186.60)	(164.74)
Total	202.33	184.02

(c) Deferred Tax Asset

During the year, the Company has recognized deferred tax in respect of deductible temporary differences, based on management's assessment of the probability of availability of future taxable profits. Based on the business projections available at the reporting date, management believes that sufficient taxable profits will be generated in future against which such deferred tax assets can be utilized, as required under Ind AS 12- Income Taxes.

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Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Deferred Tax Asset (DTA)		
Gratuity and Leave Encashment	100.47	43.27
Provision for Doubtful Debts and Advances	283.81	377.60
Unabsorbed Depreciation	—	—
Other comprehensive income	5.18	—
	<u>389.46</u>	<u>420.87</u>
Deferred Tax Liability (DTL)		
Depreciation	(117.78)	(110.50)
Bonus	0.17	(0.08)
	<u>(117.60)</u>	<u>(110.58)</u>
Net Deferred Tax Assets recognised	<u>271.86</u>	<u>310.30</u>

Note No. 10 - Other assets

Particulars	Current	As at 31 st March, 2026 Non - Current	Current	As at 31 st March, 2025 Non - Current
1 Capital advances				
(i) For Capital work-in-progress	0.27	27.14	0.11	10.88
2 Advances other than capital advances				
(i) Balances with government authorities (other than income taxes)	2,664.56	12.57	2,704.59	—
(ii) Prepaid Expenses	27.40	—	18.88	—
(iii) Vendor Advances	171.55	—	66.36	—
(iv) Advances to Employees	2.64	—	1.84	—
Total	<u>2,866.41</u>	<u>39.72</u>	<u>2,791.77</u>	<u>10.88</u>

Note:
Details of Balances with Government Authorities (other than Income Tax) by Category

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
1 Balances with GST Authorities	2,677.13	2,704.59
Total	<u>2,677.13</u>	<u>2,704.59</u>

Note No. 13 - Equity Share Capital

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity Shares of Rs. 10 each	5,50,00,000	5,500.00	5,50,00,000	5,500.00
Issued, Subscribed and Fully Paid:				
Equity Shares of Rs. 10 each	5,43,01,979	5,430.20	5,43,01,979	5,430.20
Total	<u>5,43,01,979</u>	<u>5,430.20</u>	<u>5,43,01,979</u>	<u>5,430.20</u>

Note:

(i) **Issued and Subscribed Capital includes -**

- 15,00,000 Equity Shares of Rs. 10 each issued to Government of Gujarat in Financial Year 1979-1980 as fully paid up, without receiving payment in cash, being the consideration for transfer of the undertaking of Hindustan Tractors Limited to the Company.
- 9,00,000 Equity Shares of Rs. 10 each issued to Government of Gujarat in Financial Year 1981-1982 consequent upon conversion of loan of Rs. 90,00,000 into Equity Share Capital.
- 11,979 Equity Shares of Rs. 10 each issued to Government of Gujarat in Financial Year 1981-1982 as fully paid up, being the reimbursement of preliminary expenses incurred by them on the formation of the Company.
- 20,90,000 Equity Shares of Rs. 10 each issued to Government of Gujarat in Financial Year 1985-1986 consequent upon conversion of loan of Rs. 2,09,00,000 into Equity Share Capital.

Note No. 11 - Inventories

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
1 Raw materials	3,245.19	1,802.30
2 Work-in-progress	166.32	113.60
3 Finished and semi-finished goods	2,411.41	1,645.15
4 Loose Tools	30.08	29.99
5 Stock-in-trade	3.54	7.64
Total Inventories (at lower of cost and net realisable value)	<u>5,856.53</u>	<u>3,598.67</u>

Notes:

Inventory of Raw Materials of Rs. 111.51 Lakhs is in transit as on 31 March 2026 (31 March 2025: Rs 86.82).

Mode of valuation of inventories is at lower of cost and net realisable value.

Note No. 12a - Cash and cash equivalents

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Cash and cash equivalents		
1 Balances with banks	0.06	0.06
2 Cash on hand	0.05	0.05
Total Cash and cash equivalents	<u>0.11</u>	<u>0.11</u>

Note No. 12b - Other Bank Balances

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Other Bank Balances		
1 Balances with Banks:		
(i) On Margin Accounts	2.75	22.81
(ii) Fixed Deposits with maturity greater than 3 months	—	—
Total Other Bank balances	<u>2.75</u>	<u>22.81</u>

Note:

Margin Money Deposits are against the Company's Cash Credit Limit, Letter of Credit and Bank Guarantee issued.

Cash and cash equivalents include cash in hand and balance in banks.

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- (e) 1,08,00,000 Equity Shares of Rs. 10 each issued to Government of Gujarat in Financial Year 1992-1993 consequent upon conversion of loan of Rs. 10,80,00,000 into Equity Share Capital.
- (f) Out of 1,53,01,979 Equity Shares, as stated above held by the Government of Gujarat, 91,81,188 Equity Shares were divested by sale to Mahindra Group. The holding by Mahindra Group is as follows. 16,83,218 Equity Shares are held by Mahindra & Mahindra Limited, the holding Company, including 7 Equity Shares jointly with its nominees and 74,97,970 Equity shares are held by Mahindra Holdings Limited.
- (g) During the financial year Financial Year 2016-2017, the Company has raised fund through right issue of equity shares 3,90,00,000 of Rs. 10 each to existing equity shareholders in their shareholding ratio.

(ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	Opening Balance	Fresh Issue	Closing Balance
(a) Equity Shares of Rs. 10 each			
Year ended 31 March 2026			
No. of Shares	5,43,01,979	–	5,43,01,979
Amount	5,430.20	–	5,430.20
Year ended 31 March 2025			
No. of Shares	5,43,01,979	–	5,43,01,979
Amount	5,430.20	–	5,430.20

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	No. of Shares
As at 31st March, 2026	
Mahindra Holdings Limited, the Holding Company	2,66,07,970
Mahindra & Mahindra Limited, the Ultimate Holding Company	59,73,218
As at 31st March, 2025	
Mahindra Holdings Limited, the Holding Company	2,66,07,970
Mahindra & Mahindra Limited, the Ultimate Holding Company	59,73,218

(iv) Details of shares held by each shareholder holding more than 5% shares and shares held by promoters:

Class of shares/ Name of shareholder	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity Shares of Rs. 10 each				
Mahindra Holdings Limited, the Holding Company	2,66,07,970	49%	2,66,07,970	49%
Mahindra & Mahindra Limited, the Ultimate Holding Company	59,73,218	11%	59,73,218	11%
Government of Gujarat	2,17,20,791	40%	2,17,20,791	40%

Trade Payables Ageing schedule as on 31st March 2026

Particulars	
(i) MSME	
(ii) Others	
(iii) Disputed dues - MSME	
(iv) Disputed dues - Others	
Trade Payables as on 31st March 2026 >	

Note No. 14 - Other Equity

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Capital Reserve	217.13	217.13
Retained Earnings	(1,072.57)	(2,080.99)
Other Comprehensive Income	(24.13)	(8.74)
Total	(879.57)	(1,872.60)

Movement in Reserves

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(I) Capital Reserve		
Balance as at the beginning of the year	217.13	217.13
Add/Less: Additions/ Utilised during the year	–	–
Balance as at the end of the year	217.13	217.13
(II) Retained Earnings		
Balance as at the beginning of the year	(2,080.99)	(1,720.26)
Add :		
Profit/(Loss) for the period	1,008.43	(360.72)
Other Adjustment	–	–
Balance as at the end of the year	(1,072.57)	(2,080.99)
(III) Other Comprehensive Income		
Balance as at the beginning of the year	(8.74)	(10.00)
Add :		
Other Comprehensive Income/(Loss)	(15.40)	1.26
Balance as at the end of the year	(24.13)	(8.74)

Note No. 15 - Lease Liabilities

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Current	Non Current	Current	Non Current
(a) Lease Liability - Buildings	–	–	–	–
(b) Lease Liability - Vehicles	–	–	–	–
Total Lease Liabilities	–	–	–	–

Note No. 16 - Trade Payables

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Trade payables - Micro and small enterprises	467.10	162.01
Trade payables - Other than micro and small enterprises	8,500.26	7,238.99
Total trade payables	8,967.36	7,401.00

Outstanding for following periods from due date of payment

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	467.10	–	–	–	467.10
(ii) Others	8,465.18	35.08	–	–	8,500.26
(iii) Disputed dues - MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–
Total	8,932.28	35.08	–	–	8,967.36

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Trade Payables Ageing schedule as on 31st March 2025

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	162.01	–	–	–	162.01
(ii) Others	7,223.98	15.01	–	–	7,238.99
(iii) Disputed dues - MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–
Trade Payables as on 31st March 2025 >	7,385.99	15.01	–	–	7,401.00

Notes:

- Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.
- There are some Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than the stipulated period. The information regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures required to be made as per the Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
I. Dues remaining unpaid		
- Principal	464.68	161.52
- Interest	2.42	0.50
II. Interest paid in terms of Section 16 of the Act	–	–
III. Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	2.42	0.50
IV. Amount of interest accrued and remaining unpaid	0.42	0.50
V. Amount of interest due and payable on previous year's outstanding amount	–	–

Note No. 17 - Other Financial Liabilities

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Other Financial Liabilities Measured at Amortised Cost		
(A) Non Current		
1 Trade and Security Deposits	197.30	222.91
2 Interest Payable	–	0.07
Total Other Non Current Financial Liabilities	197.30	222.98
(B) Current		
1 Unpaid dividends (Preference dividend, considered as interest)	1,098.95	1,056.45
2 Trade and Security Deposits	197.70	244.05
3 Unpaid matured preference shares	500.00	500.00
4 Other liabilities		
(a) Capital Creditors	4.23	34.24
(b) Employee Payables	26.14	22.00
(c) Expenses accruals	710.93	329.97
(d) Others	2.94	3.30
Total Other Current Financial Liabilities	2,540.89	2,189.99

Note:

Movement of Warranty Provision

	Balance at the beginning of the year	Provision made during the year	Provision used during the year	Provision written back during the year	Balance at the end of the year
Provision for Warranties					
Financial Year 2025-2026	246.76	253.06	55.22	–	444.60
Financial Year 2024-2025	153.88	165.12	72.24	–	246.76

Provision for warranty has been recognised for expected warranty claims on products sold during the last two financial years. It is expected that the majority of this expenditure will be incurred in the next financial year.

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Movement of Service Coupon Provision

	Balance at the beginning of the year	Provision made during the year	Provision used during the year	Provision written back during the year	Balance at the end of the year
Provision for Service Coupon					
Financial Year 2025-2026	57.63	27.86	23.36	–	62.13
Financial Year 2024-2025	54.21	39.63	36.21	–	57.63

Note No. 19 - Other Current Liabilities

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
1. Other Current Liabilities		
(a) Statutory dues	158.45	60.47
(b) Contract Liabilities	201.66	228.48
(C) MSME Interest provision	0.42	–
Total Other Liabilities	360.54	288.95

Note No. 20 - Borrowings

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(A) Non Current Borrowings		
1. Unsecured Borrowings		
(a) Loans repayable on demand		
– From Banks	–	–
Total Non Current Borrowings	–	–
(B) Current Borrowings		
1. Secured Borrowings		
(a) Loans repayable on demand		
– From Banks	162.51	323.39
Total Current Borrowings	162.51	323.39

Note:

Secured Loans repayable on demand from Bank

Cash Credit facilities from Banks are secured against Fixed deposits.

Further, quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of account and there are no discrepancies.

Note No. 21 – Revenue from Operations

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
1 Revenue from sale of products	39,632.93	29,249.60
2 Other operating revenue (Royalty)	140.15	153.51
Total Revenue from Operations	39,773.09	29,403.11

Note:

Breakup of Revenue into contracts entered in previous year and in current year as per IND AS 115

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
1 Revenue from PO/ contract/agreement entered into in previous year	–	–
2 Revenue from New PO/ contract/ agreement entered into in current year	39,773.09	29,403.11
Total	39,773.09	29,403.11

Note No. 22 - Other Income

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
(a) Interest Income		
1. Bank Deposits	166.80	159.90
2. Income Tax	–	1.28
3. Others	2.28	3.24
(b) Profit on sale of property, plant and equipment (net)	–	–
(c) Insurance claim received	–	50.37
(d) Liabilities no longer required written back	76.32	71.84
Total Other Income	245.40	286.63

Note No. 23(a) - Cost of materials consumed

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
Opening stock	1,802.30	865.80
Add: Purchases	34,177.07	25,218.02
	35,979.36	26,083.82
Less: Closing stock	3,245.19	1,802.30
Cost of materials consumed	32,734.18	24,281.53

Note No. 23(b) - Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
Inventories at the end of the year:		
Finished goods	2,411.41	1,645.15
Work-in-progress	166.32	113.60
Stock-in-trade	3.54	7.64
	2,581.27	1,766.38
Inventories at the beginning of the year:		
Finished goods	1,645.15	1,259.28
Work-in-progress	113.60	3.75
Stock-in-trade	7.64	16.85
	1,766.38	1,279.89
Net decrease/(increase)	(814.89)	(486.49)

Note No. 24 - Employee Benefits Expense

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
1 Salaries, wages and bonus	1,916.75	1,736.48
2 Contribution to provident and other funds	107.66	106.12
3 Staff welfare expenses	125.28	119.11
Total Employee Benefits Expense	2,149.69	1,961.71

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Note:

Analysis of Contribution to provident and other funds by Category

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
1 Contribution to Provident Fund	94.26	87.35
2 Contribution to Group Insurance	13.40	18.77
Total	107.66	106.12

Analysis of Staff welfare expenses by Category

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
1 Contribution to Employees State Insurance	7.73	6.35
2 Contribution to Labour Welfare Fund	0.01	0.01
3 Gratuity Provisions	43.44	44.92
4 Other Welfare Expenses	74.10	66.56
5 Defined Benefit Obligation Recognised as Other Comprehensive Income	—	1.26
Total	125.28	119.11

Note:

During the year, the Government of India implemented the Code on Social Security, 2020 which introduced a revised definition of 'wages' for the purpose of computing statutory employee benefits. The Company has evaluated the impact of the revised definition of wages on its gratuity in accordance with Ind AS 19. The change has been treated as a plan amendment and the resulting increase in the defined benefit obligation of Rs 82.73 lakhs has been recognised as past service cost in the Statement of Profit and Loss. Considering the one-time nature of this impact, the Company has presented the amount as an exceptional item in the Statement of Profit and Loss.

Note No. 25 - Finance Costs

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
1 Interest expense	23.37	10.59
2 Dividend on redeemable preference shares	42.50	42.50
3 Other borrowing costs	1.40	1.00
Total finance costs	67.27	54.09

Note:

Analysis of Interest Expenses by Category

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
(a) On Secured Borrowings - Loan from Banks	20.95	18.12
(b) On Others (Including Interest unwinding on Lease Liability)	2.42	(7.53)
Total	23.37	10.59

Analysis of Other Borrowing Costs by Category

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
(a) Bank Charges	1.40	1.00
Total	1.40	1.00

Note No. 26 - Other Expenses

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
1 Stores consumed	45.05	38.82
2 Tools consumed	2.87	0.55
3 Power and fuel	95.06	82.33
4 Rent including lease rentals	5.74	7.06
5 Rates and taxes	41.96	42.15
6 Insurance	15.78	16.88
7 Repairs and maintenance		
— Buildings	28.79	6.51
— Machinery	46.35	32.77
— Others	18.48	5.59
8 Postage, Telephone and Communication	13.28	9.67
9 Legal and Professional Charges	520.51	559.40
10 Freight outward	691.77	512.84
11 Sales promotion expense	425.40	224.56
12 Travelling and Conveyance Expenses	553.08	412.17
13 Subcontracting, Hire and Service Charges	426.20	302.70
14 Provision for doubtful trade and other receivables, loans and advances	226.76	486.78
15 Auditors' remuneration	5.75	5.75
16 Miscellaneous expenses	212.10	206.37
17 Provision for warranty	253.06	165.12
18 Loss on sale of property, plant and equipment (net)	6.28	(4.42)
19 Bad Debts written off	598.44	225.45
Less: Provision for Doubtful Debts written back	(598.44)	(225.45)
20 Bad Advances written off	46.66	—
Less: Provision for Doubtful Advances written back	(46.66)	—
Total Other Expenses	3,634.27	3,113.61

Note:

Details of Payments to Statutory Auditors

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
1 Statutory Audit Fees	4.00	4.00
2 Tax Audit Fees	1.75	1.75
Total	5.75	5.75

Note No. 27 - Disclosures under Ind AS 105

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
Cash flows from continuing operations		
Net Cash inflows/outflows from operating activities	436.11	197.96
Net cash inflows/outflows from investing activities	(251.86)	(258.16)
Net cash inflows/outflows from financing activities	(184.25)	60.19
Net Cash inflows	(0.00)	(0.00)

Note No. 28 - Earnings/(loss) per Share

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
Basic Earnings/(loss) per share		
From continuing operations (in Rupees)	1.86	(0.66)
Total basic earnings/(loss) per share	1.86	(0.66)
Diluted Earnings/(loss) per share		
From continuing operations (in Rupees)	1.86	(0.66)
Total diluted earnings/(loss) per share	1.86	(0.66)

Basic earnings/(loss) per share

The earnings/(loss) and weighted average number of ordinary shares used in the calculation of basic earnings/(loss) per share are as follows:

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
Profit/(loss) for the year attributable to owners of the Company	1,008.43	(360.72)
Profit/(loss) used in the calculation of basic earnings/(loss) per share	1,008.43	(360.72)
Weighted average number of equity shares	5,43,01,979	5,43,01,979
Nominal value of Shares (in Rupees)	10.00	10.00
Earnings/(loss) per share from continuing operations - Basic (in Rupees)	1.86	(0.66)
Diluted earnings/(loss) per share		

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
Profit/(loss) for the year used in the calculation of basic earnings per share	1,008.43	(360.72)
Profit/(loss) used in the calculation of diluted earnings per share	1,008.43	(360.72)

The weighted average number of ordinary shares for the purpose of diluted earnings/(loss) per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings/(loss) per share as follows:

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
Weighted average number of equity shares used in the calculation of Basic EPS	5,43,01,979	5,43,01,979
Add:		
ESOPs	-	-
Convertible bonds	-	-
Weighted average number of equity shares used in the calculation of Diluted EPS	5,43,01,979	5,43,01,979

Note:

The Company reports basic and diluted earnings/(loss) per share in accordance with Ind AS 33 on Earnings per share. Basic earnings/(loss) per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings/(loss) per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the authorization for issue of the financial statements by the Board of Directors.

Note No. 29 - Financial Instruments

Capital management

The Company manages capital risk in order to maximize shareholders' profit by maintaining optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. There is no change in the overall capital risk management strategy of the Company compared to last year.

The Company uses debt ratio as a capital management index and calculates the ratio as total liabilities divided by total equity. Total liabilities and total equity are based on the amounts stated in the separate financial statements.

The Company is not subject to externally enforced capital regulation.

Debt-to-equity ratio is as follows:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Debt (A)	1,761.45	1,879.83
Equity (B)	4,550.62	3,557.59
Debt Ratio (A/B)	0.39	0.53

Categories of financial assets and financial liabilities

As at 31st March, 2026

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	-	-	-	-
Loans	-	-	-	-
Current Assets				
Trade Receivables	3,571.61	-	-	3,571.61
Other Bank Balances	2.86	-	-	2.86
Loans	-	-	-	-
Other Financial Assets	31.79	-	-	31.79
Non-current Liabilities				
Borrowings	-	-	-	-
Other Financial Liabilities	197.30	-	-	197.30
Current Liabilities				
Borrowings	162.51	-	-	162.51
Trade Payables	8,967.36	-	-	8,967.36
Other Financial Liabilities	2,540.89	-	-	2,540.89

As at 31st March, 2025

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	-	-	-	-
Loans	-	-	-	-
Current Assets				
Trade Receivables	3,515.72	-	-	3,515.72
Other Bank Balances	22.92	-	-	22.92
Loans	-	-	-	-
Other Financial Assets	5.00	-	-	5.00

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Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Liabilities				
Borrowings	—	—	—	—
Other Financial Liabilities	222.98	—	—	222.98
Current Liabilities				
Borrowings	323.39	—	—	323.39
Trade Payables	7,401.00	—	—	7,401.00
Other Financial Liabilities	2,189.99	—	—	2,189.99

Financial Risk Management Framework

The Company's activities expose it to credit risk. In order to manage the aforementioned risk, the Company operates a risk management policy and a program that performs close monitoring of and responding to risk factors.

CREDIT RISK

(i) Credit risk management

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral (As on 31 March 2026: Rs. 1214.00 Lakhs (31 March 2025: Rs. 171.00 Lakhs), where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee periodically.

Trade receivables consist of a large number of customers, spread across diverse geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable. In case of Exports to Nepal credit guarantee insurance cover is purchased.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks provided by the Company. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on as at 31 March 2026, an amount of Rs. 43.78 Lakhs (31 March 2025: Rs. 51.00 Lakhs) has been recognised as contingent.

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses. The Company has taken dealer deposit and bank guarantees of Dealer which is considered as collateral and these are considered in determination of expected credit losses, where applicable.

The financial instruments of the company mainly consist of trade receivables carried at amortised cost after providing for expected credit loss based on historical credit loss experience and adjusted for forward looking information.

In calculating expected credit loss, the Company has also considered other related credit information for its customers to estimate the probability of default in future.

There is no change in estimation techniques or significant assumptions during the reporting period.

The loss allowance provision is determined as follows:

Particulars	As at 31 st March 2026		Total
	Less than 6 months past due	More than 6 months past due	
Expected loss rate	—	0.69	0.23
Gross carrying amount (Unsecured)	3,265.11	1,579.84	4,844.96
Loss allowance provision	—	1,093.58	1,093.58

As at 31st March 2025

Particulars	Less than 6 months past due	More than 6 months past due	Total
Expected loss rate	—	0.77	0.32
Gross carrying amount (Unsecured)	3,001.74	2,193.10	5,194.83
Loss allowance provision	—	1,679.11	1,679.11

Reconciliation of loss allowance provision for Trade Receivables

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Balance as at beginning of the year	1,679.11	1,417.78
As per ECL in Opening Provisions	—	—
Impairment losses recognised in the year based on lifetime expected credit losses		
- On receivables originated in the year	12.91	486.78
Amounts written off during the year as uncollectible	(598.44)	(225.45)
Balance at end of the year	1,093.58	1,679.11

The loss allowance provision has changed during the period due to amounts written off as uncollectible.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities				
As at 31st March, 2026				
Non-interest bearing	10,071.82	—	—	—
Fixed interest rate instruments	1,598.95	—	—	—
Total	11,670.77	—	—	—
As at 31st March, 2025				
Non-interest bearing	8,357.93	—	—	—
Fixed interest rate instruments	1,556.45	—	—	—
Total	9,914.38	—	—	—

(iii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Secured Cash Credit facility		
- Expiring within one year	2,000.00	2,000.00

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Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Secured Letter of Credit facility		
- Expiring within one year	-	-
Secured Bank Guarantee facility		
- Expiring within one year	-	-
Working Capital Facilities with Bank	2,000.00	2,000.00
Commercial Card Facility		
Continuing Agreement till Termination	-	-
Credit Card Facility	-	-

(iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial assets				
As at 31st March, 2026				
Non-interest bearing	3,606.27	-	-	-
Total	3,606.27	-	-	-
As at 31st March, 2025				
Non-interest bearing	3,543.65	-	-	-
Total	3,543.65	-	-	-

(v) Unhedged Foreign Currency Exposure

Pursuant to the RBI guidelines on "Capital and Provisioning Requirements for Exposures to entities with Unhedged Foreign Currency Exposure" issued vide circular DBOD.No.BP.BC.85/21.06.200/2013-14 dated January 15, 2014, clarifications issued by RBI subsequently vide circular DBOD.No.BP.BC.116/21.06.200/2013-14 dated June 3, 2014 and RBI circular RBI/15-16/431 permitting writing of options dated June 23, 2016 The Company, as on March 31, 2026, does not have any Unhedged Foreign Currency Exposure (UFCE), as defined in the above mentioned RBI circulars.

Note No. 30 - Fair Value Measurement

Fair value of financial assets and financial liabilities that are not measured at fair value:

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Financial assets carried at Amortised Cost:				
1) Trade and other receivables	3,571.61	3,571.61	3,515.72	3,515.72
2) Loans	-	-	-	-
3) Deposits and similar assets	2,937.92	2,937.92	2,807.65	2,807.65
Financial liabilities				
Financial liabilities held at amortised cost:				
1) Bank loans	162.51	162.51	323.39	323.39
2) Loans from Related Party	-	-	-	-

Note No. 31 - Segment information

Revenue from Major Geographic Location

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
Revenue from India		
Revenue from External Customers	27,446.70	20,700.51
Revenue from Related Parties	12,844.59	8,787.74
	40,291.29	29,488.25
Outside India		
Nepal	0.73	-
Total revenue as per profit or loss	40,292.02	29,488.25

Revenue from major products

The following is an analysis of the Company's revenue from continuing operations from its major products:

Particulars	Year Ended on 31 st March, 2026	Year Ended on 31 st March, 2025
Manufactured Goods	38,431.91	28,369.69
Traded Goods	1,341.18	1,033.42
Total	39,773.09	29,403.11

Extent of the reliance on its major customers:

There is no Dealer whose revenue is more than 10% as against the total turnover of the company for the Financial Year 2025-2026.

Note No. 32 - Employee benefits

(A) Defined Contribution Plans:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(a) Provident Fund	94.25	87.01
(b) National Pension Fund	0.02	0.34
(c) Employees' State Insurance (ESI)	7.73	6.35
(d) Gujarat Labour Welfare Fund	0.01	0.01
	102.00	93.71

(B) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit. The defined benefit plans hold a significant proportion of equity type assets, which are expected to outperform government bonds in the long-term while providing volatility and risk in the short-term.

As the plans mature, the Company intends to reduce the level of investment risk by investing more in assets that better match the liabilities.

However, the Company believes that due to the long-term nature of the plan liabilities and the strength of the supporting group, a level of continuing equity type investments is an appropriate element of the Company's long term strategy to manage the plans efficiently.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings and interest rate hedging instruments.

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Inflation risk

Some of the Company's pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). The plans hold a significant proportion of assets in index linked gilts, together with other inflation hedging instruments and also assets which are more loosely correlated with inflation. However an increase in inflation will also increase the deficit to some degree.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the Company's defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

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

Particulars	Valuation as at	
	31-Mar-26	31-Mar-25
Expected Rate of Return on Assets	N.A.	N.A.
Discount rate	6.77%	6.55%
Expected rate of salary increase - Officer	8.00%	6.00%
Expected rate of salary increase - Staff & Cell executive	9.00%	9.00%
Employee Turnover - Officer	18.00%	20.00%
Employee Turnover - Staff & Cell executive	22.00%	17.00%
	IALM	IALM
	(2012-14)	(2012-14)
Mortality Rate During Employment	Ultimate	Ultimate
Retirement Age	60 Years	60 Years
Average Longevity	20	20

Defined benefit plans – as per actuarial valuation on 31st March, 2026

Particulars	Unfunded Plan Gratuity	
	2026	2025
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost:		
Current Service Cost	32.75	34.71
Net interest expense	10.70	11.48
Past service Cost	82.73	–
Components of defined benefit costs recognised in profit or loss	126.17	46.19
Remeasurement on the net defined benefit liability:		
Actuarial gains and loss arising from changes in Demographic Assumptions	(0.10)	(6.02)
Actuarial gains and loss arising from changes in financial assumptions	10.63	14.85
Actuarial gains and loss arising from experience adjustments	10.04	(10.09)
Components of defined benefit costs recognised in other comprehensive income	20.57	(1.26)
Total	146.74	44.92

I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March 2026

1. Present value of defined benefit obligation as at 31 st March 2026	297.72	173.55
2. Fair value of plan assets as at 31 st March 2026	–	–
3. Surplus/(Deficit)	297.72	173.55
4. Current portion of the above	52.80	41.68

Particulars	Unfunded Plan Gratuity	
	2026	2025
5. Non current portion of the above	244.91	131.88
II. Change in the obligation during the year ended 31st March 2026		
1. Present value of defined benefit obligation at the beginning of the year	173.55	159.88
2. Expenses Recognised in Profit and Loss Account		
– Current Service Cost	32.75	34.71
– Interest Expense (Income)	10.70	11.48
3. Recognised in Other Comprehensive Income		
Remeasurement gains/(losses)		
– Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	(0.10)	(6.02)
ii. Financial Assumptions	10.63	14.85
iii. Experience Adjustments	10.04	(10.09)
4. Benefit payments	(22.58)	(31.25)
5. Past service Cost	82.73	–
6. Present value of defined benefit obligation at the end of the year	297.72	173.55

III. Actuarial assumptions

1. Discount rate	6.77%	6.55%
------------------	-------	-------

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Year	Impact on defined benefit obligation		
		Changes in assumption	Increase in assumption	Decrease in assumption
Discount rate	2026	1.00%	-4.10%	4.46%
	2025	1.00%	-3.72%	4.06%
Salary growth rate	2026	1.00%	4.11%	-4.07%
	2025	1.00%	4.30%	-4.07%
Withdrawal Rate	2026	1.00%	-0.41%	0.41%
	2025	1.00%	-0.40%	0.41%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

Maturity profile of defined benefit obligation:

Particulars	2026	2025
Within 1 year	54.56	43.02
1 - 2 year	54.58	30.00
2 - 3 year	41.26	30.06
3 - 4 year	40.00	19.18
4 - 5 year	36.87	18.28
5 - 10 years	120.06	58.53

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The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

The weighted average duration of the defined benefit obligation as at 31 March 2026 is 5.94 years (2025: 5.46 years)

Experience Adjustments :

Particulars	Gratuity				
	2026	2025	2024	2023	2022
1. Defined Benefit Obligation	297.72	173.55	159.88	146.84	130.97
2. Fair value of plan assets	—	—	—	—	—
3. Surplus/(Deficit)	297.72	173.55	159.88	146.84	130.97
4. Experience adjustment on plan liabilities [(Gain)/Loss]	20.57	(1.26)	9.80	14.82	3.20
5. Experience adjustment on plan assets [Gain]/(Loss)]	—	—	—	—	—

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The current service cost and the net interest expense for the year are included in the employee benefits expense in profit or loss of the expense for the year.

Note No. 33 - Related Party Transactions

Analysis of Related Parties:

Sr.	Name of Company	Relationship	Holding Company
1	Mahindra & Mahindra Limited (M & M)	Ultimate Holding Company	—
2	Mahindra Holdings Limited	Holding Company	M & M
3	Mahindra Logistics Limited	Fellow Subsidiary Company	M & M
4	Mahindra CIE Automotive Limited	Associates Company of Holding Company	M & M
5	Mahindra Integrated Business Solutions Limited	Fellow Subsidiary Company	M & M
6	Mahindra & Mahindra Financial Services Limited	Fellow Subsidiary Company	M & M
7	Fifth Gear Ventures Limited	Fellow Subsidiary Company	M & M
8	Mr Neeraj Jain	Independent Director	—
9	Mr S. Nagarajan	Independent Director	—
10	Government of Gujarat	Significant Influence over the Company	—

Details of transaction between the Company and its related parties are disclosed below:

Nature of transactions with Related Parties (Without GST)	For the year ended	Holding Company	Entities having significant influence over Company	Other related parties
Sale of goods	31-Mar-26	12,844.59	—	—
	31-Mar-25	8,787.74	—	—
Purchase of Tractors	31-Mar-26	—	—	—
	31-Mar-25	—	—	—

Nature of transactions with Related Parties (Without GST)	For the year ended	Holding Company	Entities having significant influence over Company	Other related parties
Receiving of services	31-Mar-26	403.69	—	—
	31-Mar-25	457.27	—	—
Royalty	31-Mar-26	26.58	—	—
	31-Mar-25	17.37	—	—
Purchase of Other Components	31-Mar-26	10,973.56	—	1,355.77
	31-Mar-25	7,665.40	—	1,102.58
Purchase of Assets	31-Mar-26	29.51	—	—
	31-Mar-25	12.41	—	—
Expenses Reimbursed - Receipt	31-Mar-26	—	—	—
	31-Mar-25	—	—	—
Expenses Reimbursed - Payment	31-Mar-26	93.27	—	245.24
	31-Mar-25	84.16	—	421.32
Mr S. Nagarajan	31-Mar-26	—	—	2.40
	31-Mar-25	—	—	2.10
Mr Neeraj Jain	31-Mar-26	—	—	2.60
	31-Mar-25	—	—	2.60

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Nature of transactions with Related Parties	Balance as on	Holding Company	Entities having significant influence over Company	Other related parties
Trade payables	31-Mar-26	4,555.84	—	370.20
	31-Mar-25	3,513.49	—	228.20
Trade receivable	31-Mar-26	2,096.79	—	—
	31-Mar-25	1,495.92	—	—
Loans and advances taken	31-Mar-26	—	—	—
	31-Mar-25	—	—	—

Note:

Related Party Transactions are made on arm's length basis.

Note No. 34 - IND AS 115

1 Movement of Contract Assets

Sr. No.	Particulars	As at 31 st March, 2026
	Opening Balance	—
(i)	Additions during the year	—
(ii)	<i>Reclassification Adjustments:</i>	—
	- Reclass of opening balances of contract assets to trade receivables	—
	- Reclass of contract assets (out of additions during the year) to trade receivables	—
(iii)	Cumulative catch up adjustment recognised during the year	—
(iv)	Adjustments due to contract modification	—
(v)	Impairment losses of contract asset	—
(vi)	Addition on account of merger/acquisition of subsidiary	—
(vii)	Deletion on account of demerger/sale of subsidiary	—
(viii)	Currency Translation Adjustments	—
	Closing Balance	—

2 Movement of Contract Liabilities

Sr. No.	Particulars	As at 31 st March, 2026
(i)	Opening Balance	228.48
(ii)	Addition during the year	201.66
(iii)	<i>Reclassification Adjustments:</i>	—
	- Reclass of opening balances of contract liabilities to revenue	(228.48)
	- Reclass of contract liabilities (out of additions during the year) to revenue	—
(iv)	Cumulative catch up adjustment recognised during the year	—
(v)	Adjustments due to contract modification	—
(vi)	Addition on account of merger/acquisition of subsidiary	—
(vii)	Deletion on account of demerger/sale of subsidiary	—
(viii)	Currency Translation adjustments	—
	Closing Balance	201.66

Note No. 35 - Leases

At inception of contract, the Company assesses whether the Contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At inception or on reassessment of a contract that contains a lease component, the Company allocates consideration in the contract to each lease component on the basis of their relative standalone price.

- (i) **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 remeasurement 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 and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Area Office: "Put the life" On the basis of the tenure of the lease agreement

The Company presents right-of-use assets that do not meet the definition of investment property in 'Property, plant and equipment'.

- (ii) **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. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount 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. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured 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.

The Company presents lease liabilities in 'Financial Liabilities' in the Balance Sheet.

- (iii) **Short term leases and leases of low value of assets:** The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption 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.

(A) The Company has lease contracts for area office in its operations. Details of amount recognised in profit and loss:

Amounts recognised in profit and loss	As at 31 st March, 2026	As at 31 st March, 2025
Depreciation expense on right-of-use assets	—	3.08
Interest expense on lease liabilities	—	0.31
Expense relating to short-term leases	—	3.43
Total	—	6.83

(B) The following table set outs maturity analysis of lease liability to be paid after the reporting date:

Maturity Analysis	As at 31 st March, 2026	As at 31 st March, 2025
Not later than one year	—	—
Later than one year but not later than five years	—	—
Total	—	—

(C) The total cash outflow for leases amount to Rs. Nil during the year.

(D) Below are the carrying amount of lease liabilities and the movement during the year:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening Lease Liability	—	8.17
Additions	—	—
Accretion of interest	—	—
Payments	—	(3.16)
Cancellation of Lease during the year	—	(5.01)
Closing Lease Liability	—	—

GROMAX AGRI EQUIPMENT LIMITED
(FORMERLY KNOWN AS MAHINDRA GUJARAT TRACTOR LIMITED)

(E) Below is the breakup of Current and Non current lease liabilities:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Current lease liabilities	—	—
Non current lease liabilities	—	—
Total	—	—

Note No. 36 - Contingent liabilities and commitments

Contingent liabilities (to the extent not provided for)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Contingent liabilities		
1 Bank guarantees	43.78	51.00
2 Bills discounted but not matured	—	—
3 Claims against the company not acknowledged as debt	54.62	55.50
4 Outstanding Demand of Income Tax Against the Company		
(i) Assessment Year 2014-2015	313.73	265.88
Note: Appeal filed with Income Tax Appellate Tribunal on 18th January, 2023 as appeal filed to CIT Appeals has been dismissed on 21st November, 2022 for further assessment being aggrieved with the disallowance of right bad debts claimed in the year.		
(ii) TDS mismatch	—	—

Note No. 37 - Ratios

Sr	Particulars	As at 31 st March, 2026	As at 31 st March, 2025	Remarks for Variance
1	Current Ratio	0.98 : 1	0.94 : 1	Higher Creditors impacted Current ratio
2	Debt-Equity Ratio	0.39 : 1	0.53 : 1	Higher profit resulted in better equity leading to better ratio
3	Debt Service Coverage Ratio	17.70 : 1	-0.76 : 1	Profit in CY Vs loss in PY resulted in better DSC ratio
4	Return on Equity Ratio	19.72%	-6.62%	Profit in CY Vs loss in PY resulted in better ROI ratio
5	Inventory turnover ratio	6.99 Times	8.83 Times	Lower RM and FG inventory resulted into better inventory ratio
6	Trade Receivables turnover ratio	11.29 Times	9.99 Times	Good collection resulted into better trade receivable ratio
7	Trade payables turnover ratio	4.18 Times	4.81 Times	Lower creditor due to good collection from debtors positively impacted Trade payable turnover ratio
8	Net capital turnover ratio	-142.00 Times	-46.53 Times	Increase in overall turnover and increase in Current Liabilities (Net of Current Assets) resulted in adverse Net capital turnover.
9	Net profit ratio	2.69%	-1.21%	Profit in FY 25-26 resulted in better NP ratio
10	Return on Capital employed	14.23%	-5.62%	Profit in FY 25-26 resulted in better ROCE ratio
11	Return on investment	18.26%	-10.10%	Profit in FY 25-26 resulted in better ROI ratio

5 The Company is anticipating to enter into an agreement/MoU for Settlement with various non Hire Purchase Industrial Co-Operative Societies and Ancillaries within Company's Premises, therefore may require to pay Compensation to Co-Operative Societies or its members. Amount of such Compensation is not yet quantified.

6 The Company has entered into an agreement/MoU with Private Sector Banks and NBFCs for retail funding for providing loan to customer who buy company's Tractors. The said MOU also contains a clause on loss sharing in case of default in repayment by customer or loss incurred in case of repossession of asset and its resale. Anticipated loss from these agreements/MoUs are not quantified as of now. The Company is obtaining undertaking from its dealers to ensure no default in terms of these agreements.

Commitments

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Commitments		
1 Estimated amount of contracts remaining to be executed for capital expenditure	60.92	90.61

GROMAX AGRI EQUIPMENT LIMITED
(FORMERLY KNOWN AS MAHINDRA GUJARAT TRACTOR LIMITED)

Note No. 38 - Other Statutory Information

- (a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (c) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (d) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (e) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (f) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (g) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
- (h) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- (i) The Company does not have transactions with any struck off entity.
- (j) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

Note No. 39 - Previous Year Figures

Previous year's figures have been regrouped / reclassified where necessary.

Note No. 40 -Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at the date of authorisation of these financial statements, the Company has not applied the following new amendment to Ind AS that has been issued but is not yet effective:

Amendment to Ind AS 1 Presentation of Financial Statements

In case of any covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the lender subsequently (i.e. after the reporting date but before approval of the financial statements) agrees not to demand payment. The Company does not expect that the adoption of this amendment to have any impact on the financial statements of the Company in future periods

For **B.K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Chaitanya Vinay Joshi
Membership No. 131403
(Partner)
Place : Mumbai
Date : 17th April 2026

For and on behalf of the Board of Directors

Vijay Nakra
DIN: 02638616
(Director)
Ashish Shah
Membership No: 114522
(Chief Financial Officer)

Ravi Soni
(Manager)
Place : Mumbai
Date : 17th April 2026

Manoj Harlalka
DIN: 10711633
(Director)
Jatin Belwalkar
Membership No: ACS-A79934
(Company Secretary)

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF MAHINDRA SOUTH EAST ASIA LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Mahindra South East Asia Limited (the Company), which comprise the statement of financial position as at March 31, 2026, the statement of income and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2026, and its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing. 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 for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and we have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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.

(Mr. Pongteera Chainsakultam)
Certified Public Accountant Registration No. 9387
Cover Biz Company Limited
April 10, 2026

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2026

			Currency : Baht
	Notes	2026	2025
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3 and 4	10,012,357.48	91,989,813.34
Trade and other current receivables	3 and 5	29,262,644.54	13,207,883.20
Inventories	3 and 6	25,602,615.70	47,598,329.55
Other current assets		352,106.06	338,434.01
TOTAL CURRENT ASSETS		65,229,723.78	153,134,460.10
NON - CURRENT ASSETS			
Equipments	3 and 7	2,529,000.57	75,440.44
TOTAL NON - CURRENT ASSETS		2,529,000.57	75,440.44
TOTAL ASSETS		67,758,724.35	153,209,900.54

Notes to financial statements are on integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2026

	Notes	2026	Currency : Baht 2025
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade and other current payables	8	33,759,696.92	63,556,241.65
Other short-term provisions	3	257,754.16	40,864.71
TOTAL CURRENT LIABILITIES		34,017,451.08	63,597,106.36
NON-CURRENT LIABILITIES			
Employee retirement benefit obligation	3 and 9	1,841,257.58	628,558.98
Other long-term provisions	3	324,103.36	51,487.53
TOTAL NON-CURRENT LIABILITIES		2,165,360.94	680,046.51
TOTAL LIABILITIES		36,182,812.02	64,277,152.87
SHAREHOLDERS' EQUITY			
Authorized share capital			
10,000,000 ordinary shares of Baht 10 each		100,000,000.00	100,000,000.00
Issued and paid-up share capital			
10,000,000 ordinary shares of Baht 10 each		100,000,000.00	100,000,000.00
Retained earnings (Deficit)			
Unappropriated		(68,424,087.67)	(11,067,252.34)
TOTAL SHAREHOLDERS' EQUITY		31,575,912.33	88,932,747.66
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		67,758,724.35	153,209,900.54

Notes to financial statements are on integral part of these financial statements.

STATEMENT OF INCOME FOR THE YEAR ENDED MARCH 31, 2026

	Notes	2026	Currency : Baht 2025
REVENUES	3		
Revenues from sales		49,907,919.71	10,595,830.00
Gain on exchange rate		1,239,746.86	—
TOTAL REVENUES		51,147,666.57	10,595,830.00
EXPENSES	3		
Cost of sales		41,316,245.05	7,884,405.56
Selling expenses		42,052,665.48	6,203,117.60
Administrative expenses		25,135,591.37	7,575,559.18
TOTAL EXPENSES		108,504,501.90	21,663,082.34
NET PROFIT (LOSS)		(57,356,835.33)	(11,067,252.34)

Notes to financial statements are on integral part of these financial statements.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED MARCH 31, 2026

					Currency : Baht
	Notes	Issued and paid up share capital	Retained earnings (Deficit)		Total
		Ordinary Shares	Appropriated -statutory reserve	Unappropriated	
Beginning balance as of October 8, 2024		100,000.00	—	—	100,000.00
Changed in shareholders' equity for the period					
Increase Capital	10	99,900,000.00	—	—	99,900,000.00
Net profit (loss) for the period		—	—	(11,067,252.34)	(11,067,252.34)
Ending balance as of March 31, 2025		100,000,000.00	—	(11,067,252.34)	88,932,747.66
Beginning balance as at 1 April 2025		100,000,000.00	—	(11,067,252.34)	88,932,747.66
Changed in shareholders' equity for the year					
Net profit (loss) for the year		—	—	(57,356,835.33)	(57,356,835.33)
Ending balance as of March 31, 2026		100,000,000.00	—	(68,424,087.67)	31,575,912.33

Notes to financial statements are on integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS AS AT MARCH 31, 2026

1 GENERAL INFORMATION

Company status

Mahindra South East Asia Co., Ltd. "The Company" was incorporated as a limited company under Thai Civil and Commercial Code on October 8, 2024, registration no. 0105567208056

Place of company

1840 Sukhumvit Hill office no. 81901, 940 8-9 floor, Sukkumvit Road, Prakanong tai Subdistrict, Prakanong District Bangkok Thailand

Business and operation

The objective of the Company are distribution of tractors and farm implements including their spares parts

2 BASIC OF FINANCIAL STATEMENT PREPARATION

The financial statements have been prepared in accordance with Thai Accounting Standards and Thai Financial Reporting Standards for Non-Publicly Accountable Entities enunciated on Notification of Federation of Accounting Professions (FAP) no. 48 (B.E.2565) under the Accounting Profession Act B.E.2547 which is effective on the financial statements for fiscal year beginning on or after 1 January 2023.

The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development; Define Financial statement abstract B.E.2566 dated 27 October 2566, issued under the Accounting Act B.E.2543 which is effective on the financial statements for fiscal year beginning on or after 1 January 2024.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3 SUMMARIZED SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenue and expenses recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods net of output tax, rebates and discounts. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

Interest income is recognised on time basis, based on principal outstanding and the applicable interest rate.

Other income recognised on an accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents are consist of cash on hand, deposit at banks and high liquid short - term investment which is very safe investments and can be easily converted into cash within 3 months. Bank overdrafts that are repayable on demand.

3.3 Trade and other current receivables

Trade accounts receivable are stated at the net realise value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

3.4 Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is determined by the following method

1. Tractor and Implements: Moving average method

2. Sparepart and others: Moving average method

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. The amount of any write down of inventories to net realisable value is recognised as an expense in the period the write down occurs.

3.5 Equipment

Equipment are stated at cost less accumulated depreciation and allowance for diminution in value of equipment if there is permanent impairment indicator on that assets. The Company reconsider on useful life, depreciation method and scrap value constantly. Depreciation is calculated by a straight-line method over their estimated useful life as follows:

	Year life	
Computer	3	Years
Office Equipment	5	Years
Plant and Machinery (small Tollings)	2-5	Years

3.6 Effects of changes in Foreign exchange rate

Accounts in foreign currency are converted to Thai Baht using the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Thai Baht using the exchange rate as of the statement of financial position date.

Non-monetary assets and liabilities arising from transactions in foreign currencies recorded on a historical cost basis are translated into Thai Baht using the exchange rates prevailing on the transaction dates.

Exchange differences arising from translation are recognized as profit or loss for that period.

3.7 Employee benefits

Short-term employee benefits

The Company recognizes salaries, wages, bonuses and contributions to the Social Security Fund as expenses when incurred.

Retirement benefits

Contribution Program

The Company and its employees have jointly established a provident fund. This comprises the monthly contributions by employees and the Company's monthly contributions. The assets of the provident fund are separated from the assets of the Company. The Company's contributions to the provident fund are recognized as expenses in the year in which they are incurred.

Post-employment benefit plans

The Company recognizes the employee benefit obligations in the statement of financial position under the terms of the Act. Labor Protection Act B.E. 2541, which is calculated according to the debt burden at the end of the period. Estimated gain or loss under a defined benefit plan is recognized immediately in the income statement.

3.8 Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

3.9 Income tax

The Company records income tax on the basis of net taxable profits in accordance with tax laws.

4 CASH AND CASH EQUIVALENTS

	Currency : Baht	
	2026	2025
Consist of:		
Current Deposits Account	10,012,357.48	91,989,813.34
Total	10,012,357.48	91,989,813.34

NOTES TO FINANCIAL STATEMENTS AS AT MARCH 31, 2026

5 TRADE AND OTHER CURRENT RECEIVABLES

	Currency : Baht	
	2026	2025
Consist of:		
Trade receivable	26,234,321.92	10,352,298.64
Other current receivables	78,000.00	15,000.00
Revenue Department receivable	2,680,574.08	2,623,568.56
Prepaid Expenses	269,748.54	217,016.00
Total	29,262,644.54	13,207,883.20

6 INVENTORIES

	Currency : Baht	
	2026	2025
Consist of:		
Finished goods	22,647,427.72	40,695,099.13
Goods in Transit	2,955,187.98	6,903,230.42
Total	25,602,615.70	47,598,329.55

7 EQUIPMENTS

	Currency : Baht			
	Computer	Office Equipment	Plant and Machinery	Total
Consist of:				
Cost				
As at March 31, 2025	52,878.51	13,242.99	13,386.00	79,507.50
Acquisitions	188,336.53	16,057.94	2,420,763.27	2,625,157.74
Disposals	-	-	-	-
As at March 31, 2026	241,215.04	29,300.93	2,434,149.27	2,704,665.24
Accumulated depreciation				
As at March 31, 2025	2,548.99	89.62	1,428.45	4,067.06
Depreciation for the year	61,018.45	3,669.05	106,910.11	171,597.61
Depreciation on disposals	-	-	-	-
As at March 31, 2026	63,567.44	3,758.67	108,338.56	175,664.67
Net book value				
As at March 31, 2025	50,329.52	13,153.37	11,957.55	75,440.44
As at March 31, 2026	177,647.60	25,542.26	2,325,810.71	2,529,000.57
Depreciation for the year				
2025 (Included in administrative expenses)				4,067.06
2026 (Included in administrative expenses)				171,597.61

8 TRADE AND OTHER CURRENT PAYABLES

	Currency : Baht	
	2026	2025
Consist of:		
Trade account payables - Related parties	15,795,442.97	52,344,768.93
Trade account payables - Other parties	2,736,640.26	1,320,538.13

Currency : Baht

	2026	2025
Other current payables	772,540.43	3,719,518.25
Social security payable	21,000.00	9,000.00
Withholding tax payable	382,769.46	111,757.96
Accrued Incentive	5,678,172.00	1,137,020.00
Accrued Expense	8,373,131.80	4,913,638.38
Total	33,759,696.92	63,556,241.65

9 EMPLOYEE RETIREMENT BENEFIT OBLIGATION

The Company calculates employee benefit liabilities at the statutory severance pay rates under the Labor Protection Act. and the length of time employees have worked for the company.

The changes in employee retirement benefit obligation as at March 31, 2026 and 2025 are summarized as followed:

	Currency : Baht	
	2026	2025
Beginning balance of Employee retirement benefit obligation	628,558.98	-
Employee retirement benefit paid during the year	-	-
Current service cost	1,212,698.60	628,558.98
Ending balance of Employee retirement benefit obligation	1,841,257.58	628,558.98

10 INCREASE CAPITAL

The Extraordinary General Meeting of Shareholders No. 1/2024 held on December 17, 2024 passed a resolution to increase the registered share capital for Baht 99,900,000 (9,990,000 ordinary shares with a par value of Baht 10 each). The company registered the capital increase to the Ministry of Commerce on January 2, 2025. Therefore, The company's capital is defined at 100,000,000 baht, divided into 10,000,000 shares with a par value of 10 baht per share.

11 COMMITMENT AND CONTINGENT LIABILITIES

11.1 Operating leases

As of March 31, 2026 and 2025, the Company has commitments from operating lease agreements as follows:

	Period	The rent to be paid for the remaining lease term	
		2026	2025
Office Services	within 1 year	1,793,418.00	584,932.00
	More than 1 year but not more than 5 years	201,954.00	-
Vehicle	within 1 year	1,919,544.00	-
	More than 1 year but not more than 5 years	2,488,237.00	-

12 APPROVAL OF FINANCIAL STATEMENT

These financial statement were authorized for issue by company's authorized director on April 10, 2026

INDEPENDENT AUDITOR'S REPORT

To the Stockholder and the Board of Directors,
Mahindra USA, Inc.

OPINION

We have audited the financial statements of Mahindra USA, Inc. (the "Company"), which comprise the balance sheets as of March 31, 2026, and March 31, 2025, and the related statements of operations, changes in stockholder's (deficit) equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2026, and March 31, 2025, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINION

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable

assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KNAB CPA LLP

Atlanta, Georgia
April 30, 2026

BALANCE SHEETS

(All amounts are stated in United States Dollars, unless otherwise stated)

ASSETS	Note	As at	
		March 31, 2026	March 31, 2025
Current assets			
Cash.....	C	26,858,719	22,607,183
Accounts receivable, net.....	D	2,147,523	1,688,529
Inventories, net.....	E	114,081,763	126,755,113
Due from related parties	O	6,074,298	8,165,925
Other current assets	G	12,687,862	9,825,350
Total current assets.....		161,850,165	169,042,100
Property, plant and equipment, net	F	6,495,281	6,034,941
Deferred tax asset.....	L	30,390,015	30,390,015
Operating lease - right of use assets	K	16,786,913	18,870,118
Finance lease – right of use assets	K	1,124,395	–
Total assets		216,646,769	224,337,174
LIABILITIES AND STOCKHOLDER'S (DEFICIT) EQUITY			
Current liabilities			
Accounts payable.....	H	7,819,824	7,115,178
Due to related parties	O	97,721,121	79,946,730
Other current liabilities	I	93,661,984	93,951,620
Operating lease - current liabilities	K	3,510,106	3,722,090
Finance lease – current liabilities	K	442,573	–
Total current liabilities		203,155,608	184,735,618
Non-current liabilities			
Operating lease – non-current liabilities.....	K	15,161,457	16,746,146
Finance lease – non-current liabilities.....	K	725,627	–
Other liabilities		9,843,660	10,047,903
Total liabilities		228,886,352	211,529,667
Stockholder's (deficit) equity			
Common stock			
Class A - 460,000,000 shared authorized of \$0.25 par value, 456,000,000 shares issued and fully paid up.....	R	114,000,000	114,000,000
Class B – 693,750,000 shares authorized of \$0.16 par value, 672,500,000 shares issued and fully paid up.....	R	107,600,000	107,600,000
Accumulated deficit		(233,839,583)	(208,792,493)
Total stockholder's (deficit) equity		(12,239,583)	12,807,507
Total liabilities and stockholder's (deficit) equity		216,646,769	224,337,174

(The accompanying notes are an integral part of these financial statements)

STATEMENTS OF OPERATIONS

(All amounts are stated in United States Dollars, unless otherwise stated)

	Note	For the year ended	
		March 31, 2026	March 31, 2025
Operating revenues			
Revenue from operations	J	368,267,872	345,740,311
Less: Sales incentives	J	(85,154,419)	(80,074,217)
Total net revenue.....		283,113,453	265,666,094
Less: Cost of sales (excluding depreciation).....		(233,654,374)	(216,541,298)
Gross profit.....		49,459,079	49,124,796
Cost and expenses			
Selling, general and administrative expenses.....		(71,671,280)	(67,276,547)
Depreciation expenses.....		(2,875,838)	(1,625,273)
Operating loss		(25,088,039)	(19,777,024)
Interest income.....		322,984	672,417
Other income.....		382,965	308,059
Net loss before income tax expense.....		(24,382,090)	(18,796,548)
Income tax expense (benefit)	L	665,000	(131,411)
Total net loss		(25,047,090)	(18,665,137)

(The accompanying notes are an integral part of these financial statements)

STATEMENTS OF CHANGES IN STOCKHOLDER'S (DEFICIT) EQUITY

(All amounts are stated in United States Dollars, except number of shares)

Particulars	Common stock – Class A (All shares and US\$ in 000's)				Common stock – Class B (All shares and US\$ in 000's)				Accumulated deficit	Total stockholder's equity
	Authorized		Issued and outstanding		Authorized		Issued and outstanding			
	Shares	Value US\$	Shares	Value US\$	Shares	Value US\$	Shares	Value US\$		
As at April 01, 2024	460,000	115,000	456,000	114,000	693,750	111,000	672,500	107,600	(190,127,356)	31,472,644
Net loss for the year	—	—	—	—	—	—	—	—	(18,665,137)	(18,665,137)
As at March 31, 2025	460,000	115,000	456,000	114,000	693,750	111,000	672,500	107,600	(208,792,493)	12,807,507
As at April 01, 2025	460,000	115,000	456,000	114,000	693,750	111,000	672,500	107,600	(208,792,493)	12,807,507
Net loss for the year	—	—	—	—	—	—	—	—	(25,047,090)	(25,047,090)
As at March 31, 2026	460,000	115,000	456,000	114,000	693,750	111,000	672,500	107,600	(233,839,583)	(12,239,583)

(The accompanying notes are an integral part of these financial statements)

STATEMENTS OF CASH FLOWS

(All amounts are stated in United States Dollars, unless otherwise stated)

	For the year ended	
	March 31, 2026	March 31, 2025
Cash flows from operating activities		
Net loss	(25,047,090)	(18,665,137)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation expenses	2,875,838	1,625,273
Profit on sale of property, plant and equipment	(15,604)	(20,834)
Unrealized foreign exchange gain	(180,390)	(1,346,230)
Changes in net operating assets and liabilities		
Accounts receivable, net	(471,471)	(70,356)
Due from related parties.....	2,091,627	1,256,771
Inventories, net	12,673,350	13,156,787
Other current assets	(2,862,512)	(9,347,155)
Accounts payable	721,667	(4,043,943)
Due to related parties.....	17,774,391	(7,677,267)
Operating lease- right of use asset.....	2,083,205	4,077,881
Operating lease- lease liability	(1,796,673)	(3,845,875)
Other current and non-current liabilities.....	(474,190)	5,552,242
Net cash provided by (used in) operating activities.....	7,372,148	(19,347,843)
Cash flows from investing activities		
Purchase of property, plant, and equipment	(2,964,655)	(2,126,721)
Proceeds from sale of property, plant, and equipment.....	52,628	109,162
Net cash used in investing activities.....	(2,912,027)	(2,017,559)
Payment of principal finance lease obligations	(384,433)	—
Cash flows used in financing activities	(384,433)	—
Effect of exchange rate changes on cash held in foreign currency	175,848	521,531
Net increase (decrease) in cash.....	4,251,536	(20,843,871)
Cash at the beginning of the year	22,607,183	43,451,054
Cash at the end of the year	26,858,719	22,607,183
Supplemental cash flow information		
Income taxes paid.....	576,840	631,383
Interest paid	85,520	—
Supplemental non-cash flow information		
Right-of-use assets obtained in exchange for operating lease liability.....	2,824,775	7,594,425
Right-of-use assets obtained in exchange for finance lease liability	1,532,960	—

(The accompanying notes are an integral part of these financial statements)

NOTES TO FINANCIAL STATEMENTS

NOTE A - NATURE OF OPERATIONS

Mahindra USA, Inc. (the "Company") ("MAgNA") was incorporated on June 8, 1994, in the State of Texas and commenced business on March 15, 1995. The Company is owned by Mahindra and Mahindra Ltd. ("Parent Company" or "M&M"). M&M is a publicly traded corporation, headquartered in Mumbai, India, which, among other activities, manufactures farming equipment and automobiles. The Company sells tractors, parts, attachments, accessories and off-road vehicles in North America under wholesale distribution agreements.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are detailed below:

1. Basis of preparation

- a. The accompanying financial statements are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting and reporting requirements of generally accepted accounting principles in the United States of America ("US GAAP").
- b. All amounts are stated in United States Dollars (USD), except as otherwise specified.
- c. The financial statements are presented for the years ended March 31, 2026, and March 31, 2025.
- d. The figures of the previous year have been regrouped or reclassified wherever necessary to conform to current year's classification. These changes had no impact on previously reported net loss and accumulated deficit.

2. Going concern

During the years ended March 31, 2026, and March 31, 2025, the Company incurred net losses of \$25,047,090, and \$18,665,137, respectively. Further, as of March 31, 2026, and March 31, 2025, the Company has an accumulated deficit of \$233,839,583, and \$208,792,493, and has negative working capital of \$41,305,443, and \$15,693,518, respectively.

The Company has uncommitted line of credit available of \$110,000,000 as of March 31, 2026, of which \$75,000,000 uncommitted credit line is available until June 30, 2026, and remaining until January 2027. The Company is also in the process of securing additional equity from Parent Company of approximately \$50,000,000. The Company believes that infusion of additional equity from parent, cash flows to be generated from operations and ability to avail borrowings from uncommitted line of credit from banks will be sufficient to meet the Company's current anticipated cash needs including working capital needs and various contractual obligations, for at least the next twelve months from the date the financial statements are available for issue. Accordingly, the financial statements have been prepared on a going concern basis.

3. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management's estimates for determination of useful lives for property, plant & equipment, and long-lived assets for impairment, allowance for incentives and warranties, legal and tax contingencies, allowance for expected credit losses, discount rate for lease liabilities and provision for inventory at the balance sheet date represent certain of these particularly sensitive estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates prospectively in the current and future periods.

4. Cash

The Company's cash comprises of balances with bank. The carrying value of cash approximates fair value because of the short maturities of those financial instruments. Cash balances in US bank accounts are insured by the Federal Deposit Insurance Corporation up to an aggregate of \$250,000. The Company believes it is not exposed to any significant risk on cash.

5. Revenue recognition

Revenue from sale of tractors, parts, attachments, accessories, and off-road vehicle products is recognized when each of the following criteria is met:

1. The Company and an independent dealer approve a contract with commercial substance.
2. The sales price is determinable, and collectability of the payment is probable based on the terms outlined in the contract.
3. Control of the goods is transferred to the dealer when the ordered goods are invoiced to the dealer and when the ordered items are shipped.

Transfer of control, and therefore revenue recognition is recorded at a point in time on the date when the tractors, parts, attachments, accessories, and off-road vehicle products are shipped to the dealers.

The Company participates in various retail sales incentives with its dealers. The Company records the estimated retail sales incentive programs offered to dealers as a reduction to revenue at the time of sale to the dealer. The estimate is based on historical data, announced incentive programs, field inventory levels, and retail sales volumes.

Revenue from sale of off-road vehicle products

The Company entered into a distribution agreement with Mahindra Automotive North America Inc. ("MANA"), its related party, for sale of off-road vehicle and its parts and accessories manufactured by MANA, in North America. The Company has an arrangement with MANA for supply of off-road vehicles whereby the Company has recorded sales of these vehicles on a gross basis, as it is acting as a principal in such sales.

Product warranties

The Company establishes reserves for product warranties at the time the related sale is recognized. The Company issues product warranties under which the performance of products delivered is generally guaranteed for a certain term. The accrual for product warranties includes the expected costs of warranty obligations imposed by law or contract, as well as the expected costs for policy coverage.

6. Accounts receivable and allowance for expected credit losses

Accounts receivables are stated at the amount billed to customers. Accounts receivable are recorded at the invoiced amount, net of allowance for credit losses. The Company regularly reviews the adequacy of the allowance for credit losses based on a combination of factors. In establishing any required allowance, management considers historical losses adjusted for current market conditions, the current receivables aging, current payment terms and expectations of forward-looking loss estimates.

Further, the Company has applied scope exception as per Accounting Standard Codification ("ASC") 326-20-15-3, for the accounts receivables balance from entities under common control. Therefore, the Company has not recorded any allowance for credit losses on receivables balance from entities under common control.

7. Inventories

Inventories are stated at moving average price or net realizable value whichever is lower. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price less applicable selling expenses. The Company writes down obsolete or otherwise unmarketable inventory to its estimated realizable value.

8. Property, plant and equipment, net

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Cost of items of property, plant and equipment comprise the cost of purchase, improvements and other costs necessarily incurred to bring it to the condition and location necessary for its intended use. Depreciation is provided over the useful lives of the related assets using the straight-line method for financial reporting and the modified accelerated cost recovery method for tax purposes. Leasehold improvements are amortized over the shorter of the lease term or their respective estimated useful lives.

The estimated useful life used to determine depreciation is:

Buildings and building improvements	7-10 Years
Furniture and fixtures	3-10 Years
Plant & machinery	3-7 Years
Computer and software	3-5 Years
Vehicles	3-5 Years

Deposits paid towards the acquisition of property, plant and equipment outstanding as of each balance sheet date and the cost of property, plant and equipment not ready for use before such date are disclosed under capital work-in-progress. Upon retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the accounts, and the resulting gain or loss is a part of net operating loss.

Development costs related to internally generated software are capitalized once a project has progressed beyond a conceptual, preliminary stage to that of the application development stage. Costs of significant improvements on existing software for internal use, both internally developed and purchased, are also capitalized. Costs related to the preliminary project stage, data conversion and post-implementation/operation stage of an internal use software development project are expensed as incurred.

9. Leases

The Company's leases are classified as operating leases, which are included in operating lease right-of-use assets and operating lease liabilities in the Company's balance sheet. Lease arrangements, which effectively transfer control of the underlying leased item, are capitalized, and recognized as finance leases.

Right-of-use ("ROU") assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date for leases exceeding 12 months. Minimum lease payments include only the fixed lease component of the agreement, as well as any variable rate payments that depend on an index, initially measured using the index at the lease commencement date. Lease terms may include options to renew when it is reasonably certain that the Company will exercise that option.

The Company estimates its incremental borrowing rate for each lease based on the respective weighted average term of the agreements. This estimation considers the market rates of the Company's outstanding collateralized borrowings and interpolations of rates outside of the terms of the outstanding borrowings, including comparisons to comparable borrowings of similarly rated companies with longer term borrowings.

Operating lease expense is recognized on a straight-line basis over the lease term and is included in selling, general and administrative expense in the statements of operations. Leases with a lease term of 12 months or less from the commencement date that do not contain a purchase option are recognized as an expense on a straight-line basis over the lease term.

10. Income taxes

Income taxes are accounted for using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. The deferred tax asset is reduced by a valuation allowance if it is more likely than not that some portion or all of the assets will not be realized.

11. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency at the rates of exchange prevailing at the date of the transaction. Monetary items denominated in foreign currency remaining unsettled at the end of the year are translated at the closing rates as at the last day of the year. Gains or losses, if any, on account of exchange differences either on settlement or translation are recognized in statements of operations, except those relating to acquisition of fixed assets which are adjusted to the cost of the asset.

12. Fair value measurements and financial instruments

The fair value hierarchy requires the use of observable market data when available. In instances where the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest level input significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular item to the fair value measurement in its entirety requires judgment, including the consideration of inputs specific to the asset or liability. Hierarchical levels which are directly related to the amount of subjectivity associated with the inputs to the valuation of these assets or liabilities are as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Observable inputs other than quoted prices include in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 - Unobservable inputs that are supported by little or no market activity. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value.

The Company's financial instruments consist of cash, accounts receivable, accounts payable and related party dues. The estimated fair value of cash, accounts receivable, accounts payable and related party dues approximate their carrying amounts due to the short-term nature of these instruments. None of these instruments are held for trading purposes.

13. Advertising and marketing expenses

The Company subsidizes product advertising carried out by dealers within each dealer's local market and conducts dealer conferences. The Company also advertises in trade magazines, at trade shows and uses various other means of promotion, including product brochures and digital media to increase brand awareness and sale of products in the market. Expenditures incurred without extended advertising value are charged to statements of operations in the year accrued. The amount of advertising and marketing costs incurred by the Company for the year ended March 31, 2026, amounted to \$9,934,864 (March 31, 2025: \$8,587,550). Advertising and marketing expenses are grouped under selling, general and administrative expenses in the statements of operations.

14. Shipping and handling cost

The Company generally classifies freight billed to dealers as sales revenue. Shipping and handling activities are considered to be separate performance obligations.

15. Commitments and contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred, and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

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NOTE C – CASH

Cash includes the following:

	As at	
	March 31, 2026	March 31, 2025
Balances with banks	26,858,719	22,607,183
Total	26,858,719	22,607,183

NOTE D – ACCOUNTS RECEIVABLE, NET

Accounts receivable, net, include the following:

	As at	
	March 31, 2026	March 31, 2025
Accounts receivable	3,021,871	2,539,820
Less: Allowance for expected credit loss	(874,348)	(851,291)
Accounts receivable, net	2,147,523	1,688,529

The changes in allowance for expected credit loss are as follows:

	For the year ended	
	March 31, 2026	March 31, 2025
Balance at the start of the year	851,291	796,909
Add: Addition during the year	75,993	93,252
Less: Provision reversed/written off	(52,936)	(38,870)
Balance at the end of the year	874,348	851,291

NOTE E – INVENTORIES, NET

Major classes of inventories include the following:

	As at	
	March 31, 2026	March 31, 2025
Finished goods	66,068,567	68,927,843
Raw materials	48,013,196	57,827,270
Total	114,081,763	126,755,113

NOTE F – PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net include the following:

	As at	
	March 31, 2026	March 31, 2025
Building and building improvements	6,359,778	5,955,173
Vehicles	506,888	65,519
Furniture and fixtures	1,349,980	1,218,981
Plant & machinery	4,951,285	2,678,345
Computers and software	13,173,211	12,374,704
Less: Accumulated depreciation and amortization	(19,928,831)	(17,494,680)
Property, plant and equipment, net	6,412,311	4,798,042
Capital work-in-progress	82,970	1,236,899
Property, plant and equipment, net	6,495,281	6,034,941

Depreciation and amortization expense for the year ended March 31, 2026, is \$2,467,291 (March 31, 2025: \$1,625,273).

During the year ended March 31, 2026, the Company sold property, plant and equipment having a net book value of \$37,024 (March 31, 2025: \$88,328) for consideration of \$52,628 (March 31, 2025: \$109,162).

During the years ended March 31, 2026, and March 31, 2025, capital work-in-progress of \$3,128,934 and \$1,095,257 respectively, were completed and capitalized to computer and software, building and building improvements, furniture and plant & machinery.

NOTE G – OTHER CURRENT ASSETS

Other current assets comprise of:

	As at	
	March 31, 2026	March 31, 2025
Right to return assets*	10,011,973	8,628,137
Advance to vendor	2,084,666	622,339
Security deposits	223,383	223,383
Prepaid expenses	367,840	351,491
Total	12,687,862	9,825,350

* The Company records a liability for sales returns and a corresponding asset for its right to recover products from customers. Accordingly, the Company had recognized assets of \$10,011,973 and \$8,628,137 as of March 31, 2026, and March 31, 2025, respectively.

NOTE H – ACCOUNTS PAYABLE

	As at	
	March 31, 2026	March 31, 2025
Trade payables	7,819,824	7,115,178
Total	7,819,824	7,115,178

NOTE I – OTHER CURRENT LIABILITIES

Other current liabilities comprise of:

	As at	
	March 31, 2026	March 31, 2025
Accrued payables	93,661,984	93,951,620
Total	93,661,984	93,951,620

Expenses accrued as of March 31, 2026, and March 31, 2025, include advertising, marketing program costs, retail rate buy-downs, cash discounts, state franchise taxes, payroll and payroll taxes, employee bonuses, salesmen and customer bonuses, legal fees and provision for claims, property taxes, insurance deductibles, other expenses and warranty reserves. The Company participates in various retail incentives with its dealers and has accrued for the costs of these programs in effect as of the date of these financial statements.

NOTE J – REVENUE FROM CONTRACT WITH CUSTOMERS

The following table presents revenue disaggregated by the timing of recognition:

	For the year ended	
	March 31, 2026	March 31, 2025
At a point in time	283,113,453	265,666,094
Total	283,113,453	265,666,094

The Company's revenue concentration from sale of tractors and parts for the year ended March 31, 2026, was approximately 91.60% (March 31, 2025: 92.70%) and sale of vehicles and parts was approximately 5.40% (March 31, 2025: 7.30%).

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During the years ended March 31, 2026, and March 31, 2025, the Company's revenue concentration from United States of America was approximately 93% and 95%, respectively.

Contract balances

The Company's contracts with customers typically consist of sale of tractors, vehicles and parts representing performance obligations that are satisfied upon transfer of control of the product to the customer at a point in time. Contract balances include accounts receivable, net which have been disclosed in Note D to the financial statements.

NOTE K – LEASES

General description of the lease

The Company has entered into non-cancelable operating lease agreements related to facility, office equipment, and vehicles with varying terms and has recognized right of use assets (ROU) and lease liabilities as per below.

Non-lease components: Leases that contain non-lease components are accounted for as a single component and recorded on the balance sheet for certain asset classes including equipment. Non-lease components include, but are not limited to, common area maintenance and service arrangements.

The Company used the following policies and/or assumptions in evaluating the lease population:

Lease determination: The Company considers a contract to be or to contain a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) for a period of time in exchange for consideration. The Company has not applied the recognition and measurement requirements of ASC 842 to certain assets on lease where the management believes it to be immaterial.

Discount rate: When the lease contracts do not provide a readily determinable implicit rate, the Company uses the estimated incremental borrowing rate based on information available at the inception of the lease. The discount rate is determined by asset class.

Variable payments: The Company includes payments that are based on an index or rate within the calculation of right of use assets and lease liabilities, initially measured at the lease commencement date. There are variable payments in the nature of origination fees for office equipment, machinery and equipment and therefore are not treated as a part of lease payments.

Purchase options: Certain leases include options to purchase the office equipment. The depreciable lives of assets are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise.

Renewal options: Most leases include one or more options to renew, with renewal terms that can extend the lease term from one or more years. The exercise of lease renewal options is at the Company's sole discretion.

Residual value guarantees, restrictions, or covenants: The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Short-term leases: Leases with an initial term of 12 months or less are not recorded on the balance sheet; the Company recognizes lease expense for these leases on a straight-line basis over the lease term and expense the associated operating lease costs to selling, general and administrative expenses on the statements of operations.

The table below presents the classification of lease related expenses as reported in the statements of operations.

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
Depreciation of right of use asset on finance lease (a)	408,547	–
Interest on finance lease liability (b)	85,520	–
Operating lease expense (c)	4,664,180	4,825,980
Total lease expense	5,158,247	4,825,980

- (a) Amortization of ROU asset relating to finance lease is included in 'depreciation expenses' in the statements of operations.
- (b) Interest on finance lease liability is included in 'selling, general and administrative expenses' in the statements of operations.
- (c) Operating lease expenses are included in 'selling, general and administrative expenses' in the statements of operations. Operating lease expenses include short-term leases, variable lease costs and leases which did not meet the capitalization requirements of the Company.

Future minimum lease payments as of March 31, 2026, for operating leases and finance leases having an initial or remaining non-cancelable lease term in excess of one year are as follows.

Year ended March 31,	Operating lease	Operating lease
2027	4,388,523	508,767
2028	4,500,518	498,155
2029	4,616,620	233,340
2030	4,736,980	38,490
2031 onwards	2,805,057	–
Total minimum lease payments	21,047,698	1,278,752
Less: Interest	2,376,135	110,552
Total lease liabilities	18,671,563	1,168,200
Current portion	3,510,106	442,573
Non-current portion	15,161,457	725,627

The following table presents the weighted-average remaining lease term and discount rates for operating leases as of:

	March 31, 2026	March 31, 2025
Weighted-average remaining lease term for operating leases	4.59 years	4.98 years
Weighted-average remaining lease term for finance leases	3.17 years	–
Weighted-average discount rate for operating leases	5.14%	5.29%
Weighted-average discount rate for finance leases	6.85%	–

The following table presents supplemental information for operating leases.

	For the year ended	
	March 31, 2026	March 31, 2025
Supplemental cash flow information		
Operating cash flows from operating leases	4,664,180	4,421,549
Operating cash flows from financing leases	85,520	–
Financing cash flows from financing leases	384,433	–
Total cash flows from leases	5,134,133	4,421,549

MAHINDRA USA, INC.
FINANCIAL STATEMENTS
MARCH 31, 2026 AND MARCH 31, 2025

NOTE L – INCOME TAXES

The Company files state tax returns and federal tax returns. The components of the provision for income tax expense are as follows:

	For the year ended	
	March 31, 2026	March 31, 2025
Current taxes expense (benefit)		
Federal	(1,930)	(55,008)
State	666,930	(76,403)
Total	665,000	(131,411)

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

As of March 31, 2026, the Company has net deferred tax assets of \$63,677,248 before valuation allowance. This is mainly attributable to three components, deferred tax on accrued dealer incentive of \$14,778,361, accrued expenses of \$6,879,697 and net operating losses \$38,205,435. Other components refer to deferred taxes on various other expenses, including slow moving inventory, warranty reserves and allowance for uncollectible accounts receivable. Out of total deferred tax assets, the Company has recognized deferred tax assets of \$30,390,015 and created valuation allowance on the remaining balance of \$33,287,233.

As of March 31, 2025, the Company has net deferred tax assets of \$58,663,190 before valuation allowance. This is mainly attributable to three components, deferred tax on accrued dealer incentive of \$13,465,810, accrued expenses of \$7,201,594 and on net operating losses \$34,253,373. Other components refer to deferred taxes on various other expenses, including slow moving inventory, warranty reserves and allowance for uncollectible accounts receivable. Out of total deferred tax assets, the Company has recognized deferred tax assets of \$30,390,015 and created valuation allowance on the remaining balance of \$28,273,175.

Realization of net deferred tax assets is dependent upon generation of sufficient taxable income in future years, benefit from the reversal of taxable temporary differences and tax planning strategies. Management assesses the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets. The amount of net deferred tax assets considered realizable is subject to adjustment in future periods if estimates of future taxable income change.

Based on the evaluation of positive and negative evidence, the Company has determined that the entire amount of deferred tax assets may not be realizable in the near future and accordingly created a valuation allowance of \$33,287,233 and \$28,273,175 as of March 31, 2026, and March 31, 2025, respectively.

The Company has federal net operating losses of \$153,065,506, and \$130,228,603 as of March 31, 2026, and March 31, 2025, respectively. These net operating losses generated will be carried forward indefinitely. The Company has state net operating loss carry forwards of \$101,078,259 and \$95,257,433 as at March 31, 2026, and March 31, 2025, which if unutilized will expire based on the statutes of various states.

Accounting for uncertain tax position

The Company recognizes the benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant tax authority. The Company has no unrecognized tax positions as at March 31, 2026, and March 31, 2025.

The tax years 2022 to 2024 remain subject to examination by the taxing authorities.

NOTE M - UNCOMMITTED LINE OF CREDIT ("LOC")

- (i) The Company has access to an uncommitted LOC of \$35,000,000 with a bank. As of March 31, 2026, the facility is discretionary and non-binding, and the bank is not obligated to provide any loans or letters of credit. The facility is available through January 22, 2027, subject to early termination from bank. Borrowing under this facility bear interest at SOFR + a margin, which will be determined at the time of disbursement.
- (ii) The Company has access to an additional uncommitted LOC of \$75,000,000 with another bank. The uncommitted LOC does not constitute a commitment by the lender to make advances. The facility is available until June 30, 2026. Borrowing under this facility bear interest rate of SOFR + a margin, which will be determined at the time of disbursement.

During the years ended March 31, 2026, and March 31, 2025, the Company did not utilize or withdraw funds from LOCs available and accordingly, no finance cost has been recorded for both the years.

NOTE N – EMPLOYEE BENEFIT PLANS

The Company adopted a 401(k)-retirement plan effective April 1, 1998. The total expense for employee retirement contribution plans for the year ended March 31, 2026, is \$403,247 (March 31, 2025 – \$393,860) and is grouped under selling, general and administrative expenses in the statements of operations.

NOTE O – RELATED PARTY TRANSACTIONS

List of related parties

A. Parent Company

1. Mahindra and Mahindra Ltd.

B. Fellow Subsidiaries

1. Mahindra Integrated Business Solution Limited
2. Bristlecone India Limited
3. Mahindra and Mahindra Financial Services Ltd
4. Mahindra Automotive Australia Pty Ltd.
5. Mahindra do Brasil Industrial Ltd.
6. Mahindra Automotive North America Inc.

C. Associates

1. Mitsubishi Mahindra Agricultural Machinery Co., Ltd
2. Tech Mahindra (Americas) Inc.
3. Mahindra Finance USA, LLC

The Company mainly purchases tractors and parts from related parties, including Mahindra & Mahindra Ltd and Mitsubishi Mahindra Agricultural Machinery Co. Ltd., on an open account, which are paid when due.

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The Company has the following payables:

	As at	
	March 31, 2026	March 31, 2025
Mahindra and Mahindra Ltd. (Farm Equipment Sector)	80,290,608	69,508,586
Mitsubishi Mahindra Agricultural Machinery Co., Ltd	8,961,359	2,705,880
Mahindra Finance USA, LLC	5,903,244	5,265,118
Mahindra and Mahindra Ltd. (Auto Sector)	169,042	287,233
Mahindra and Mahindra Ltd. (Head Office)	48,483	60,382
Mahindra Integrated Business Solution Limited	62,839	54,332
Bristlecone India Limited	60,162	28,074
Mahindra Automotive North America Inc.	2,193,336	2,037,125
Mahindra & Mahindra Ltd. (AI Division)	32,047	–
Total	97,721,121	79,946,730

In addition, the Company conducts business and records transactions with related parties mainly for goods and services. As a result, the Company has the following receivables:

	As at	
	March 31, 2026	March 31, 2025
Mahindra and Mahindra Ltd. (Farm Equipment Sector)	3,457,077	407,056
Mahindra and Mahindra Financial Services Ltd.	9,289	275,008
Mahindra Finance USA, LLC	2,034,504	3,521,005
Mitsubishi Mahindra Agricultural Machinery Co., Ltd	143,324	–
Mahindra & Mahindra Ltd (Powerol Division)	288,956	–
Mahindra Automotive Australia Pty Ltd.	106,469	201,704
Mahindra Automotive North America Inc.	34,679	3,691,461
Mahindra do Brasil Industrial Ltd	–	56,691
Tech Mahindra (Americas) Inc.	–	13,000
Total	6,074,298	8,165,925

The Company has entered into various transactions with its related parties in the normal course of business as detailed above. Details of the significant transactions are set out below:

- (i) The Company's purchases of tractors and parts from Mahindra & Mahindra Ltd. and Mitsubishi Mahindra Agricultural Machinery Co. Ltd. for the years ended March 31, 2026, and March 31, 2025, were \$131,332,785 and \$128,496,395, respectively.
- (ii) The dealers of Mahindra USA, Inc. utilize a financing facility from Mahindra Finance USA, LLC, under which the Company bears the wholesale financing cost. Such costs incurred by the Company for the years ended March 31, 2026, and March 31, 2025, amount to \$13,169,553 and \$14,422,719, respectively. Additionally, the Company reimburses Mahindra Finance USA, LLC retail interest costs associated with customer promotional sales programs offered in the U.S. market. Such costs incurred by the Company for the years ended March 31, 2026, and March 31, 2025, amount to \$47,284,169 and \$57,563,228, respectively.
- (iii) The Company's purchases of Roxor vehicles and parts from Mahindra Automotive North America Inc. for the years ended March 31, 2026, and March 31, 2025, were \$17,668,078 and \$21,484,417, respectively.

NOTE P – FINANCIAL INSTRUMENTS AND CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Company to significant credit risk consist principally of cash and accounts receivable. Risks associated with cash are mitigated by banking with financial institutions that management believes to be of high credit quality. Risks associated with accounts receivable are mitigated as the Company performs ongoing credit evaluations of its dealers and maintains reserves for potential credit losses. To date, such losses have been within management's expectations.

NOTE Q – RISK AND UNCERTAINTIES

The Company's future results of operations involve several risks and uncertainties.

Factors that could affect the Company's future operating results and cause actual results to vary materially from expectations include, competitive factors, including but not limited to pricing pressures; deterioration in general economic conditions; levy of import duties; the Company's ability to effectively manage operating costs and increase operating efficiencies; declines in revenues; technological and market changes; the ability to attract and retain qualified employees and the Company's ability to execute on its business plan.

NOTE R – STOCKHOLDER'S EQUITY

Authorized common stock

The authorized Class A common stock is 460,000,000 shares with a par value of \$ 0.25 and the authorized Class B common stock is 693,750,000 shares with a par value of \$0.16 as of March 31, 2026, and as of March 31, 2025.

Common stock issued

As of March 31, 2026, and March 31, 2025, Class A common stock issued and outstanding is 456,000,000 shares at \$ 0.25 par value each and Class B common stock issued and outstanding is 672,500,000 shares at \$0.16 par value each.

Voting

Each holder of common stock is entitled to one vote in respect of each share held by him in the records of the Company for all matters submitted to a vote.

Liquidation

In the event of liquidation of the Company, the holders of common stock shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such amounts will be in proportion to the number of equity shares held by the shareholders.

NOTE S – CLAIMS AND COMMITMENTS

The Company is involved in various legal proceedings which are considered ordinary litigation incidents to its business. In the management's opinion, adequate provisions have been made for the contingencies and none of the current litigation will have a materially adverse effect on the Company's financial position.

Management has evaluated the nature of the litigations and, with the assistance of internal and external legal counsel, has assessed the likely outcomes based on current developments and available evidence. Management believes that it has a reasonable basis for estimating the potential financial exposure and has recognized a provision of \$330,000 and \$2,055,000, as of March 31, 2026, and March 31, 2025, respectively, under 'other current liabilities' in the balance sheets. The provision reflects the current best estimate of the liability as of the reporting date.

As of March 31, 2026, and March 31, 2025, the Company did not have any capital commitment outstanding.

NOTE T - SUBSEQUENT EVENTS

The Company evaluated all events and transactions that occurred after March 31, 2026, through the date at which financial statements were available for issue. There were no subsequent events or transactions identified which require disclosure or adjustments to the financial statements.

INDEPENDENT AUDITOR'S REPORT

Board of Directors

Mahindra Automotive North America, Inc.

Qualified opinion

We have audited the separate parent company financial statements of Mahindra Automotive North America, Inc. ("the Company") which comprise the balance sheets as of March 31, 2026, and March 31, 2025, the related statements of loss, stockholder's equity and cash flows for the years then ended, and the related notes to the separate parent company financial statements.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying separate parent company financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2026, and March 31, 2025 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of qualified opinion

As discussed in Note B. 1 a. to the separate parent company financial statements, the Company reports investment in its wholly owned subsidiary Mahindra Vehicle Sales and Service, Inc., on cost basis. Accounting principles generally accepted in the United States of America require that all majority owned subsidiaries be accounted for as consolidated subsidiaries. If the financial statements of the subsidiary had been consolidated with those of the Company, total assets would have decreased by USD 90,155,124 (INR 8,492,161,905) and USD 90,082,581 (INR 8,485,328,717) as on March 31, 2026, and March 31, 2025, respectively; total liabilities would have increased by USD 1,191,714 (INR 112,253,500) and USD 1,263,709 (INR 119,035,069) as on March 31, 2026, and March 31, 2025, respectively; stockholder's equity would have decreased by USD 91,346,838 (INR 8,604,415,405) and USD 91,346,290 (INR 8,604,363,787) as of March 31, 2026, and March 31, 2025, respectively and net loss would have been reported as USD 476,509 (INR 44,884,765) and USD 2,781,661 (INR 262,018,558) for the years ended March 31, 2026, and March 31, 2025 respectively.

The Company has not performed an impairment assessment of its investment in Mahindra Vehicle Sales and Services, Inc as of March 31, 2026, and March 31, 2025. We were not able to obtain sufficient and appropriate evidence regarding the recoverable amount of said investment as of March 31, 2026, and March 31, 2025. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate parent company financial statements section of our report. We are required to be independent of the Company and to meet

our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matter

As discussed in Note W to the separate parent company financial statements, the Company has incurred net loss and has generated negative cash flows from operations for the years ended March 31, 2026, and March 31, 2025. The Company also has an accumulated deficit as at March 31, 2026, and March 31, 2025. Management's evaluation of the events and conditions and management's plans to mitigate these matters are also described in Note W.

Our opinion is not qualified with respect to this matter.

Responsibilities of Management for the Separate Parent Company Financial Statements

Management is responsible for the preparation and fair presentation of these separate parent company financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of separate parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate parent company financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a period of twelve months from the date the separate parent company financial statements are issued.

Auditor's Responsibilities for the audit of the Separate Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate parent company 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the separate parent company financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the separate parent company financial statements,

whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the separate parent company financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the separate parent company financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other information

Management is responsible for the other information. The other information comprises amounts presented in INR parenthetically alongside the USD amounts in the separate parent company financial statements. Such presentation is not required by accounting principles generally accepted in the United States of America.

Our opinion on the separate parent company financial statements does not cover the other information, and we do not express an opinion or any form of assurance on it. In connection with our audit of the separate parent company financial statements, our responsibility is to read the other information and consider whether it is materially inconsistent with the separate parent company financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work performed, we conclude that there is an uncorrected material misstatement of the other information, we are required to describe it in our report.

Restriction on use and distribution

Our report is intended solely for the information and use by the Company's Ultimate Parent – Mahindra and Mahindra Limited for regulatory filing or use and is not intended to be and should not be used by anyone other than the specified party.

KNAV CPA LLP

Atlanta, Georgia

April 27, 2026

Separate Parent Company Financial Statements

BALANCE SHEETS

		USD		INR	
	Note	As of March 31, 2026	2025	As of March 31, 2026	2025
ASSETS					
Current assets					
Cash	C	1,267,958	3,613,025	119,435,304	340,328,890
Accounts receivable, net	D	–	64,022	–	6,030,552
Due from related parties	Q	2,208,512	4,157	208,030,788	391,569
Inventories, net	E	3,172,769	4,793,103	298,858,976	451,486,337
Prepaid expenses & other current assets	F	966,498	631,376	91,039,279	59,472,462
Total current assets		7,615,737	9,105,683	717,364,347	857,709,810
Investment in subsidiary, at cost	G	90,205,770	90,135,770	8,496,932,505	8,490,338,855
Investment, others	H	950,000	750,000	89,485,250	70,646,250
Operating lease right-of-use asset, net	N	4,644,707	5,763,062	437,508,176	542,851,625
Finance leases right-of-use assets, net	N	212,702	261,788	20,035,465	24,659,121
Property, plant and equipment, net	J	8,815,226	9,498,256	830,350,213	894,688,224
Intangible assets, net	K	6,799	15,865	640,432	1,494,404
Intangible under development	L	141,675	-	13,345,077	-
Other assets	I	119,053	162,996	11,214,197	15,353,408
Deferred tax asset, net	O	-	-	-	-
Total assets		112,711,669	115,693,420	10,616,875,662	10,897,741,697
LIABILITIES AND STOCKHOLDER'S EQUITY					
Current liabilities					
Accounts payables		276,681	283,890	26,061,967	26,741,019
Due to related parties	Q	237,696	6,035,960	22,389,775	568,557,252
Operating lease liabilities - current	N	1,215,408	1,162,910	114,485,357	109,540,307
Finance lease liabilities - current	N	45,720	42,456	4,306,595	3,999,143
Accrued expenses and other current liabilities	M	2,282,432	2,900,434	214,993,681	273,206,380
Total current liabilities		4,057,937	10,425,650	382,237,375	982,044,101
Non-current liabilities					
Operating lease liabilities - non current	N	3,596,262	4,811,669	338,749,899	453,235,161
Finance lease liabilities - non current	N	174,304	220,024	16,418,565	20,725,161
Other non-current liabilities		241,304	518,254	22,729,630	48,816,936
Total liabilities		8,069,807	15,975,597	760,135,469	1,504,821,359
Stockholder's equity					
Common stock, \$ 25 par value March 31, 2026: 8,000,000 shares authorized 7,989,737 shares issued and outstanding (March 31, 2025: 8,000,000 shares authorized 7,773,737 shares issued and outstanding)	R	199,743,425	194,343,430	18,814,831,918	18,306,179,389
Accumulated deficit		(95,101,563)	(94,625,607)	(8,958,091,725)	(8,913,259,051)
Total stockholder's equity		104,641,862	99,717,823	9,856,740,193	9,392,920,338
Total liabilities and stockholder's equity		112,711,669	115,693,420	10,616,875,662	10,897,741,697

(The accompanying notes are an integral part of these separate parent company financial statements)

Separate Parent Company Financial Statements

STATEMENTS OF LOSS

	Note	USD		INR	
		Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Operating revenues	T	21,141,553	25,527,271	1,991,428,585	2,404,541,292
Cost of revenue (excluding depreciation and amortization)		17,812,904	22,200,733	1,677,886,492	2,091,198,045
Gross profit		3,328,649	3,326,538	313,542,093	313,343,247
Selling, general and administrative expenses		5,419,041	7,752,743	510,446,567	730,269,627
Depreciation and amortization expense		815,612	892,264	76,826,572	84,046,807
Total cost and expenses		6,234,653	8,645,007	587,273,139	814,316,434
Operating loss		(2,906,004)	(5,318,469)	(273,731,046)	(500,973,187)
Interest expense		17,705	11,695	1,667,722	1,101,611
Gain/(Loss) arising on investments measured at fair value	H	200,000	(270,000)	18,839,000	(25,432,650)
Gain on disposal of property, plant and equipment		2,738	33,174	257,906	3,124,825
Interest income		58,176	165,751	5,479,888	15,612,915
Other income	P	2,188,439	2,749,592	206,140,012	258,997,818
Loss before income taxes		(474,356)	(2,651,647)	(44,681,962)	(249,771,890)
Current tax expense	O	1,600	800	150,712	75,356
Net loss		(475,956)	(2,652,447)	(44,832,674)	(249,847,246)

(The accompanying notes are an integral part of these separate parent company financial statements)

Statements of changes in stockholder's equity*(All amounts are stated in United States Dollars, except number of shares)*

Particulars	Common Stock				Accumulated deficit	Total shareholder's equity
	Authorized		Issued & outstanding			
	Shares	Value	Shares	Value		
Balance as of April 1, 2024	8,000,000	200,000,000	7,773,737	194,343,430	(91,973,160)	102,370,270
Net loss	—	—	—	—	(2,652,447)	(2,652,447)
Balance as at March 31, 2025	8,000,000	200,000,000	7,773,737	194,343,430	(94,625,607)	99,717,823
Balance as of April 01, 2025	8,000,000	200,000,000	7,773,737	194,343,430	(94,625,607)	99,717,823
Issuance of common stock	—	—	216,000	5,399,995	—	5,399,995
Net loss	—	—	—	—	(475,956)	(475,956)
Balance as at March 31, 2026	8,000,000	200,000,000	7,989,737	199,743,425	(95,101,563)	104,641,862

(All amounts are stated in Indian Rupees, except number of shares)

Particulars	Common stock				Accumulated deficit	Total shareholder's equity
	Authorized		Issued & outstanding			
	Shares	Value	Shares	Value		
Balance as of April 01, 2024	8,000,000	18,839,000,000	7,773,737	18,306,179,389	(8,663,411,805)	9,642,767,584
Net loss	—	—	—	—	(249,847,246)	(249,847,246)
Balance as at March 31, 2025	8,000,000	18,839,000,000	7,773,737	18,306,179,389	(8,913,259,051)	9,392,920,338
Balance as of April 01, 2025	8,000,000	18,839,000,000	7,773,737	18,306,179,389	(8,913,259,051)	9,392,920,338
Issuance of common stock	—	—	216,000	508,652,529	—	508,652,529
Net loss	—	—	—	—	(44,832,674)	(44,832,674)
Balance as at March 31, 2026	8,000,000	18,839,000,000	7,989,737	18,814,831,918	(8,958,091,725)	9,856,740,193

(The accompanying notes are an integral part of these separate parent company financial statements)

STATEMENTS OF CASH FLOWS

	USD		INR	
	Year ended March 31,		Year ended March 31,	
	2026	2025	2026	2025
Net loss	(475,956)	(2,652,447)	(44,832,674)	(249,847,246)
Adjustment to reconcile net loss to net cash used in operating activities				
Depreciation and amortization expense	815,612	892,264	76,826,572	84,046,807
(Gain) loss arising on investments measured at fair value	(200,000)	270,000	(18,839,000)	25,432,650
Gain on disposal of property, plant and equipment	(2,738)	(33,174)	(257,906)	(3,124,825)
Reversal of accrued liabilities	(493,379)	(2,016,403)	(46,473,835)	(189,935,081)
Changes in assets and liabilities				
Inventories	1,620,334	5,557,649	152,627,361	523,502,748
Accounts receivable	64,022	2,308	6,030,552	217,402
Prepaid expenses and other current assets	(335,122)	181,895	(31,566,817)	17,133,600
Other assets	43,943	(39,811)	4,139,211	(3,749,997)
Accounts payables	(7,209)	(996,193)	(679,052)	(93,836,400)
Related parties, net	(8,002,619)	(2,108,402)	(753,806,697)	(198,600,926)
Operating lease obligation	(44,554)	(142,236)	(4,196,764)	(13,397,920)
Accrued expenses and other current liabilities	(124,623)	(610,539)	(11,738,862)	(57,509,721)
Other non-current liabilities	(276,950)	(104,601)	(26,087,305)	(9,852,891)
Net cash used in operating activities	(7,419,239)	(1,799,690)	(698,855,216)	(169,521,800)
Cash flows from investing activities				
Payments for property, plant and equipment	(129,195)	(460,562)	(12,169,524)	(43,382,637)
Proceeds from disposal of property, plant and equipment	57,503	33,174	5,416,495	3,124,825
Payments for intangible under development	(141,675)	–	(13,345,077)	–
Capital advance to supplier	–	(42,502)	–	(4,003,476)
Investment in subsidiary	(70,000)	(50,000)	(6,593,650)	(4,709,750)
Net cash used in investing activities	(283,367)	(519,890)	(26,691,756)	(48,971,038)
Cash flows from financing activities				
Repayment of principal portion of the finance lease liabilities	(42,456)	(3,398)	(3,999,143)	(320,075)
Proceeds from issuance of common stock	5,399,995	–	508,652,529	–
Net cash provided by/(used in) financing activities	5,357,539	(3,398)	504,653,386	(320,075)
Net decrease in cash	(2,345,067)	(2,322,978)	(220,893,586)	(218,812,913)
Cash at beginning of the year	3,613,025	5,936,003	340,328,890	559,141,803
Cash at the end of the year	1,267,958	3,613,025	119,435,304	340,328,890
Supplemental cash flow information				
Income taxes paid	1,600	800	150,712	75,356
Interest paid	17,705	11,695	1,667,722	1,101,611

(The accompanying notes are an integral part of these separate parent company financial statements.)

NOTES TO SEPARATE PARENT COMPANY FINANCIAL STATEMENTS

NOTE A - ORGANIZATION AND NATURE OF OPERATIONS

Mahindra Automotive North America, Inc. (the "Company") was incorporated in the state of Delaware on March 27, 2017 and is a wholly owned subsidiary of Mahindra Overseas Investment Company Mauritius, Limited ("MOICML" or "parent company"). Both, the Company and MOICML are subsidiaries of Mahindra and Mahindra Limited ("M&M" or "ultimate parent company"). The Company engineers, designs, develops, assembles and delivers parts and vehicles to the global automotive market for off-road use, as an Original Equipment Manufacturer ("OEM") headquartered in Auburn Hills, MI.

The Company owns 100 % of Mahindra Vehicle Sales and Services, Inc. ("MVSS") which was previously engaged in the sales of off road recreational vehicles. Mahindra North American Technical Centre ("MNATC"), an entity under common control, was merged with the Company effective April 1, 2024, and its operations have been included in the financial statements for all periods presented.

MVSS was formed on May 13, 2017 to function as the sales and distribution business unit for ROXOR. MVSS used to purchase the ROXORs manufactured by MNATC and wholesale them to MVSS's dealerships. Effective September 01, 2021, ROXOR vehicles and its parts and accessories are distributed through Mahindra USA, Inc ("MAgNA").

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are detailed below:

1. Basis of preparation

- a. The accompanying separate parent company financial statements are prepared under the historical cost convention on the accrual basis of accounting in accordance with the accounting and reporting requirements of generally accepted accounting principles in the United States of America ('US GAAP') to reflect the financial position, results of operations and cash flows of the Company except that the Company reports. The Company reports investment in its wholly owned subsidiary, Mahindra Vehicle Sales and Service, Inc., on cost basis for the reporting requirements of its ultimate parent company, Mahindra and Mahindra Limited. Accounting principles generally accepted in the United States of America require that all majority owned subsidiaries be accounted for as consolidated subsidiaries. If the financial statements of these subsidiary had been consolidated with those of the Company, total assets would have decreased by USD 90,155,124 (INR 8,492,161,905) and USD 90,082,581

(INR 8,485,328,717) as on March 31, 2026 and March 31, 2025, respectively; total liabilities would have increased by USD 1,191,714 (INR 112,253,500) and USD 1,263,709 (INR 119,035,069) as on March 31, 2026 and March 31, 2025, respectively; stockholder's equity would have decreased by USD 91,346,838 (INR 8,604,415,405) and USD 91,346,290 (INR 8,604,363,787) as on March 31, 2026 and March 31, 2025, respectively and net loss would have been reported as USD 476,509 (INR 44,884,765) and USD 2,781,661 (INR 262,018,558) for the years ended March 31, 2026 and March 31, 2025 respectively.

- b. The separate parent company financial statements are for the years ended March 31, 2026, and March 31, 2025.
- c. Financial information is reported in US dollars ("USD") and in Indian rupees ("INR"). For March 31, 2026, and March 31, 2025, USD amounts are translated for convenience into INR at an exchange rate of 94.195 INR per USD. Within the notes to the separate parent financial statements, INR amounts are shown parenthetically alongside the USD amounts.

2. Use of estimates

The preparation of separate parent company financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the separate parent company financial statements. Significant items subject to such estimates and assumptions include the useful lives of property, plant and equipment, valuation allowance for deferred tax assets, expected credit losses, determination of incremental borrowing rates used for lease liabilities, inventory valuation, product liabilities/warranties, and other contingencies. Management believes that the estimates used in the preparation of the separate parent company financial statements are reasonable. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any changes in estimates are adjusted prospectively in the separate parent company financial statements.

3. Revision

The Company has reversed erroneously recognized accrued federal and state income tax liabilities amounting to USD 110,114 (INR 10,372,188) pertaining to prior years, by recording an adjustment to retained earnings. This correction is not material to the Company's previously issued separate parent company financial statements.

(All amounts are stated in United States Dollars)
As of March 31, 2025

	Original	Adjustment	Revised
Revised balance sheet prepared (Extract)			
LIABILITIES AND STOCKHOLDER'S EQUITY			
Current liabilities			
Accrued expenses and other current liabilities	3,010,548	(110,114)	2,900,434
Total current liabilities	3,010,548	(110,114)	2,900,434
Stockholder's equity			
Accumulated deficit	(94,735,721)	110,114	(94,625,607)
Total stockholder's equity	(94,735,721)	110,114	(94,625,607)

(All amounts are stated in Indian Rupees)

As of March 31, 2025

	Original	Adjustment	Revised
Revised balance sheet prepared (Extract)			
LIABILITIES AND STOCKHOLDER'S EQUITY			
Current liabilities			
Accrued expenses and other current liabilities	283,578,569	(10,372,188)	273,206,380
Total current liabilities	283,578,569	(10,372,188)	273,206,380
Stockholder's equity			
Accumulated deficit	(8,923,631,240)	10,372,188	(8,913,259,051)
Total stockholder's equity	(8,923,631,240)	10,372,188	(8,913,259,051)

4. Revenue recognition

Revenue is recognized upon transfer of control of products or services promised to customers in an amount that reflects the consideration the Company expects to receive in exchange for these products or services. Refer Note T - "Revenue from contracts with customers" for further information on the Company's revenue.

Revenue is recognized when obligations under the terms of a contract with a customer are satisfied; generally, this occurs with the transfer of control of the Company's products or services. Revenue is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in the contract. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, the performance obligation is satisfied.

Sale of service

a. Management service fees

The Company earns revenue from its ultimate parent and affiliate companies for providing management services. The Company's service fee is determined based on specified monthly expenses incurred by the Company plus an agreed upon mark-up percentage. The Company satisfies its performance obligations over a period of time by performing required services.

b. Tractor assembly service

The Company entered into an agreement with MAGNA, wherein the Company is engaged to render tractor assembly and distribution services. The Company typically satisfy performance obligations for tractor assembly and distribution services over time, as services are performed.

Sale of goods

Revenues related to sale of products is recognized at a point in time when control of the asset is transferred to the customer based on an overall assessment of the existence of a right to payment, the allocation of ownership rights, the transfer of physical possession, the transfer of control, and acceptance by the customer. However, in case of product sales undertaken by the Company, sales are recognized when control of the products has transferred to the affiliate when the ordered items are shipped and the Company has right to payment and has transferred legal title to a customer. Transfer of control, and therefore revenue recognition is recorded at a point in time on the date when the off-road vehicle, accessory and service parts are shipped to the end customers.

5. Cash

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash for the separate parent financial statements purpose. Cash balances on deposits with banks in the United States of America are insured by the Federal Deposit Insurance Corporation up to an aggregate of USD 250,000 (INR 23,548,750) per account per depositor.

6. Inventories, net

Raw materials, work in progress and finished goods inventories are stated at the lower of cost and net realizable value, with cost being determined on a weighted average basis. A provision is made for obsolete and slow-moving raw materials, finished goods, spare parts and other supplies based on their expected future use and realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs for sale and distribution.

7. Product warranty

The Company provides a limited warranty for ROXOR for a period of two years or 12,000 miles. The warranty reserve is established at the time of sale to the distributorship based on management's best estimate using historical rates and trends. These amounts are recorded as a liability in the balance sheets until they are ultimately paid.

8. Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation. Cost of items of property, plant and equipment comprises cost of purchase and other costs necessarily incurred to bring it to the condition and location necessary for its intended use.

The Company depreciates property, plant and equipment over the estimated useful life using the straight-line method. Upon retirement or

disposal of assets, the cost and accumulated depreciation are eliminated from the accounts and the resulting gain or loss is credited or charged to statements of loss.

The estimated useful life used to determine depreciation is

Category	Useful life
Buildings	39-40 years
Leasehold improvements	7 years or the remaining lease period
Furniture	5-7 years
Computer equipment	3-5 years
Machinery and equipment	3-5 years
Vehicles	5-10 years
Tooling	3-5 years

Expenditures for maintenance and repairs are charged to statements of loss. Property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate the carrying value of the asset may not be recoverable.

The cost of property, plant and equipment not ready for use before such date are disclosed under capital work-in-progress.

9. Intangible assets and amortization

Intangible assets comprise of computer software which has been recognized at cost and amortized over a period of estimated useful life. Subsequent expenditures are capitalized only when it increases the future economic benefit from the specific assets to which it relates.

Category	Useful life
Software	3 years

10. Intangible under development

Intangible assets under development represent costs incurred for the development or acquisition of identifiable intangible assets, primarily internal-use software, that are not yet ready for their intended use. The Company capitalizes direct costs incurred during the application development stage, including third-party vendor fees and other costs directly attributable to system configuration, customization, and implementation, while costs incurred in the planning and post-implementation stages of software development, or other maintenance and development expenses that do not meet the qualification for capitalization are expensed as incurred. Once the application development stage has been reached, internal and external costs, if direct and incremental, are capitalized until the software is substantially complete and ready for its intended use. The Company evaluates the useful lives of these assets on an annual basis and test for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets.

11. Income taxes

Income taxes are accounted for using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the separate parent company financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on a change in tax rates on deferred tax assets and liabilities is recognized in statements of loss in the period that includes the enactment date. The deferred tax asset is reduced by a valuation allowance if it is more likely than not that some portion or all of the assets will not be realized.

The Company has determined whether any tax positions have met the recognition threshold and has measured the Company's exposure to those tax provisions. Management believes that the Company has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state taxing authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties from federal and state taxing authorities were recorded in the accompanying separate parent company financial statements.

12. Investment, others

Investments are carried at fair value and change in the fair value is recognized through consolidated statements of loss. Acquisition related expenditure if any, is expensed in the year of incurring the same.

13. Leases

The Company's leases are classified as finance lease and operating leases, which are included in finance lease and operating lease right-of-use assets and finance lease and operating lease liabilities in the Company's balance sheet.

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. The Company's assessment is based on whether (1) the contract involves the use of a distinct identified asset, (2) the Company obtains the right to substantially all the economic benefit from the use of the asset throughout the term of the contract, and (3) the Company has the right to direct the use of the asset.

Leases are classified as either finance leases or operating leases. A lease is classified as a finance lease if any one of the following criteria are met (1) the lease transfers ownership of the asset by the end of the lease term, (2) the lease contains an option to purchase the asset that is reasonably certain to be exercised, (3) the lease term is for a major part of the remaining useful life of the asset or (4) the present value of the lease payments equals or exceeds substantially all of the fair value of the asset, 5) the leased asset is so specialized that the asset will have little to no value at the end of the lease term. A lease is classified as an operating lease if it does not meet any one of the above criteria.

Right-of-use assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date for leases exceeding 12 months. Minimum lease payments include only the fixed lease component of the agreement, as well as any variable rate payments that depend on an index, initially measured using the index at the lease commencement date. Lease terms may include options to renew when it is reasonably certain that the Company will exercise that option.

Certain leases include options to purchase the office equipment. The depreciable life of assets are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise.

The Company has entered into noncancelable operating lease agreements related to facility, office equipment, machinery and equipment and vehicles with varying terms.

Leases that contain non-lease components are accounted for as a single component and recorded on the balance sheet for certain asset classes including equipment. Non-lease components include, but are not limited to, common area maintenance and service arrangements.

The Company estimates its incremental borrowing rate for each lease based on the respective weighted average term of the agreements. This estimation considers the market rates of the Company's outstanding collateralized borrowings and interpolations of rates outside of the terms of the outstanding borrowings, including comparisons to comparable borrowings of similarly rated companies with longer term borrowings.

Operating lease expense is recognized on a straight-line basis over the lease term and is included in cost of revenue or selling, general and administrative expense. Amortization expense for finance leases is recognized on a straight-line basis over the lease term and is included in depreciation and amortization expense under the statements of loss. Interest expense for finance leases is recognized using the effective interest method over the lease term. Leases with a lease term of 12 months or less from the commencement date that do not contain a purchase option are recognized as an expense on a straight-line basis over the lease term.

14. Commitments and contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the separate parent company financial statements.

15. Fair value measurements and financial instruments

Assets and liabilities recorded at fair value in the separate parent company financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels which are directly related to the amount of subjectivity associated with the inputs to the valuation of these assets or liabilities are as follows

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.

Level 2 – inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.

Level 3 – unobservable inputs for the asset or liability only used when there is little, if any, market activity for the asset or liability at the measurement date.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value.

Some of Company's financial instruments, including cash, accounts receivable, accounts payable and due from/due to related parties balances are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature.

16. Accounts receivable and expected credit losses

Accounts receivable are recorded at the invoiced amount, net of discount and others and provision for expected credit losses. The Company regularly reviews the adequacy of the provision for expected credit losses based on a combination of factors. In establishing any required allowance, management considers historical losses adjusted for current market conditions, the current receivables aging, current payment terms and expectations of forward-looking loss estimates.

17. Cost of revenue

The Company recognizes cost of revenue as the total of direct and systematically allocated indirect costs incurred in the manufacturing process. Cost of revenue includes cost related to the acquisition of raw materials, direct production labor, and manufacturing overhead, all of which are capitalized into inventory and recognized as cost upon sale.

18. Government incentives

The Company receives incentives from the Michigan Economic Development Corporation in the form of business development grants. These grants are recognized at their fair values in the statements of loss where there is a reasonable assurance that all grant conditions have been complied with and the grant will be received.

19. Advertising and marketing expenses

Advertisement and marketing expenses are presented as part of "Selling, general and administrative expenses" in the statements of loss and are expensed as incurred. The amount of advertisement and marketing expenses incurred by the Company for the year ended March 31, 2026, is USD 4,023 (INR 378,946) and March 31, 2025, is USD 639,241 (INR 60,213,306).

20. Interest income

The Company records the interest income on bank balances under the other income.

NOTE C - CASH

The cash of the Company comprise of:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Bank balances	1,267,958	3,613,025	119,435,304	340,328,890
Total	1,267,958	3,613,025	119,435,304	340,328,890

NOTE D - ACCOUNTS RECEIVABLE, NET

Accounts receivable, net comprise the following:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Accounts receivable	–	64,022	–	6,030,552
Provision for expected credit losses	–	–	–	–
Total	–	64,022	–	6,030,552

The changes in provision for expected credit loss during the year was as follows:

Particulars	USD		INR	
	Year ended March 31, 2026	2025	Year ended March 31, 2026	2025
Balance at beginning of the year	–	39,511	–	3,721,739
Bad debts written off	–	(39,511)	–	(3,721,739)
Balance at the end of the year	–	–	–	–

NOTE E - INVENTORIES, NET

Inventories comprise of:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Raw materials	2,602,764	4,880,149	245,167,355	459,685,635
Material in transit	386,470	–	36,403,542	–
Work-in-process	355,810	1,253,006	33,515,523	118,026,900
Finished goods	2,069,859	1,296,812	194,970,369	122,153,206
Less: provision for slow moving, damaged goods and obsolescence	(2,242,134)	(2,636,864)	(211,197,813)	(248,379,404)
Total	3,172,769	4,793,103	298,858,976	451,486,337

NOTE F - PREPAID EXPENSES & OTHER CURRENT ASSETS

Prepaid expenses and other current assets comprise the following:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Prepaid software license fee	250,637	223,098	23,608,752	21,014,716
Prepaid insurance	575,431	304,641	54,202,723	28,695,659
Prepaid others	140,430	61,135	13,227,804	5,758,611
Advance to supplier	–	42,502	–	4,003,476
Total	966,498	631,376	91,039,279	59,472,462

NOTE G - INVESTMENT IN SUBSIDIARY, AT COST

Investments comprise the following:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Investment in MVSS, at cost	90,205,770	90,135,770	8,496,932,505	8,490,338,855
Total	90,205,770	90,135,770	8,496,932,505	8,490,338,855

NOTE H - INVESTMENT, OTHERS

Financial asset	Fair value as at March 31, 2026	Fair value as at March 31, 2025	Fair value as at March 31, 2026	Fair value as at March 31, 2025	Fair value hierarchy
	USD	USD	INR	INR	
Investment in Vasuki Tech Fund	950,000	750,000	89,485,250	70,646,250	Level 3

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Opening balance	750,000	1,020,000	70,646,250	96,078,900
Changes in fair value	200,000	(270,000)	18,839,000	(25,432,650)
Closing balance	950,000	750,000	89,485,250	70,646,250

Valuation technique(s) used and key input(s): Discounted cash flow method.

Key inputs-financial projections - These include forecasts of balance sheet, statement of income and loss along with underlying assumptions.

Significant unobservable input(s): Financial projections and discount rates to discount future cash flows.

Relationship of unobservable inputs to fair value: Any change in the discount factor, financial projections, etc. would entail corresponding change in valuation of equity component.

NOTE I - OTHER ASSETS

Other assets comprise the following:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Security deposits	119,053	162,996	11,214,197	15,353,408
Total	119,053	162,996	11,214,197	15,353,408

NOTE J - PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment comprise the following:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Land	1,350,000	1,350,000	127,163,250	127,163,250
Building	7,174,050	7,174,050	675,759,640	675,759,640
Machinery & equipment	3,254,632	3,431,708	306,570,061	323,249,735
Furniture	162,811	162,811	15,335,982	15,335,982
Computer equipment	173,211	116,515	16,315,610	10,975,130
Leasehold improvements	3,449,704	3,449,704	324,944,868	324,944,868
Tooling	2,210,003	2,284,001	208,171,233	215,141,475
Total	17,774,411	17,968,789	1,674,260,644	1,692,570,080
Less: Accumulated depreciation	(8,959,185)	(8,470,533)	(843,910,431)	(797,881,856)
Property, plant and equipment, net	8,815,226	9,498,256	830,350,213	894,688,224

Depreciation expense for the years ended March 31, 2026 and March 31, 2025 is USD 757,461 (INR 71,349,039) and USD 879,108 (INR 82,807,578).

NOTE K - INTANGIBLE ASSETS, NET

Intangible assets comprise the following:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Software	335,263	377,245	31,580,098	35,534,593
Less: Accumulated amortization	(328,464)	(361,380)	(30,939,666)	(34,040,189)
Intangible assets, net	6,799	15,865	640,432	1,494,404

Amortization expense for the years ended March 31, 2026 and March 31, 2025 is USD 9,066 (INR 853,972) and USD 9,065 (INR 853,877) respectively.

During the year ended March 31, 2026, the Company retired fully amortised software with gross block amounting to USD 41,982 (INR 3,954,494).

The estimate of annual amortization expense for the following years for the intangible assets is as follows:

March 31 2027	USD	INR
	6,799	640,432
	6,799	640,432

NOTE L - INTANGIBLE UNDER DEVELOPMENT

During the year ended March 31, 2026, the Company capitalizes certain costs related to internal use software acquired, modified or developed. The Company capitalizes certain costs incurred during the application development stage of software. These costs primarily consist of third-party costs and eligible support costs if any. The changes in intangible under development is given below:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Balance at the beginning of the year	—	—	—	—
Addition during the year	141,675	—	13,345,077	—
Total	141,675	—	13,345,077	—

NOTE M - ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities comprise the following:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Accrued compensation and benefits	732,016	947,324	68,952,248	89,233,184
Withholding payroll taxes	15,952	24,217	1,502,599	2,281,120
MEDC accrual	804,788	753,009	75,807,006	70,929,683
Accrued warranty expense	241,303	518,253	22,729,536	48,816,841
Sourcing liability	—	100,000	—	9,419,500
Refundable deposit	100,000	100,000	9,419,500	9,419,500
Accrued federal and state income taxes	1,800	800	169,551	75,356
Other accrued expenses	386,573	456,831	36,413,241	43,031,196
Total	2,282,432	2,900,434	214,993,681	273,206,380

NOTE N - LEASES

The table below presents the classification of leasing assets and liabilities as reported on the balance sheet as of March 31, 2026 and March 31, 2025.

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Assets				
Operating lease right-of-use asset, net	4,644,707	5,763,062	437,508,176	542,851,625
Finance lease right-of-use assets, net	212,702	261,788	20,035,465	24,659,121
Total lease assets	4,857,409	6,024,850	457,543,641	567,510,746
Liabilities				
Current				
Operating lease liabilities	1,215,408	1,162,910	114,485,357	109,540,307
Finance lease liabilities	45,720	42,456	4,306,595	3,999,143
Non - current				
Operating lease liabilities	3,596,262	4,811,669	338,749,899	453,235,161
Finance lease liabilities	174,304	220,024	16,418,565	20,725,161
Total lease liabilities	5,031,694	6,237,059	473,960,416	587,499,772

The table below presents the classification of lease related expenses as reported in the statements of loss.

Particulars	USD		INR	
	Year ended March 31, 2026	2025	Year ended March 31, 2026	2025
Operating leases expenses*	2,158,193	2,323,105	203,290,990	218,824,875
Finance lease cost:**				
Amortization of right-of-use asset	49,085	4,091	4,623,561	385,352
Interest on lease obligation	17,705	1,615	1,667,722	152,125
Total lease expense	2,224,983	2,328,811	209,582,273	219,362,352

* The operating lease expenses are classified under the "Cost of revenue" and "Selling, general and administrative expenses" in the statements of loss. Operating lease expenses include short-term leases, variable lease costs and leases which did not meet the capitalization requirement of the Company.

**Amortization of finance lease right-of-use asset is recognized in the statements of loss under the head "Depreciation and amortization." Interest expense on the finance lease is recognized in the statements of loss under the head "Interest expense".

Cash flows arising from lease transactions were as follows:	USD		INR	
	Year ended March 31, 2026	Year ended March 31, 2026	Year ended March 31, 2026	Year ended March 31, 2026
Supplemental information				
Cash paid for amounts included in the measurement of lease liabilities				
Operating cash flows from operating leases	1,550,788	146,076,476		
Operating cash flows from financing leases	17,705	1,667,722		
Financing cash flows from financing leases	42,456	3,999,143		

The following table presents the weighted-average remaining lease term and discount rates as of March 31, 2026

	Year ended March 31, 2026	Year ended March 31, 2025
Weighted average remaining lease term operating leases	3.64	4.60
Weighted average remaining lease term finance lease	4.25	5.25
Weighted average discount rate operating leases	7.32%	7.27%
Weighted average discount rate finance lease	7.43%	7.43%

Future minimum lease payments as of March 31, 2026, for operating leases and finance lease having an initial or remaining non-cancellable lease term in excess of one year are as follows.

Year ended March 31, 2026	Operating leases		Finance lease	
	Amount (USD)	Amount (INR)	Amount (USD)	Amount (INR)
2027	1,518,745	143,058,185	60,160	5,666,771
2028	1,514,754	142,682,253	60,160	5,666,771
2029	1,456,084	137,155,832	60,160	5,666,771
2030	980,324	92,341,619	60,160	5,666,771
2031	—	—	15,043	1,416,975
Total minimum lease payments	5,469,907	515,237,889	255,683	24,084,059
Less: Interest	658,237	62,002,633	35,659	3,358,899
Present value of lease payments	4,811,670	453,235,256	220,024	20,725,160

During the year ended March 31 2026, the Company entered into a lease agreement for a period of 1 year starting from November 01, 2025. The income is recognized on a straight-line basis over the lease term.

Future minimum lease payments to be received under the non-cancellable operating lease, as of March 31, 2026, are as follows:

Year ended March 31	Amount (USD)	Amount (INR)
2027	1,018,080	95,898,046

NOTE O - INCOME TAXES

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The Company is subject to taxation in the United States of America and the state of Michigan. The income tax expense is as follows:

	USD		INR	
	Year ended March 31,		Year ended March 31,	
	2026	2025	2026	2025
Current tax expense	1,600	800	150,712	75,356
Income tax expense	1,600	800	150,712	75,356

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that create such differences is as follows:

	USD		INR	
	As at March 31,		As at March 31,	
	2026	2025	2026	2025
Deferred tax asset (liability)				
Net operating loss	20,728,986	20,201,456	1,952,566,836	1,902,876,148
Accrued expenses	451,704	514,340	42,548,258	48,448,256
Research and development credits	499,422	499,422	47,043,056	47,043,055
Provision for slow moving, damaged goods and obsolescence	579,989	582,197	54,632,063	54,840,047
Investment, others	(51,480)	-	(4,849,159)	-
Interest expense limitation	707,101	588,300	66,605,379	55,414,919
Lease assets	44,860	45,445	4,225,588	4,280,692
Prepaid expenses and other current assets	(245,796)	(122,493)	(23,152,754)	(11,538,228)
Property, plant and equipment	(63,196)	(216,742)	(5,952,747)	(20,416,014)
Less: Valuation allowance	(22,651,590)	(22,091,925)	(2,133,666,520)	(2,080,948,875)
Total	-	-	-	-

In assessing the realization of deferred tax assets, the likelihood of whether it is more likely than not that some portion or all the deferred tax assets will not be realized must be considered. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which temporary difference becomes deductible. Management considers the projected

future taxable income and tax planning strategies in making this assessment. The management believes that it is more likely than not that the deferred tax assets may not be realized and accordingly, a valuation allowance of USD 22,651,590 (INR 2,133,666,520) is recognized as at March 31, 2026 [March 31, 2025: USD 22,091,925 (INR 2,080,948,875)].

The Company has federal Net Operating Losses ("NOLs") carryforwards of USD 91,459,701 (INR 8,615,046,536) and USD 89,623,885 (INR 8,442,121,848) as at March 31, 2026 and March 31, 2025, respectively. Out of the total NOLs of USD 91,459,701 (INR 8,615,046,536), if unutilized, NOLs of USD 9,076,313 (INR 854,943,303) will begin to expire from the year 2036, whereas the remaining NOLs will be carried forward indefinitely.

The Company has state NOLs of USD 32,115,903 (INR 3,025,157,483) and USD 30,178,343 (INR 2,843,649,019) as at March 31, 2026 and March 31, 2025, respectively which if unutilized will begin to expire from the year 2026.

The Company recognizes the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination.

The tax years 2022, 2023 and 2024 remain subject to examination by the taxing authorities.

NOTE P - OTHER INCOME

Other income comprise the following:

	USD		INR	
	As at March 31,		As at March 31,	
Particulars	2026	2025	2026	2025
Sale of scrap	39,698	92,517	3,739,353	8,714,639
Operating lease income	1,552,862	531,009	146,271,836	50,018,393
Reversal of expected credit loss	-	50,517	-	4,758,449
Early lease termination	-	59,146	-	5,571,257
Recovery of previously written-off deposit	102,500	-	9,654,988	-
Reversal of accrued liabilities	493,379	2,016,403	46,473,835	189,935,080
Total	2,188,439	2,749,592	206,140,012	258,997,818

NOTE Q - RELATED PARTY TRANSACTIONS

Name of related party and nature of relationship:

No.	Name of the party	Nature of relationship
1	Mahindra & Mahindra Limited	Ultimate parent company
2	Mahindra Overseas Investment Company Mauritius Limited	Parent company
3	Mahindra Vehicle Sales and Services, Inc.	Wholly owned subsidiary
4	Mahindra Integrated Business Solutions Private Limited - Michigan Branch, USA ("MIBS")	Affiliate company
5	Mahindra Integrated Business Solutions Pvt Ltd	Affiliate company
6	Mahindra, USA, Inc ("MAgNA")	Affiliate company
7	Automobili Pininfarina GMBH	Affiliate company

Summary of transactions and balances with related parties are as follows:

Particulars	USD		INR	
	Year ended March 31, 2026	2025	Year ended March 31, 2026	2025
Transactions during the year				
Mahindra & Mahindra Limited				
Purchase of raw materials	5,775,499	5,464,871	544,023,128	514,763,524
Management service fees	780,863	1,012,673	73,553,390	95,388,733
Expense incurred on behalf of the Company	21,623	11,487	2,036,778	1,082,018
Mahindra Integrated Business Solutions Pvt Ltd				
Administrative services received	52,200	32,929	4,916,979	3,101,747
Automobili Pininfarina GMBH				
Management service fees	171,543	405,620	16,158,493	38,207,376
Mahindra Integrated Business Solutions Private Limited - Michigan Branch, USA				
Management service fees	2,681,407	2,788,333	252,575,132	262,647,027
Expenses incurred on behalf of the Company	6,624	5,061	623,948	476,721
Expenses incurred on their behalf	68,171	682,171	6,421,367	64,257,097
Mahindra Vehicle Sales and Services, Inc.				
Investment made during the year	70,000	50,000	6,593,650	4,709,750
Expenses incurred on behalf of MVSS	1,000	–	94,195	–
Mahindra Overseas Investment Company Mauritius Limited				
Issue of common stock	5,399,995	–	508,652,529	–
Mahindra USA, Inc.				
Expenses incurred on the behalf of Company	1,437,807	1,689,734	135,434,230	159,164,494
Purchase of spare parts	–	66,669	–	6,279,886
Sale of spare parts	39,981	128,126	3,766,010	12,068,829
Sale of property, plant and equipment	57,503	–	5,416,495	–
Sales of vehicles (goods) sales during the year	14,395,495	18,324,002	1,355,983,652	1,726,029,368
Tractor assembly service	2,746,465	2,707,009	258,703,271	254,986,713
Management service fees	325,799	325,279	30,688,637	30,639,655
Expenses incurred on their behalf	518,673	121,103	48,856,403	11,407,297
Balances at the end of the year				
Due from related parties				
Mahindra, USA, Inc.	2,158,658	–	203,334,790	–
Mahindra Vehicle Sales and Services, Inc.	1,000	–	94,195	–
Automobili Pininfarina GMBH	48,854	4,157	4,601,803	391,569
Total	2,208,512	4,157	208,030,788	391,569
Due to related parties				
Mahindra, USA, Inc.	–	1,654,336	–	155,830,180
Mahindra and Mahindra, Limited	233,346	4,377,274	21,980,026	412,317,324
Mahindra Integrated Business Solutions Pvt Ltd	4,350	4,350	409,749	409,748
Total	237,696	6,035,960	22,389,775	568,557,252

NOTE R - STOCKHOLDER'S EQUITY

Common stock

The authorized share capital of the Company as of March 31, 2026 and March 31, 2025 was 8,000,000 shares and 8,000,000 shares, respectively, of USD 25 each. As at March 31, 2026, and March 31, 2025 total shares issued and outstanding was 7,989,737 and 7,773,737 shares, respectively.

Voting

Each holder of common stock is entitled to one vote in respect of each share held by him in the records of the Company for all matters submitted to a vote.

Liquidation

In the event of liquidation of the Company, the holder of common stock shall be entitled to receive all the remaining assets of the Company.

NOTE S - RISKS AND UNCERTAINTIES

The Company's future results of operations involve several risks and uncertainties.

Factors that could affect the Company's future operating results and cause actual results to vary materially from expectations include, competitive factors, including but not limited to pricing pressures; deterioration in general economic conditions; the Company's ability to effectively manage operating costs and increase operating efficiencies; declines in revenues; technological and market changes; the ability to attract and retain qualified employees and the Company's ability to execute on its business plan.

NOTE T - REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue disaggregated by product line:

	USD		INR	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Vehicle sales	14,395,495	18,390,882	1,355,983,652	1,732,329,130
Bike Sales	—	18,858	—	1,776,328
Parts and accessory sales	39,981	128,126	3,766,010	12,068,829
Tractor assembly service	2,746,465	2,707,009	258,703,271	254,986,713
Management service fees	3,959,612	4,282,396	372,975,652	403,380,292
Total revenue by product line	21,141,553	25,527,271	1,991,428,585	2,404,541,292

Revenue disaggregated by timing of recognition:

	USD		INR	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Products transferred at a point in time	14,435,476	18,537,866	1,359,749,662	1,746,174,287
Services transferred over time	6,706,077	6,989,405	631,678,923	658,367,005
Total revenue by timing of recognition	21,141,553	25,527,271	1,991,428,585	2,404,541,292

Revenue disaggregated by geography based on Company's locations:

	USD		INR	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
United States	20,189,147	24,108,978	1,901,716,702	2,270,945,183
Germany	171,543	405,620	16,158,493	38,207,376
India	780,863	1,012,673	73,553,390	95,388,733
Total revenue by geography	21,141,553	25,527,271	1,991,428,585	2,404,541,292

Contract balances

The timing of revenue recognition, billing, and cash collection results in the recognition of accounts receivables on the balance sheets. Accounts receivables are non-interest bearing and are generally due within 30 days. The details of contract balance is as follows:

	USD		INR	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Accounts receivable, net of allowance	—	64,022	—	6,030,552
Due from related parties	2,208,512	4,157	208,030,788	391,569
Total contract balances	2,208,512	68,179	208,030,788	6,422,121

NOTE U - EMPLOYEE BENEFIT PLANS

The Company has voluntary 401(k) retirement plans. The Company may make annual contributions to the plans equal to a uniform percentage of participant compensation. The cost of the Company's contributions charged to expense related to 401(k) contributions was USD 107,807 (INR 10,154,880) and USD 104,823 (INR 9,873,802) for the years ended March 31, 2026, and March 31, 2025, respectively.

NOTE V - GOVERNMENT INCENTIVE AND CREDITS

Michigan Economic Development Incentive (MEDC)

The Company, during the year ended March 31, 2019, had recorded government grant incentive income received from MEDC amounting to USD 531,250 (INR 50,041,094). The Company had received this incentive on account of creation of 50 qualified jobs in State of Michigan. During the year 2022, the Company had additionally received USD 318,750 (INR 30,024,656). However, due to the onset of COVID and cease-and-desist order, the Company had furloughed approximately 86 employees and even terminated few employees during the year ended March 31, 2021. The Company terminated and furloughed few other employees in the current year as well on account of its plan of rightsizing and restructuring. Due to these uncertain circumstances, the management believes that it could have potentially violated the conditions stipulated based on which the Company had received the grant in FY 2018-19 and FY 2021-22. The Company is currently evaluating its exposure and is in continuous discussions with the MEDC authorities. Accordingly, the Company recognized a liability for MEDC incentives amounting to USD 804,788 (INR 75,807,006) and USD 753,009 (INR 70,929,683) as at March 31, 2026, and March 31, 2025.

NOTE W - GOING CONCERN

The Company incurred losses amounting to USD 475,956 (INR 44,832,674) and USD 2,652,447 (INR 249,847,246) for the years ended March 31, 2026 and March 31, 2025, respectively. The Company reported negative operating cashflows amounting to USD 7,419,239 (INR 698,855,216) and USD 1,799,690 (INR 169,521,800) for the years ended March 31, 2026, and March 31, 2025, respectively. The Company also has an accumulated deficit of USD 95,101,563 (INR 8,958,091,725 and USD 94,625,607 (INR 8,913,259,051) as at March 31, 2026, and March 31, 2025, respectively. These conditions indicate that the Company has experienced liquidity challenges arising from its operating activities. During the year ended March 31, 2026, the Company received an equity contribution of USD 5,399,995 (INR 508,652,529) from its parent company. Management believes that due to issuance of capital during the year ended March 31, 2026, together with existing cash balances and expected cash flows from operations, will provide sufficient liquidity to meet the Company's obligations as they become due for a period of at least twelve months from the date the separate parent company financial statements are available for issue. The management's assessment was also substantiated by financial forecasts for next 12 months. Based on above, management concluded that the substantial doubt has been alleviated by the plans. Accordingly, the separate parent company financial statements have been prepared on a going concern basis.

NOTE X - SUBSEQUENT EVENTS

The Company evaluated all events and transactions that occurred after March 31, 2026, up to the date the separate parent company financial statements were issued. Based on this evaluation, the Company is not aware of any events or transactions that require recognition or disclosure in the separate parent company financial statements.

INDEPENDENT AUDITOR'S REPORT

Board of Directors

Mahindra Vehicle Sales and Services, Inc.

OPINION

We have audited the financial statements of Mahindra Vehicle Sales and Services, Inc. ('the Company') which comprise the balance sheets as of March 31, 2026, and March 31, 2025, and the related statements of loss, statement of changes in stockholder's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2026, and March 31, 2025, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BASIS FOR OPINION

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). 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 required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

EMPHASIS OF MATTER

As discussed in Note B to the financial statements, the Company has incurred net loss and has generated negative cash flows from operations for the years ended March 31, 2026, and March 31, 2025. The Company also has a stockholder's deficit as at March 31, 2026, and March 31, 2025. Management's evaluation of the events and conditions and management's plans to mitigate these matters are also described in Note B.

Our opinion is not qualified with respect to this matter.

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a period of twelve months from the date the financial statements are issued.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute

assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit

OTHER INFORMATION

Management is responsible for the other information. The other information comprises amounts presented in INR parenthetically alongside the USD amounts in the financial statements. Such presentation is not required by accounting principles generally accepted in the United States of America.

Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance on it. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether it is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work performed, we conclude that there is an uncorrected material misstatement of the other information, we are required to describe it in our report.

KNAV CPA LLP
Atlanta, Georgia
April 27, 2026

BALANCE SHEETS

		USD		INR	
	Note	As of March 31, 2026	2025	As of March 31, 2026	2025
ASSETS					
Current asset					
Cash	D	51,646	53,189	4,864,795	5,010,138
Accounts receivable, net of allowance	E	–	–	–	–
Total current asset		51,646	53,189	4,864,795	5,010,138
Property and equipment, net	F	–	–	–	–
Total asset		51,646	53,189	4,864,795	5,010,138
LIABILITIES AND STOCKHOLDER’S DEFICIT					
Current liabilities					
Accounts payable		512	–	48,228	–
Accrued expenses and other current liabilities	G	1,191,202	1,263,709	112,205,273	119,035,070
Due to related party	K	1,000	–	94,195	–
Total current liabilities		1,192,714	1,263,709	112,347,696	119,035,070
Total liabilities		1,192,714	1,263,709	112,347,696	119,035,070
Stockholder’s deficit					
Common stock, \$ 25 par value 5,000,000 shares authorized, 3,608,231 shares issued and outstanding (March 31, 2025:\$ 25 par value 5,000,000 shares authorized, 3,605,431 shares issued and outstanding)	L	90,205,775	90,135,770	8,496,932,976	8,490,338,855
Accumulated deficit		(91,346,843)	(91,346,290)	(8,604,415,877)	(8,604,363,787)
Total stockholder’s deficit		(1,141,068)	(1,210,520)	(107,482,901)	(114,024,932)
Total liabilities and stockholder’s deficit		51,646	53,189	4,864,795	5,010,138

(The accompanying notes are an integral part of these financial statements)

STATEMENTS OF LOSS

	Note	USD		INR	
		Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Operating revenues	H	—	136	—	12,811
Total revenue		—	136	—	12,811
Selling, general and administrative expenses		65,439	130,587	6,164,027	12,300,642
Total expenses		65,439	130,587	6,164,027	12,300,642
Operating loss		(65,439)	(130,451)	(6,164,027)	(12,287,831)
Other income	I	65,686	1,237	6,187,293	116,519
Income (loss) before income taxes		247	(129,214)	23,266	(12,171,312)
Income tax expense	J	800	—	75,356	—
Net loss		(553)	(129,214)	(52,090)	(12,171,312)

(The accompanying notes are an integral part of these financial statements)

STATEMENTS OF CHANGES IN STOCKHOLDER'S DEFICIT*(All amounts are stated in United States Dollars, except number of shares)*

Particulars	Common stock				Accumulated deficit	Total shareholder's deficit
	Authorized		Issued & outstanding			
	Shares	Value	Shares	Value		
Balance as of April 01, 2024	5,000,000	125,000,000	3,603,431	90,085,770	(91,217,076)	(1,131,306)
Common stock issued during the year	—	—	2,000	50,000	—	50,000
Net loss for the year	—	—	—	—	(129,214)	(129,214)
Balance as of March 31, 2025	<u>5,000,000</u>	<u>125,000,000</u>	<u>3,605,431</u>	<u>90,135,770</u>	<u>(91,346,290)</u>	<u>(1,210,520)</u>
Balance as of April 01, 2025	5,000,000	125,000,000	3,605,431	90,135,770	(91,346,290)	(1,210,520)
Common stock issued during the year	—	—	2,800	70,005	—	70,005
Net loss for the year	—	—	—	—	(553)	(553)
Balance as of March 31, 2026	<u>5,000,000</u>	<u>125,000,000</u>	<u>3,608,231</u>	<u>90,205,775</u>	<u>(91,346,843)</u>	<u>(1,141,068)</u>

(All amounts are stated in Indian Rupees, except number of shares)

Particulars	Common stock				Accumulated deficit	Total shareholder's deficit
	Authorized		Issued & outstanding			
	Shares	Value	Shares	Value		
Balance as of April 01, 2024	5,000,000	11,774,375,000	3,603,431	8,485,629,105	(8,592,192,475)	(106,563,370)
Common stock issued during the year	—	—	2,000	4,709,750	—	4,709,750
Net loss for the year	—	—	—	—	(12,171,312)	(12,171,312)
Balance as of March 31, 2025	5,000,000	11,774,375,000	3,605,431	8,490,338,855	(8,604,363,787)	(114,024,932)
Balance as of April 01, 2025	5,000,000	11,774,375,000	3,605,431	8,490,338,855	(8,604,363,787)	(114,024,932)
Common stock issued during the year	—	—	2,800	6,594,121	—	6,594,121
Net loss for the year	—	—	—	—	(52,090)	(52,090)
Balance as of March 31, 2026	5,000,000	11,774,375,000	3,608,231	8,496,932,976	(8,604,415,877)	(107,482,901)

(The accompanying notes are an integral part of these financial statements)

STATEMENTS OF CASH FLOWS

	USD		INR	
	Year ended March 31,		Year ended March 31,	
	2026	2025	2026	2025
Cash flow from operating activities				
Net loss	(553)	(129,214)	(52,090)	(12,171,312)
Adjustments to reconcile net loss to net cash used in operating activities				
Provision (reversed) recognised for expected credit loss	(51,719)	51,719	(4,871,671)	4,871,671
Liabilities written back	(12,505)	—	(1,177,908)	—
Changes in assets and liabilities				
Accounts receivable, net of allowance	51,719	(2,489)	4,871,671	(234,451)
Accounts payable	512	—	48,228	—
Related parties, net	1,000	39,989	94,195	3,766,764
Accrued expenses and other current liabilities	(60,002)	(16,673)	(5,651,889)	(1,570,514)
Net cash used in operating activities	(71,548)	(56,668)	(6,739,464)	(5,337,842)
Proceeds from issuance of common stock	70,005	50,000	6,594,121	4,709,750
Net cash provided by financing activities	70,005	50,000	6,594,121	4,709,750
Net decrease in cash	(1,543)	(6,668)	(145,343)	(628,092)
Cash at the beginning	53,189	59,857	5,010,138	5,638,230
Cash at the end	51,646	53,189	4,864,795	5,010,138

(The accompanying notes are an integral part of these financial statements)

NOTES TO FINANCIAL STATEMENTS

NOTE A - ORGANIZATION AND NATURE OF OPERATIONS

Mahindra Vehicle Sales and Services, Inc. (hereinafter referred to as the "Company") was incorporated in the state of Delaware on April 19, 2017 and is a wholly owned subsidiary of Mahindra Automotive North America, Inc. ("MANA" or "the parent company").

The Company previously engaged in the sale and distribution of off-road vehicles and related parts to independent distributors and dealers (collectively, "dealerships") in North America, with its operations focused solely on the ROXOR off-road side-by-side vehicle. During the year ended March 31, 2022, the parent company decided to sale the redesigned ROXOR through its affiliate, Mahindra USA LLC, instead of the Company. Consequently, the Company's activities are now limited to the sale of accessories and service parts under the warranty arrangements for ROXOR vehicles previously sold.

NOTE B - GOING CONCERN

The Company incurred losses amounting to USD 553 (INR 52,090) and USD 129,214 (INR 12,171,312) and has negative operating cash flows of USD 71,548 (INR 6,739,464) for the year ended March 31, 2026, and USD 56,668 (INR 5,337,842) for the years ended March 31, 2026 and March 31, 2025 respectively. Additionally, the Company has a stockholder's deficit of USD 1,141,068 (INR 107,482,901) as at March 31, 2026, and USD 1,210,520 (INR 114,024,932) as at March 31, 2025. Although, these events and condition cast significant doubt on the Company's ability to continue as a going concern, in view of the continued support from the parent company, the management considers that it is appropriate to prepare these financial statements on a going concern basis, which assumes that the Company will continue to be in operational existence for the foreseeable future. The Company has received funding from its Parent Company amounting to USD 70,005 (INR 6,594,121) during the year ended March 31, 2026, and USD 50,000 (INR 4,709,750) during the year ended March 31, 2025 in the form of capital contribution.

Though the parent company has commenced the sale of the redesigned ROXOR through its affiliate, Mahindra USA LLC, the Company will continue its operations to fulfill dealership obligations related to vehicles previously sold. Based on these factors, the financial statements have been prepared on a going concern basis, and no adjustments have been made to the carrying values of assets and liabilities.

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are detailed below:

1. Basis of preparation

- The accompanying financial statements are prepared on the accrual basis of accounting in accordance with the accounting and reporting requirements of generally accepted accounting principles in the United States of America ("US GAAP") to reflect the financial position, results of operation and cash flows of the Company.
- The financial statements are for the fiscal years ended March 31, 2026, and March 31, 2025.
- Financial information is reported in US dollars ("USD") and in Indian rupees ("INR"). For March 31, 2026, and March 31, 2025, USD amounts are translated for convenience into Indian rupees at an exchange rate of 94.195 INR per USD. Within the notes to the financial statements, INR amounts are shown parenthetically alongside the USD amounts.

2. Use of estimates

The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Significant items subject to such estimates and assumptions include the warranties, valuation allowance for deferred tax assets and other contingencies. Management believes that the estimates used in the preparation of the financial statements are reasonable. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from

these estimates. Any changes in estimates are adjusted prospectively in the financial statements.

3. Revenue recognition

Revenue is recognized upon transfer of control of products or services promised to customers in an amount that reflects the consideration the Company expects to receive in exchange for these products or services.

Revenue from sale of service parts and accessories of previously sold ROXORs is recognized when each of the following criteria is met:

- The Company approve a contract with commercial substance.
- The sales price is determinable, and collectability of the payment is probable based on the terms outlined in the contract.
- Control of the goods is transferred to the affiliate when the ordered items are shipped.

Transfer of control, and therefore revenue recognition is recorded at a point in time on the date when the service parts and accessories of previously sold ROXORs are shipped to the customer.

4. Cash

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash for the financial statements purpose. Cash balances on deposits with banks in the United States of America are insured by the Federal Deposit Insurance Corporation up to an aggregate of USD 250,000 (INR 23,548,750) per account per depositor.

5. Property, equipment and depreciation

Property and equipment are stated at cost less accumulated depreciation. Cost of items of property and equipment comprises cost of purchase and other costs necessarily incurred to bring it to the condition and location necessary for its intended use.

The Company depreciates property and equipment over the estimated useful life using the straight-line method. Upon retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the accounts and the resulting gain or loss is credited or charged to operations.

The estimated useful life used to determine depreciation is:

Computers	3 years
Vehicles	5 - 10 years

Expenditures for maintenance and repairs are charged to expense. Property and equipment is reviewed for impairment whenever events or changes in circumstances indicate the carrying value of the asset may not be recoverable.

6. Accounts receivable and expected credit loss

Accounts receivable are recorded at the invoiced amount, net of discount and others and provision for credit loss. The Company regularly reviews the adequacy of the provision for credit loss based on a combination of factors. In establishing any required allowance, management considers historical losses adjusted for current market conditions, the current receivables aging, current payment terms and expectations of forward-looking loss estimates.

7. Income taxes

Income taxes are accounted for using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

NOTES TO FINANCIAL STATEMENTS

The Company has determined whether any tax positions have met the recognition threshold and has measured the Company's exposure to those tax provisions. Management believes that the Company has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state taxing authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties from federal and state taxing authorities were recorded in the accompanying financial statements.

8. Fair value measurements and financial instruments

Assets and liabilities recorded at fair value in the financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels which are directly related to the amount of subjectivity associated with the inputs to the valuation of these assets or liabilities are as follows:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.

Level 2 – inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.

Level 3 – unobservable inputs for the asset or liability only used when there is little, if any, market activity for the asset or liability at the measurement date.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value.

Some of Company's financial instruments, including cash, accounts receivable and accounts payable are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature.

9. Commitments and contingencies

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

10. Interest income:

The Company records the interest income on bank balances under the other income.

11. Advertising and marketing expenses

Advertisement and marketing expenses are presented as part of "Selling, general and administrative expenses" in the statements of loss and are expensed as incurred. The amount of advertisement and marketing expenses incurred by the Company for the year ended March 31, 2026, is USD 1,176 (INR 110,773) and March 31, 2025, is USD 1,198 (INR 112,846).

NOTE D - CASH

The cash of the Company comprise of :

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Bank balances	51,646	53,189	4,864,795	5,010,138
Total	51,646	53,189	4,864,795	5,010,138

NOTE E - ACCOUNTS RECEIVABLE, NET OF ALLOWANCE

Accounts receivable, net of allowances comprise the following:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Accounts receivable	–	51,719	–	4,871,671
Provision for expected credit loss	–	(51,719)	–	(4,871,671)
Total	–	–	–	–

The movement in provision for expected credit loss during the year was as follows:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Balance at beginning of the year	51,719	1,351	4,871,671	127,257
Provision created during the year	–	51,719	–	4,871,671
Provision reversed during the year	(51,719)	–	(4,871,671)	–
Write off of receivables	–	(1,351)	–	(127,257)
Balance at the end of the year	–	51,719	–	4,871,671

NOTE F - PROPERTY AND EQUIPMENT, NET

Property and equipment comprise the following:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Computers	5,730	5,730	539,737	539,737
Vehicles	8,500	8,500	800,658	800,658
	14,230	14,230	1,340,395	1,340,395
Less: Accumulated depreciation	(14,230)	(14,230)	(1,340,395)	(1,340,395)
Property and equipment, net	–	–	–	–

There is no depreciation expense for the years ended March 31, 2026 and March 31, 2025, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE G - ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities comprise the following:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Dealership closure liability	1,174,185	1,195,982	110,602,356	112,655,524
Other accrued expenses	17,017	67,727	1,602,917	6,379,546
Total	1,191,202	1,263,709	112,205,273	119,035,070

NOTE H - REVENUE FROM CONTRACT WITH CUSTOMERS

Disaggregation of revenue from contracts with customers

The following table presents revenue disaggregated by product line:

Particulars	USD		INR	
	Year ended March 31, 2026	2025	Year ended March 31, 2026	2025
Service parts and accessories	-	136	-	12,811
Total revenue by product line	-	136	-	12,811

The following table presents revenue disaggregated by timing of recognition:

Particulars	USD		INR	
	Year ended March 31, 2026	2025	Year ended March 31, 2026	2025
Products and services transferred at a point in time	-	136	-	12,811
Total revenue by timing of revenue recognition	-	136	-	12,811

The following table presents revenue disaggregated by geography based on Company's locations:

Particulars	USD		INR	
	Year ended March 31, 2026	2025	Year ended March 31, 2026	2025
United States of America	-	136	-	12,811
Total revenue by geography	-	136	-	12,811

NOTE I - OTHER INCOME

Other income comprise of the following:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Interest income	1,462	1,237	137,713	116,519
Reversal of expected credit loss	51,719	-	4,871,671	-
Liabilities written back	12,505	-	1,177,909	-
	65,686	1,237	6,187,293	116,519

NOTE J - INCOME TAXES

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The Company is subject to taxation in the United States of America and the State of Michigan. The Company is a member of the federal consolidated tax group of its parent company.

The provision for income tax expense for the year ended March 31, 2026 and March 31, 2025 is USD 800 (INR: 75,356) and USD Nil (INR: Nil), respectively.

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that create such differences is as follows:

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Deferred tax asset				
Net operating loss - Federal	18,189,926	18,171,747	1,713,400,080	1,711,687,709
Net operating loss - State	1,074,555	1,067,558	101,217,708	100,558,626
Interest expense limitation	808,640	672,670	76,169,845	63,362,151
Unclaimed property accrual	-	2,677	-	252,160
Provision for expected credit loss	-	11,074	-	1,043,115
Dealership closure liability	302,236	256,083	28,469,120	24,121,738
Valuation allowance	(20,375,357)	(20,181,809)	(1,919,256,753)	(1,901,025,499)
Total	-	-	-	-

In assessing the realization of deferred tax assets, the likelihood of whether it is more likely than not that some portion or all the deferred tax assets will not be realized must be considered. The ultimate realization of deferred tax assets is dependent on the generation of future taxable income during the periods in which temporary difference becomes deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. The management believes that it is more likely than not that the deferred tax assets may not be realized and accordingly, a valuation allowance of USD 20,375,357 (INR: 1,919,256,753) is recognized as at March 31, 2026 and USD 20,181,809 (INR: 1,901,025,499) as at March 31, 2025.

The Company has federal net operation loss ("NOLs") carry forwards of USD 86,618,697 (INR: 8,159,048,164) as at March 31, 2026 (March 31, 2025: USD 86,532,128 (INR: 8,150,893,797), which will be carried forward indefinitely.

The Company has state net operating losses carry forwards of USD 22,669,938 (INR: 2,135,394,810) as at March 31, 2026 (March 31, 2025: USD 22,584,369 (INR: 2,127,334,638), which if unutilized will begin to expire from the year 2027.

The Company recognizes the financial statement impact of a tax position when it is more likely than not that the position will be sustained upon examination.

The tax years 2022, 2023 and 2024 remain subject to examination by the taxing authorities.

NOTES TO FINANCIAL STATEMENTS

NOTE K - RELATED PARTY TRANSACTIONS

Name of related party and nature of relationship:

No.	Name of the party	Nature of relationship
1	Mahindra & Mahindra Limited	Ultimate parent company
2	Mahindra Automotive North America, Inc. ("MANA")	Parent company
3	Mahindra USA Inc. ("MAgNA")	Affiliate company

Summary of transactions and balances with related parties are as follows:

Particulars	USD		INR	
	Year ended March 31, 2026	2025	Year ended March 31, 2026	2025
Transactions during the year				
Mahindra Automotive North America, Inc.				
Capital contribution received	70,005	50,000	6,594,121	4,709,750
Expenses incurred on behalf of Company	1,000	–	94,195	–
Mahindra USA Inc.				
Purchase returns during the year	–	6,143	–	578,640
Mahindra and Mahindra Ltd.				
Expenses incurred on the behalf of MVSS	1,171	1,198	110,302	112,846
Balances at the end of the year				
Due to related party				
Mahindra Automotive North America, Inc.	1,000	–	94,195	–

Particulars	USD		INR	
	As at March 31, 2026	2025	As at March 31, 2026	2025
Balances at the end of the year				
Due to related party				
Mahindra Automotive North America, Inc.	1,000	–	94,195	–

NOTE L - COMMON STOCK

Common stock

The authorized share capital of the Company as of March 31, 2026, and March 31, 2025, was 5,000,000 shares of USD 25 each. As at March 31, 2026 and March 31, 2025 total shares issued and outstanding was 3,608,231 and 3,605,431 shares, respectively.

The Company issued 2,800 shares and 2,000 shares for USD 25 each during the years ended March 31, 2026 and March 31, 2025, respectively.

Voting

Each holder of common stock is entitled to one vote in respect of each share held by him in the records of the Company for all matters submitted to a vote.

Liquidation

In the event of liquidation of the Company, the holder of common stock shall be entitled to receive all the remaining assets of the Company.

NOTE M - SUBSEQUENT EVENTS

The Company evaluated all events and transactions that occurred after March 31, 2026, through the date the financial statements were available to be issued. Based on the evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the financial statements.

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

To
Quotaholders and Officers of
Mahindra do Brasil Industrial Ltda.
Dois Irmãos - RS

Opinion

We have examined the financial statements of **Mahindra do Brasil Industrial Ltda.**, which comprise the balance sheet as of March 31, 2026, and the related statements of income, changes in members' equity and cash flows for the year then ended, including material accounting policies and other explanatory information.

In our opinion, the financial statements referred to above present fairly in all material aspects the financial position of **Mahindra do Brasil Industrial Ltda.** as of March 31, 2026, the performance of its operations, and its cash flows for the year ended on that date, in accordance with the accounting practices adopted in Brazil.

Foundation for Opinion

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities, in accordance with such standards, are described in the following section titled "Auditor's responsibility for the financial statements audit." We are independent in regard to the Company in accordance with the relevant ethical principles set out in the Code of Ethics for Professional Accountants and professional standards laid down by the Federal Accounting Council and we comply with all the other ethical responsibilities in accordance with these standards.

We believe the audit evidence we achieved is sufficient and appropriate to substantiate our opinion.

Governance and Management Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting principles in Brazil and the internal controls deemed necessary by Management for the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Company ability to continue operating, disclosing, when applicable, matters related to its operational continuity and the use of this accounting basis in the preparation of the financial statements, unless Management intends to liquidate the Company or cease its operations, or has no realistic alternative to avoid closing its operations.

Those responsible for the Company governance are those responsible for supervising the preparation process of the financial statements.

Auditors' Responsibility for the Audit of the Financial Statements

Our goals are to obtain reasonable assurance that the financial statements are jointly free from material misstatement, whether caused by fraud or error, and to issue an audit report containing our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with Brazilian and international auditing standards will always detect any material misstatements. Such misstatements may occur due to fraud or error and are considered material when, individually or jointly, they can influence, from a reasonable perspective, the economic decisions of the users based on the referred financial statements.

As part of the audit conducted in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition:

- We identify and assess the risks of material misstatement in the financial statements, whether caused by fraud or error, plan and perform audit procedures in response to such risks, and obtain appropriate and sufficient audit evidence to substantiate our opinion. The risk of not detecting a material misstatement resulting from fraud is greater than that of error, as fraud may involve circumvention of internal controls, collusion, counterfeiting, omission, or willful misrepresentation.
- We obtain understandings of internal controls relevant to auditing in order to plan appropriate audit procedures in given circumstances, but not for the purpose of expressing opinion on the effectiveness of the Company's internal controls.
- We assess the adequacy of the accounting policies used and the reasonableness of the accounting estimates and respective disclosures made by Management.
- We conclude on the adequacy of the Executive Board's use of the accounting basis for operational continuity and, based on the audit evidence obtained, whether there is a relevant uncertainty in regard to events or conditions that may cause significant doubt concerning the capacity for operational continuity of the Company. If we conclude there is material uncertainty when preparing our audit report, we will highlight the relevant disclosures in the financial statements or include modification in our opinion in the event the disclosures were inadequate. Our conclusions are based on audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to no longer be in operational continuity.
- We assess the overall submission, structure, and content of financial statements, including disclosures, and whether the financial statements represent the related transactions and events in a manner consistent with the appropriate submission goal.

We communicate with governance, among other aspects, on the planned scope, timing of the audit and significant audit findings, including any significant deficiencies in the internal controls identified during our work.

Porto Alegre, RS, April 24, 2026.

Guilherme Ghidini Neto
Accountant – CRCRS No. 67.795

Sérgio Laurimar Fioravanti
Accountant – CRCRS No. 48.601

Baker Tilly Brasil RS Auditores
Independentes S/S
CRCRS No. 006706/O
CVM 12.360
CNAIPJ 000023

BALANCE SHEET

FOR THE FISCAL YEARS ENDED AS OF MARCH 31, 2026 AND 2025
IN THOUSANDS OF REAIS

Assets	03/31/2026	03/31/2025
Current		
Cash and cash equivalents (Note 3)	27,581	44,456
Trade receivables (Note 4)	52,220	56,722
Inventories (Note 5)	121,958	130,085
Recoverable taxes (Note 6)	7,314	6,954
Other receivables (Note 7)	13,196	3,866
Right-of-use assets (Note 12)	424	685
Advances to suppliers	349	1,867
Total	223,042	244,635
Non-Current Assets		
Deferred taxes (Note 20)	9,571	8,630
Judicial deposits	819	286
Right-of-use assets (Note 13)	362	218
Property, plant and equipment (Note 8)	23,018	13,920
Intangible assets (Note 9)	1,693	116
Total	35,463	23,170
Total Assets	258,505	267,805

Explanatory notes are an integral part of the financial statements.

BALANCE SHEET

FOR THE FISCAL YEARS ENDED AS OF MARCH 31, 2026 AND 2025
IN THOUSANDS OF REAIS

Liability	03/31/2026	03/31/2025
Current		
Trade payables (Note 10)	62,386	94,123
Taxes payable and installments (Note 11)	1,825	5,299
Salaries and vacations payable	3,021	2,551
Advances from customers	55	118
Warranty provisions (Note 12.a)	6,933	8,426
Other provisions (Note 12.b)	12,260	3,595
Lease liabilities (Note 13)	424	685
Other payables	76	74
	86,980	114,871
Non-Current		
Warranty provisions (Note 12.a)	8,451	8,064
Lease liabilities (Note 13)	362	218
Government grants (note 8)	5,930	—
Total Non-Current Liabilities	14,743	8,282
Total Liabilities	101,723	123,153
Capital stock (Note 15)	60,975	60,975
Legal reserve (Note 15)	4,363	3,756
Retained earnings	91,444	79,921
Total Equity	156,782	144,652
Total Liabilities and Equity	258,505	267,805

Explanatory notes are an integral part of the financial statements.

STATEMENT OF INCOME

FOR THE FISCAL YEARS ENDED AS OF MARCH 31, 2026 AND 2025
IN THOUSANDS OF REAIS

	03/31/2026	03/31/2025
Revenue (Note 16)	300,271	344,540
Cost of sales (Note 17)	(230,230)	(265,685)
Gross profit	70,041	78,855
Selling and marketing expenses (Note 18)	(34,562)	(15,930)
General, administrative and tax expenses (Note 19)	(10,331)	(8,669)
Other operating income and expenses	(31)	(88)
Operating profit	25,117	54,168
Finance Result (Note 20)		
Financial expenses	(11,823)	(12,828)
Financial income	4,137	2,708
	(7,686)	(10,120)
Profit before income tax and social contribution	17,431	44,048
Income tax and social contribution		
Current	(6,242)	(16,012)
Deferred (Note 21)	941	1,439
	(5,301)	(14,573)
Net income for the year	12,130	29,475
Number of shares at year-end	60,975,100	60,975,100
Earnings per share (in R\$)	0.20	0.48

Explanatory notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FISCAL YEARS ENDED AS OF MARCH 31, 2026 AND 2025

IN THOUSANDS OF REAIS

In R\$	Capital stock	Legal reserve	Retained earnings (Accumulated)	Total
Balance as of March 31, 2024	60,975	2,282	51,920	115,177
Net income for the year			29,475	29,475
Legal reserve		1,474	(1,474)	–
Balance as of March 31, 2025	60,975	3,756	79,921	144,652
Net income for the year			12,130	12,130
Legal reserve		607	(607)	–
Balance as of March 31, 2026	60,975	4,363	91,444	156,782

Explanatory notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS

FOR THE FISCAL YEARS ENDED AS OF MARCH 31, 2026 AND 2025
IN THOUSANDS OF REAIS

	03/31/2026	03/31/2025
Cash flows from operating activities		
Net income for the year	12,130	29,475
Adjustments for:		
Inventory adjustment	90	1,359
Slow-moving inventory provision	2,201	1,192
Write-off of fixed assets	1,491	213
Provision for M&M expense reimbursements	(7,000)	–
Provision for retail bonus campaign	(894)	–
Loss fund provision	8,196	–
Retail finance provision	1,252	–
Write-off of scrap	1,761	623
Depreciation and amortization	499	402
Deferred taxes	(941)	(1,439)
	18,785	31,825
Changes in assets and liabilities:		
(Increase)/decrease in trade receivables	4,502	(34,916)
(Increase)/decrease in inventories	4,075	(30,764)
(Increase)/decrease in advances	1,518	(657)
(Increase)/decrease in recoverable taxes	(360)	2,206
(Increase)/decrease in other credits	(2,330)	(1,839)
(Increase)/decrease in right-of-use assets	117	570
Increase/(decrease) in suppliers and related parties	(31,737)	59,986
Increase/(decrease) in taxes payable and installments	(3,474)	1,982
Increase/(decrease) in salaries and vacations payable	470	762
Increase/(decrease) in customer advances	(63)	(198)
Increase/(decrease) in other provisions	(1,528)	3,280
Increase/(decrease) in lease liabilities	(117)	(570)
Increase/(decrease) in other payables	2	14
	(10,140)	31,681
Cash used in operating activities	(10,140)	
Cash flows from investing activities		
Acquisition of property, plant and equipment and intangibles	(6,735)	(1,701)
Cash used in investing activities	(6,735)	(1,701)
Net increase in cash and cash equivalents	(16,875)	29,980
Cash and cash equivalents at beginning of year (Apr 1)	44,456	14,476
Cash and cash equivalents at end of year (Mar 31)	27,581	44,456

Explanatory notes are an integral part of the financial statements.

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED AS OF MARCH 31, 2026 AND 2025

IN THOUSANDS OF REAIS

1. Operational Context

Mahindra do Brasil Industrial Ltda. is a company headquartered in Dois Irmãos-RS, at Rua 10 de Setembro, 1097, in Bairro Centro. The company was incorporated on January 14, 2016.

The company's main objective is the Manufacture of Agricultural Tractors, Parts, and Accessories, as well as the wholesale trade of new and used cars, vans, and utility vehicles; retail sale of new cars, vans, and SUVs; retail trade of used parts and accessories for motor vehicles; wholesale trade of machinery, apparatus, and equipment for agricultural use; parts and pieces; maintenance and mechanical repair services for motor vehicles; installation of industrial machines; manufacture of other equipment and devices not previously specified; wholesale trade of new parts and accessories for motor vehicles; other private-equity firms, except holding companies; other service activities provided primarily to companies not previously specified; body shop or bodywork and painting services for motor vehicles.

2. Summary of the Main Accounting Policies

The main accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently in all the fiscal years presented, unless otherwise specified.

The financial statements were approved by the Management as of April 24, 2026.

2.1 Basis for Preparation

The preparation of the financial statements requires the use of certain critical accounting estimates, as well as the exercise of judgment by the Company's management in the application of the accounting policies. The areas that require a higher level of judgment and are more complex, as well as those with assumptions and estimates that are significant for the financial statements, are disclosed in Note 2.15.

(a) Financial Statements

The financial statements were prepared in accordance with accounting practices adopted in Brazil, including the pronouncements, guidelines, and interpretations issued by NBC TG in accordance with Laws no. 6404/1976 and 11638/2007.

2.2 Foreign Currency Conversion

Functional and Presentation Currency

The items included in the Company's financial statements are measured using the currency of the main economic environment in which the Company operates ("functional currency"). The financial statements are presented in reais (BRL), which is the Company's functional currency.

Foreign Currency Transactions

Transactions in foreign currency are converted into reais at exchange rates on the dates of the transactions. Monetary assets and liabilities denominated and calculated in foreign currencies on the reporting date are translated into the functional currency at the exchange rate calculated on that date. The foreign exchange gain or loss on monetary items is the difference between the amortized cost in the functional currency at the beginning of the period, adjusted for interest and payments effective during the period, and the amortized cost in a foreign currency at the exchange rate at the end of the reporting period. Foreign currency differences resulting from the conversion are recognized in the income.

2.3 Determination of results

The results of operations are determined in accordance with the accrual basis of accounting.

2.4 Cash and Cash Equivalents

They are comprised of financial resources held in cash, bank accounts, and financial investments. Financial investments are valued at cost, plus income earned through the balance sheet date. These financial instruments are intended for trading and are recorded at realizable values (Note 3).

2.5 Financial Instruments

Recognition and Measurement

The Company classifies its financial assets under the following categories: loans and receivables are measured at fair value through income. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets in the initial recognition.

Loans and Receivables

This category includes receivables that are non-derivative financial assets with fixed or determinable payments, not quoted in an active market. They are included in current assets, except for those maturing more than 12 months after the balance sheet date (these are classified in noncurrent assets). The Company's receivables comprise trade accounts receivable, other trade receivables, and cash and cash equivalents, except for short-term investments. Receivables are recorded at amortized cost using the effective interest method.

Financial Assets Measured at Fair Value Through Income

Financial assets measured at fair value through income are financial assets held for active and frequent trading. Assets in this category are classified in current assets. Gains or losses arising from changes in the fair value of financial assets measured at fair value through income are presented in the statement of income under "financial statement" in the period in which they occur. They basically refer to short-term financial investments.

2.6 Non-derivative Financial Liabilities

The Company determines the classification of its financial liabilities at the time of their initial recognition. The Company's financial liabilities include trade payables, tax liabilities, and labor obligations.

The Company recognizes debt securities issued and subordinated liabilities initially on the date they are originated. All other financial liabilities are initially recognized on the trade date, on which the Company becomes a party to the contractual provisions of the instrument. The Company writes off a financial liability when its contractual obligations are discharged, canceled, or expired.

Financial assets and liabilities are offset, and the net amount submitted in the balance sheet only when the Company currently has a legal right to offset the amounts and intends to liquidate them on a net basis or to realize the asset and settle the liability simultaneously. The Company has the following non-derivative financial liabilities: loans with related parties, suppliers, loans, and other accounts payable.

Such liabilities are initially recognized at fair value plus any attributable transaction costs. After initial recognition, such financial liabilities are measured at amortized cost using the effective interest method.

2.7 Inventories

Inventories are stated at the lower of cost or net realizable value. The cost of inventories is determined based on the weighted average method and includes costs incurred in the acquisition of inventories, production and conversion costs, and other costs incurred to bring them to their present location and condition.

The net realizable amount is the estimated sales price in the normal course of business, deducted from the estimated costs for completion and sales expenses.

2.8 Property, Plant, and Equipment

(a) Recognition and Measurement

The Company chose to revalue property, plant, and equipment at deemed cost on October 31, 2016. The effects of deemed cost decreased property, plant, and equipment against members' equity, net of tax effects (Note 8).

After the transition of the NBC TG's, property, plant, and

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equipment items are now measured at the historical cost of acquisition or construction, less accumulated depreciation and accumulated impairment losses.

Cost includes expenses that are directly attributable to the purchase of an asset. Software purchased to enable the functionality of a device is capitalized as part of such equipment.

Gains and losses on the disposal of property, plant, and equipment are determined by comparing the proceeds arising from the disposal with the book value of the fixed asset, and are recognized as net within other revenues in the income.

(b) Subsequent Costs

The replacement cost of property, plant, and equipment is recognized in the carrying amount of the asset in the event it is probable that the economic benefits incorporated into the asset will flow to the Company and provided that their cost can be reliably measured. The carrying amount of the asset that has been replaced by another asset is written off. Recurring maintenance of property, plant, and equipment are recognized in the income as incurred.

(c) Depreciation

Depreciation is recognized in the income based on the straight-line method in relation to the estimated useful life of each part of property, plant, and equipment, since this is the method that most closely reflects the consumption pattern of future economic benefits incorporated into the asset.

2.9 Impairment

The Company analyzes the existence of evidence that the carrying amount of an asset will not be recovered. If such evidence is identified, the Company estimates the recoverable amount of the asset. The recoverable amount of an asset is the highest value between: (a) its fair value less costs that would be incurred to sell it and (b) its value in use. The value in use is equivalent to the discounted cash flows (before taxes) derived from the continued use of the asset until the end of its useful life.

When the residual book value of the asset exceeds its recoverable value, the Company recognizes a reduction in the book balance of this asset (impairment or deterioration). For assets recorded at cost, the impairment is recorded in the income for the period. If the recoverable amount of an individual asset is not determined, an analysis of the recoverable amount of the cash-generating unit to which the asset belongs is performed.

2.10 Provisions

Allowance is recognized due to a past event and if the Company has a legal or constructive obligation that can be reliably estimated, and it is probable that an economic resource will be required to settle the obligation. Provisions are calculated by discounting expected future cash flows at a pre-tax rate that reflects current market assessments of the value of money at that time and specific risks for the liability.

2.11 Capital

The membership interests are all paid in and classified as members' equity. Mandatory minimum dividends, if any, as defined in the articles of association, are recognized as a liability.

2.12 Operating Revenue

Operating revenue from the sale of goods in the ordinary course of business is measured at the fair value of the compensation received or receivable. Operating income is recognized when there is convincing evidence that: i) the most significant risks and benefits inherent in the ownership of the goods have been transferred to the buyer, which in the Company's case is when the products are delivered to its customers, ii) that it is probable that the economic and financial benefits will flow to the Company, iii) that the associated costs and the possible return of goods can be estimated reliably, iv) that there is no ongoing involvement with the goods sold, and v) that the value

of operating revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be reliably measured, then the discount is recognized as a reduction in operating revenue as sales are recognized.

2.13 Financial Revenue and Expenses

Financial income basically comprises interest income, discounts, income from financial investments and gains from exchange variation. Financial expenses include interest expenses, financial expenses, and loans and financing, as well as the respective passive exchange variations.

2.14 Income Tax and Social Contribution

Current and deferred income tax and social contribution are calculated based on the rates of 15%, plus an additional 10% on taxable income exceeding BRL 240,000 for income tax and 9% on taxable income for social contribution, and consider the offset of tax losses and negative basis of social contribution, limited to 30% of real profit.

Deferred income tax and social contribution are recognized about tax losses, negative base of social contribution and about temporarily differences and are disclosure on noncurrent assets according to it essentially and realization expectation. The carrying amount of deferred income tax and social contribution assets is assessed annually, and a valuation allowance is recognized when the carrying amount cannot be recovered through present or future taxable profits or through other legally permitted means of realization. Management maintains the recorded tax credits related to Income Tax and Social Contribution arising from temporary differences based on the expectation of generating future taxable profits.

2.15 Critical Accounting Estimates and Judgments

Estimates and accounting judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events, which are considered reasonable for the circumstances.

Based on assumptions, the Company makes estimates regarding future events. By definition, the resulting accounting estimates will rarely equal the related actual outcomes. The estimates and assumptions that involve a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities in the next financial year include the determination of the useful lives of property, plant and equipment, the impairment of financial assets, deferred income tax and social contribution, and provisions for contingencies and warranties.

2.16 Warranties

Provisions for the expected cost of warranty obligations related to tractors and implements are recognized at the date of sale of the respective products, based on Management's best estimate of the expenditure required to settle the Company's obligation.

2.17 Brazilian Tax Reform

(a) Consumption Tax Reform – IBS and CBS

As a result of the Consumption Tax Reform introduced by Constitutional Amendment No. 132/2023 and regulated, among other acts, by Supplementary Law No. 214/2025, relevant changes were established in the taxation of consumption, with implementation beginning in 2026. These changes include the gradual replacement of currently existing taxes by new taxes, notably the Goods and Services Tax (IBS) and the Contribution on Goods and Services (CBS).

The legislation provides for the initial implementation phase of the new regime in 2026, with the application of transitional provisions and compliance with the applicable legal and regulatory schedule. Considering that the operationalization of the new system depends on additional regulations and further definitions regarding its practical application, Management is monitoring developments on the matter and assessing its

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potential effects on the Company's tax burden, cash flows, pricing, operational processes, and information systems, as well as conducting preparatory actions aimed at considering such effects and mitigating potential impacts arising from the implementation of the new tax system.

(b) Dividend Taxation – Law No. 15,270/2025

In 2025, Law No. 15,270/2025 was enacted, introducing changes to tax legislation, including rules with potential effects on the taxation applicable to the distribution of profits and dividends, effective as of 2026. The impacts of these changes must be evaluated in light of the applicable conditions, limits, exceptions, and regulations.

The effects resulting from the application of these new rules will depend, among other factors, on the profit distribution policy, the form and timing of the decision and allocation of profits, as well as on complementary regulations and interpretations issued by the tax authorities. Management will assess such impacts in subsequent fiscal years in accordance with the effective enforcement and application of the legislation.

3. Cash and Cash Equivalents

	Mar. 31, 2026	Mar. 31, 2025
Cash	2	3
Cash in bank account	12,466	18,478
Investments	15,113	25,975
	<u>27,581</u>	<u>44,456</u>

The Company makes financial investments in large financial institutions with the purpose of generating financial income while not using the resources. Investments in reais are made in CDBs and Investment Funds issued by the bank and repo (repurchase) operations, the repo (repurchase) is an investment in bank leasing debentures with daily liquidity and guarantee of repurchase by the bank.

4. Trade Receivables

	Mar. 31, 2026	Mar. 31, 2025
Brazilian clients	53,566	58,068
(-) Allowance for expected losses	(1,346)	(1,346)
	<u>52,220</u>	<u>56,722</u>

The Company sells its products directly to its dealers through its commercial department. The provision for expected losses is considered sufficient by management, considering the company's history of losses.

	Mar. 31, 2026	Mar. 31, 2025
Current	40,200	44,360
1 - 15 days past due	5,172	9,535
16 - 90 days past due	7,096	2,377
91 - 120 days past due	184	1,382
121 - 180 days past due	–	–
Over 180 days past due	914	414
	<u>53,566</u>	<u>58,068</u>

5. Inventories

	Mar. 31, 2026	Mar. 31, 2025
Raw material	10,810	8,490
Inventory in transit	36,253	47,141
Finished products	30,305	12,737
Goods for resale	5,758	5,093
Inventory of tractors - demonstration	4,187	4,800
(-) Provision Slow-Moving Inventory Allowance	(4,848)	(2,647)
Third party tractor inventory - general warehouse	16,112	16,299
Products in possession of third parties	23,381	38,172
	<u>121,958</u>	<u>130,085</u>

6. Taxes Recoverable

	Mar. 31, 2026	Mar. 31, 2025
ICMS recoverable	986	506
PIS recoverable	1,568	1,445
COFINS recoverable	4,640	4,566
Other taxes	120	437
	<u>7,314</u>	<u>6,954</u>

7. Other Credits

	Mar. 31, 2026	Mar. 31, 2025
Other trade receivables	293	1,017
Amounts to be appropriated	1,264	1,215
Advance of labor funds	526	87
Advances to forwarding agents and suppliers	4,113	1,547
M&M expense reimbursements	7,000	–
	<u>13,196</u>	<u>3,866</u>

“Other accounts receivable” refer to reimbursements from the parent company, as well as consortium quotas awaiting allocation. “Advances to customs brokers and suppliers” refer to import processes in transit, as well as trade show expenses to be allocated, respectively.

The amount receivable from Mahindra & Mahindra refers to the reimbursement of rework expenses for transmissions and engines damaged in the May 2024 flooding, as well as slow-moving inventory held by the Company.

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8. Property, Plant, and Equipment

a) Composition

	Depreciation rate	Mar. 31, 2025			Mar. 31, 2026		
		Cost	Depreciation	Net	Cost	Depreciation	Net
Lands		8,884	—	8,884	8,884	—	8,884
Land - Government Grant		—	—	—	5,930	—	5,930
Machinery and equipment	10% p,a	1,295	(604)	691	1,376	(737)	639
Vehicle	10% p,a	509	(109)	400	243	(73)	170
Tools	10% p,a	214	(79)	135	228	(101)	127
Improvements in property owned by third parties	20% p,a	259	(259)	—	268	(259)	9
Furniture and fixtures	10% p,a	718	(207)	511	823	(284)	539
IT - Equipment	20% p,a	426	(209)	217	547	(282)	265
Training equipment	10% p,a	299	(29)	270	345	(57)	288
Property, plant, and equipment (capex ongoing)		46	—	46	1,552	—	1,552
Property, plant, and equipment (ongoing)		1,852	—	1,852	3,068	—	3,068
Engineering tooling	10% p,a	928	(221)	707	928	(308)	620
Development in prototypes		207	—	207	927	—	927
		15,637	(1,717)	13,920	25,119	(2,101)	23,018

b) Transaction

	Machinery and equipment	Lands	Vehicle	Tools	Improvements in third-party assets	Furniture and fixtures	IT - Equipment	Property, plant, and equipment (ongoing)	Training equipment	Property, plant, and equipment (capex ongoing)	Property, plant, and equipment (ongoing)	Engineering tooling	Land-Government Grant	Development in prototypes	Total
Cost															
Opening Balance	1,295	8,884	509	214	259	718	426	9	299	46	1,852	928	—	207	15,637
Additions	87	—	—	14	9	107	121	—	45	1,506	1,216	—	5,930	2,014	11,058
Write-offs	(6)	—	(267)	—	—	(2)	—	—	—	—	—	—	—	(1,294)	(1,569)
Transfers	—	—	—	—	—	—	—	(9)	—	—	—	—	—	—	(9)
Closing Balance	1,376	8,884	242	228	268	823	547	—	344	1,552	3,068	928	5,930	927	25,117
Depreciation															(1,718)
Opening Balance	(603)	—	(109)	(79)	(259)	(207)	(210)	—	(29)	—	—	(222)	—	—	(459)
Additions	(134)	—	(41)	(22)	—	(77)	(72)	—	(27)	—	—	(86)	—	—	78
Write-offs	—	—	78	—	—	—	—	—	—	—	—	—	—	—	—
Transfers	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Closing Balance	(737)	—	(72)	(101)	(259)	(284)	(282)	—	(56)	—	—	(308)	—	—	(2,099)
Balance as of Mar, 31, 2025	691	8,884	400	135	—	511	216	—	270	46	1,852	706	—	207	13,920
Balance as of Mar, 31, 2026	639	8,884	170	127	9	539	265	—	288	1,552	3,068	620	5,930	927	23,018

The Company entered into an Administrative Agreement for the Concession of a Real Right to Use Public Property, with a Purchase Option, with the Municipality of Dois Irmãos, for the acquisition of the land on which its new production plant will be built. The Agreement requires the commencement of industrial activities within three years from the signing date, which occurred on August 18, 2026. This obligation to the Municipality will be settled through the incremental ICMS generated from the fiscal year following the start of industrial operations. Accordingly, the amount of R\$ 5,930, corresponding to the fair value of the land, was recognized against the liability classified as 'Government grant'.

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9. Intangible Assets

	Mar. 31, 2025		Mar. 31, 2026	
	Amortization rate	Net	Cost	Accumulated amortization
IT - Software and Licenses	20% per year	116	–	(40)
Software in progress		–	1,617	–
		116	1,617	(40)
				1,693

Software in progress refers to the expenses related to the implementation of the SAP S/4HANA ERP system, for which the go-live is scheduled for August 2026.

10. Suppliers

The Company has suppliers abroad of inputs that are related parties: Mahindra & Mahindra and Erkunt.

	Mar. 31, 2026	Mar. 31, 2025
National suppliers	3,821	5,941
International suppliers	58,565	88,182
	62,386	94,123

The obligations with the controller refer to the purchase of inputs and finished products without foreign exchange exposure, whose payment term is 180 days from the date of shipment.

11. Taxes Payable and Installments

	Mar. 31, 2026	Mar. 31, 2025
IRRF	115	77
CSRF	26	7
ICMS	1,525	1,083
IRPJ/CSLL	124	4,092
Other	35	40
Total current	1,825	5,299

12. Provisions

a) Provision for warranties

	Mar. 31, 2026	Mar. 31, 2025
Provision for warranties	19,407	16,490
Adjustment to present value	(4,023)	–
Total	15,384	16,490
Current	6,933	8,426
Due in 2 years	4,123	3,111
Due in 3 years	2,362	2,472
Due in 4 years	1,368	1,619
Due in 5 years	598	862
Non-Current	8,451	8,064

The Company recognizes a provision for warranties estimated for tractors and implements sold that remain under warranty at the end of the fiscal year. These amounts are expected to be settled within a period of up to 5 years, the maximum warranty period granted. Management estimates the

provision based on historical information.

Except for the adoption of the adjustment to present value to reflect the financial cost of the provisioned amounts, the assumptions for the current period are consistent with those of the previous year. Factors that may impact the estimated information include the success of quality initiatives, as well as parts and labor costs. The net present value adjustment was recorded against expenses in the profit or loss for the year.

b) Other Provisions

	Mar. 31, 2026	Mar. 31, 2025
Stock Finance	1,221	1,390
Retail Finance	1,468	170
Contingencies (Note 14)	792	670
Loss fund	8,196	–
Other	583	1,365
Total	12,260	3,595

The Stock Finance provision refers to the dealer inventory financing program with the captive bank and aims to cover financial costs over the next 90 days.

The Retail Finance provision refers to the financial cost subsidized by the Company for financing lines offered by the captive bank to the end customer.

The Allowance for losses (or *Loss Fund provision*) refers to the Company's share in losses incurred from financing provided by the captive bank to the end customer, related to the 2024 and 2025 calendar years.

13. Right-of-use asset/ Lease Liability

Recognized	Mar. 31, 2026	Mar. 31, 2025
Right-of-use asset - current	424	685
Right-of-use asset - noncurrent	362	218
	786	903

14. Contingencies

The Company is a party to labor and civil lawsuits. For those actions where the loss was considered probable, the respective provision for losses was fully recorded in the amount of R\$ 792 (R\$ 670 in 2025), as mentioned in explanatory note 12 b).

Civil actions primarily refer to cases involving representatives, while labor lawsuits substantially relate to various labor proceedings from former employees of the Company.

As of March 31, 2026, the Company has the amount of R\$ 6,722 (R\$ 4,964 in 2025) in labor and civil lawsuits involving a possible risk of loss, as

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classified by management and its legal counsel, and therefore, no provision has been recognized.

15. Members' Equity

a) Capital

As of March 31, 2026, the fully paid-in capital, originating from foreign investment, was represented by 60,975,100 quotas, with a nominal value of R\$ 1,00 (one real) each, distributed among the partners as follows:

	Mar. 31, 2026	Mar. 31, 2025
Mahindra & Mahindra Ltd,	60,911	60,911
Mahindra Overseas Investment Company (Mauritius)	64	64
	<u>60,975</u>	<u>60,975</u>

b) Income Allocation

The Company's Articles of Organization determines the distribution of income in the proportion that the shareholders who hold the majority of the capital approve.

c) Legal Reserve

By legal determination, the Company recognized that 5% of current net profit to Legal Reserve. In the last exercises, this destination was not recognized, because the Company aimed to absorb the tax losses and negative base related previous exercises, firstly.

16. Revenue

	Mar. 31, 2026	Mar. 31, 2025
Sale of products	343,743	399,764
(-) Tax on sales	(35,746)	(40,474)
(-) Returns and rebates	(7,726)	(14,750)
Net Revenue	<u>300,271</u>	<u>344,540</u>

17. Sales Costs

	Mar. 31, 2026	Mar. 31, 2025
Cost of goods sold	226,983	258,194
Cost of goods sold	4,588	4,318
Inventory turnover/adjustment provision	(1,341)	3,173
	<u>230,230</u>	<u>265,685</u>

18. Sales and Marketing Expenses

	Mar. 31, 2026	Mar. 31, 2025
Salaries, benefits, and social charges	5,879	4,895
Services provided by third parties	646	415
Advertising	598	527
Travel and accommodation	1,657	1,095
Fairs, congresses, and symposiums	2,695	2,237
Extended warranties	2,009	6,098
Provision for loss fund	19,496	—

Retail Bonus Campaign

Other selling expenses

	Mar. 31, 2026	Mar. 31, 2025
Retail Bonus Campaign	894	—
Other selling expenses	688	663
	<u>34,562</u>	<u>15,930</u>

The Loss Fund corresponds to the Company's share of losses incurred on financing provided by the Factory Bank to end customers for calendar years 2024 and 2025. Additionally, the Company recorded a provision in the amount of R\$ 3,516 for the period from January to March 2026.

19. General and Administrative Expenses

	Mar. 31, 2026	Mar. 31, 2025
Salaries, benefits, and social charges	5,583	4,382
Services provided by third parties	732	668
Communications and electric power	736	510
Travel and accommodation	534	436
Depreciation and amortization	2,116	1,538
Expenses with vehicles	9	13
Insurances	13	12
Office supplies	61	86
Tax expenses	431	914
Project expenses	7	—
Other	109	110
	<u>10,331</u>	<u>8,669</u>

20. Financial Income

	Mar. 31, 2026	Mar. 31, 2025
Financial expenses		
Exchange rate variations on liabilities	241	301
Interest expense (a)	10,737	12,378
IOF	113	29
Reversal of Warranty PV Adjustment	689	—
Others	43	120
	<u>11,823</u>	<u>12,828</u>

Financial income

Income from financial investments	3,625	2,193
Active exchange rate variations	200	133
Other	312	382
	<u>4,137</u>	<u>2,708</u>
Financial income	<u>7,686</u>	<u>10,120</u>

(a) The amount primarily corresponds to financing intermediation expenses related to sales contracts with dealer customers and end users through Banco DLL, under the Stock Finance and Retail

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Finance modalities.

21. Income tax and social contribution

a) Deferred taxes

These amounts represent tax credits arising from temporary differences related to provisions recognized, based on the expectation of generating taxable profits in the future.

Basis	Mar, 31, 2026	Mar, 31, 2025
Provision for compensation	792	670
Interest provision – Stock Finance	1,221	1,390
Interest provision – Retail Finance	1,468	170
Other provisions	580	1,365
Provision for expected losses (note 4)	1,346	1,346
Provision for slow turnover (note 5)	3,836	2,647
Provision for warranty	19,408	16,490
PV Adjustment - Provision for warranties	(4,023)	–
Provision bonuses	1,315	1,305
Provision for inventory losses (note 5)	1,012	–
Allowance for loss fund	8,196	–
Provision for M&M reimbursements	(7,000)	–
Calculation basis	28,151	25,383
Income tax 25%	7,038	6,346
Social Contribution 9%	2,534	2,285
Total deferred taxes recognized	9,571	8,630

Management annually assesses the expectation of future taxable profits and, consequently, makes the necessary adjustments to reflect the probable realizable value of the recognized tax credits within a three-year period.

The projections of future results are prepared based on internal assumptions and economic scenarios, which may be subject to change. Deductible temporary differences do not expire under the current tax legislation.

22. Insurances

The Management of the Companies adopts the policy of taking out insurance for the headquarters of the Companies, whose coverage is considered sufficient by the Management and insurance agents to cover the occurrence of claims, and the management is responsible for defining the risk assumptions adopted.

23. Financial Risk Management

(a) Overview

The Company is exposed to the following risks arising from the use of financial instruments:

- Credit risks
- Liquidity risks
- Market risks
- Currency risks
- Operational risks

We present information on the Company's exposure to each of the aforementioned risks, the Company's objectives, policies, and processes for risk measurement and management, and the Company's capital management. Additional quantitative disclosures are included throughout these financial statements.

(b) Risk Management Structure

Management has overall responsibility for establishing and overseeing the Company's risk management framework. Risk management policies are established to identify and analyze the risks faced by the

Company, to define appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are frequently revised to reflect changes in market conditions and the Company's activities. Through its training and management policies and procedures, the Company aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(c) Credit Risks

Credit risk is the Company's risk of financial loss if a customer or the other party in a financial instrument fails to meet its contractual obligations, arising mainly from trade receivables and investment securities.

Trade Receivables and Other Credits

The Company's exposure to credit risk is influenced primarily by the individual characteristics of each customer. However, management also considers the demographics of the customer base, including the credit risk of the region where customers operate, as these factors can influence credit risk.

Management has established a credit policy in which all new customers have their creditworthiness analyzed individually before the Company's payment and delivery terms and conditions are offered. The analysis includes external assessments, when available, including a prior analysis of the bank records carried out by the financial institutions themselves. Purchase limits are established for each customer, guaranteed by financial institutions, which represent the maximum amount outstanding without requiring prior approval. Such limits are periodically revised. Customers who fail to meet the established credit limit may only operate with the Company on an advance payment basis. Once the transaction is approved by the financial institution, the sale is carried out and the risk becomes entirely with the financial institution.

In monitoring customers' credit risk, they are grouped according to their credit characteristics, including geographic location, maturity, and existence of previous financial difficulties.

(d) Liquidity Risks

Liquidity risk is the risk in which the Company will find it difficult to meet the obligations associated with its financial liabilities that are settled with cash payments or with another financial asset. The Company's approach in liquidity management is to ensure, as much as possible, that it always has sufficient liquidity to meet its obligations as they fall due, under normal and stress conditions, without causing unacceptable losses or risking damage to the Company's reputation.

Based on the calculation of the Liquidity ratios, the current liquidity ratio corresponds to 2.56 on March 31, 2026 (2.13 on March 31, 2025), a result that demonstrates balance in a possible settlement of short-term obligations.

(e) Market Risks

Market risk is the risk that changes in market prices, such as exchange rates, interest rates, and share prices, may have on the Company's earnings or the value of its holdings in financial instruments. The objective of market risk management is to manage and control exposures to market risks, within acceptable parameters while optimizing the return.

The Company complies with financial obligations to manage market risks. All these operations are conducted within the guidelines established by Management.

(f) Currency Risks

The Company is subject to currency risk in purchases, loans, and financing denominated in a currency other than its functional currency,

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED AS OF MARCH 31, 2026 AND 2025

IN THOUSANDS OF REAIS

the real (BRL). The currency in which these transactions are primarily denominated is the US dollar.

With respect to other monetary assets and liabilities denominated in foreign currency, the Company ensures that its net exposure is maintained at an acceptable level to address short-term instabilities.

(g) Operational Risks

Operating risks are the risks of direct or indirect losses arising from a variety of causes associated with the Company's processes, personnel, technology, and infrastructure and from external factors, except credit, market, and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of business behavior. Operating risks arise from all of the Company's operations.

The Company's objective is to manage operational risks to avoid the occurrence of financial losses and damage to its reputation, as well as to seek cost effectiveness and to avoid control procedures that restrict initiative and creativity.

Primary responsibility for the development and implementation of controls to address operational risks is assigned to senior management. Accountability is supported by the development of the Company's general standards for the management of operational risks in the following areas:

- Requirements for proper segregation of duties, including independent authorization of operations;
- Requirements for reconciliation and monitoring of operations;

- Compliance with regulatory and legal requirements;
- Documentation of controls and procedures;
- Requirements for the periodic assessment of operational risks faced and the adequacy of controls and procedures to address the identified risks;
- Requirements to report operating losses and proposed corrective actions;
- Development of contingency plans;
- Training and professional development;
- Ethical and business standards;
- Risk mitigation, including insurance where effective

(h) Capital Management

The Executive Board has been monitoring the loss generated by the operation, in order to mitigate its causes and generate returns on capital, which the Company defines as income of operating activities divided by total members' equity.

Shareholders provide advances for future capital increases when necessary and/or contributions to maintain cash flow and support investments, whichever is more profitable for the Company.

Jak Torretta
CEO

Martin Fallgatter
Accountant – CRCRS No 079394/O-9

INDEPENDENT AUDITOR'S REPORT

TO THE GENERAL ASSEMBLY OF ERKUNT TRAKTÖR SANAYİ ANONİM ŞİRKETİ

A) Audit of the Financial Statements

1) Our Opinion

We have audited the accompanying financial statements of Erkunt Traktör Sanayii Anonim Şirketi (the "Company"), which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements comprising a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2) Basis for Opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "ISA") that are part of Turkish Standards on Auditing adopted within issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") the ethical requirements regarding independent audit in regulations issued by the POA; and other relevant legislation are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3) 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. Key audit matters were addressed in the context of our independent audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	
Revenue Recognition	How the key audit matter was addressed in the audit
The company's revenue consists of amounts generated from the sale of tractors and spare parts both domestically and internationally. In 2025, the company's net revenue from these activities amounted to 4,208,106,691 TRY. We have focused on this issue during our audit procedures for the following reasons: It being one of the most important performance measurement criteria for evaluating the strategies implemented and the results achieved during the year. The information regarding the company's accounting policies is disclosed in Note 2.	The audit procedures we applied regarding the revenue recognition are summarized below: - It was assessed whether the accounting policies applied by the company for revenue recognition follow TFRS 15, "Revenue from Contracts with Customers" standard. - The processes implemented by the company for revenue recognition were understood. - For auditing revenue, invoice tests were conducted using a sampling method, and the accuracy of these invoices was cross-checked with delivery notes and payments received from customers. - A reconciliation was sent to the company's customers using a sampling method. As a result of the work done on revenue recognition, we did not identify any significant findings.
Application of TAS 29 – "Financial Reporting in Hyperinflationary Economies"	How the key audit matter was addressed in the audit
As disclosed in Note 2.1, the Company applied TAS 29 "Financial reporting in hyperinflationary economies ("TAS 29") in its financial statements as of and for the year ended 31 December 2025. TAS 29 requires financial statements to be restated into the current purchasing power at the end of the reporting period. Therefore, transactions in 2025 and non-monetary balances at the end of the period were restated to reflect a price index that is current at the balance sheet date as of 31 December 2025.	We performed the following audit procedures in relation to the application of TAS 29: - Understanding and evaluating the process and controls related to application of TAS 29 designed and implemented by management, - Obtaining detailed lists of non-monetary items and testing original entry dates and amounts on a sample basis,

The implementation of TAS 29 leads to a change in several of the Company's control activities pervasively related to financial reporting. Applying TAS 29 results in significant changes to financial statement items included in the Company's financial statements as of and for the year ending 31 December 2025, including statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow. In addition, considering the additional effort required to perform the audit of the application of TAS 29, we identified the application of TAS 29 as a key audit matter.	• Verifying whether management's determination of monetary and non-monetary items follows TAS 29, • Verifying the general price index rates used in calculations correspond with the coefficients in the "Consumer Price Index in Turkey" published by the Turkish Statistical Institute, • Testing the mathematical accuracy of non-monetary items, statement of profit or loss, and cash flow statement adjusted for inflation effects, Evaluating the adequacy of disclosures related to the application of TAS 29 in the notes to the financial statements in accordance with TFRS.
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4) Responsibilities of Management and those Charged with Governance for the Financial Statements

The Company management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

5) Auditor's Responsibilities for the Audit of the Financial Statements

The responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an independent auditor's report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with ISA is a high level of assurance but does not guarantee that a material mistake will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

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

- Identify and assess the risks of material misstatement in 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 mistake 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.
- Assess the internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 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 independent 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 provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards actions taken to eliminate threats or safeguards applied.

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

B) Other Responsibilities Arising from Regulatory Requirements

No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2025 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.

In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

The responsible auditor who conducted and concluded this independent audit is Beşir Acar.

Ankara, 14 April 2026
Eren Bağımsız Denetim Anonim Şirketi
(A member firm of Grant Thornton International)

Beşir ACAR

Partner

Mustafa Kemal Mahallesi Dumlupınar Bulvarı
No:266b Kat:12 Daire No:94, 06510
Çankaya/Ankara

STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2025

(All amounts are expressed in Turkish Lira ("TRY") unless otherwise stated.)

(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

	Note	Audited December 31, 2025	Audited December 31, 2024
ASSETS			
Current assets			
Cash and cash equivalents	3	50,638,495	143,522,691
Trade Receivables		941,362,591	1,216,665,267
- <i>Related parties</i>	5	19,596,414	15,108,522
- <i>Third parties</i>	6	921,766,177	1,201,556,745
Other receivables		56,166,882	53,449,635
- <i>Third parties</i>	8	56,166,882	53,449,635
Inventories	9	947,362,499	1,817,559,455
Prepaid expenses	10	101,222,202	76,996,365
Current tax assets		307,204	5,468,276
Other current assets	19	413,434,771	494,221,303
Total Current Assets		2,510,494,644	3,807,882,992
Non-current Assets			
Financial investments	7	5,713,377	7,478,375
Investments accounted for using the equity method	15	370,560,270	1,219,714,020
Right of use assets	14	132,771,458	114,557,589
Tangible fixed assets	12	584,352,960	685,613,664
Intangible assets	13	476,885,293	454,020,922
Total Non-Current Assets		1,570,283,358	2,481,384,570
TOTAL ASSETS		4,080,778,002	6,289,267,562

The accompanying notes are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2025

(All amounts are expressed in Turkish Lira ("TRY") unless otherwise stated.)

(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

	Notes	Audited December 31, 2025	Audited December 31, 2024
LIABILITIES			
Short-term Liabilities			
Short-term borrowings	4	254,147,537	828,582,089
Short-term lease liabilities	4	12,712	18,844,537
Trade payables		767,308,853	1,128,031,794
- Related parties	5	220,420,439	567,946,804
- Third parties	6	546,888,414	560,084,990
Payables related to the employee benefits	18	61,841,793	32,906,973
Other payables		2,233,134	32,214,335
- Third parties	8	2,233,134	32,214,335
Deferred income	10	52,112,450	100,443,923
Short-term provisions		187,716,115	172,502,391
- Provisions related to the employee benefits	17	22,970,168	26,793,639
- Other	16	164,745,947	145,708,752
Other short-term liabilities	19	29,305,805	141,587
Total Short-term Liabilities		1,354,678,399	2,313,667,629
Long-term Liabilities			
Long-term lease liabilities	4	69,711,770	39,232,669
Deferred incomes	10	79,145,226	77,796,395
Long-term provisions		11,368,549	25,619,076
- Provisions related to the employee benefits	17	11,368,549	25,619,076
Deferred tax liability	29	38,519,836	105,459,324
Total Long-term Liabilities		198,745,381	248,107,464
EQUITY			
		2,527,354,222	3,727,492,469
Paid-in share capital	20	1,740,000,000	440,000,000
Inflation adjustment of capital	20	2,654,426,047	3,119,877,373
Accumulated other comprehensive expense that will not be reclassified through profit or loss		(121,607,913)	(113,875,761)
Restricted reserves		59,874,609	59,874,609
Accumulated gains/(losses)		221,616,248	702,486,714
Loss/(Profit) for the period		(2,026,954,769)	(480,870,466)
Total Equity		2,527,354,222	3,727,492,469
Total Equity and Liabilities		4,080,778,002	6,289,267,562

The accompanying notes are an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2025

(All amounts are expressed in Turkish Lira ("TRY") unless otherwise stated.)

(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

		Audited	Audited
	Notes	January 1 - Dec 31, 2025	January 1 - Dec 31, 2024
Revenue	21	4,208,106,691	6,716,104,441
Cost of sale (-)	21	(3,500,953,456)	(5,712,881,373)
Gross profit from Business Operations		707,153,235	1,003,223,068
General administrative expenses (-)	22	(276,367,841)	(264,920,345)
Selling, marketing and distribution expenses (-)	23	(508,292,125)	(688,687,692)
Research and development expenses (-)	24	(94,057,620)	(105,426,994)
Other income from operating activities	26	207,097,642	274,014,976
Other expenses from operating activities (-)	26	(333,370,271)	(307,937,847)
(Loss)/Profit From Operating Activities		(297,836,980)	(89,734,834)
Share of profit (loss) from investments accounted using equity method	15	(930,937,050)	(129,836,523)
(Loss)/Profit From Operating Activities Before Financial Expense		(1,228,774,030)	(219,571,357)
Finance income	27	15,571,523	27,363,641
Finance expenses (-)	27	(271,475,598)	(443,114,319)
Monetary gain/loss (-)	29	(608,517,138)	237,961,859
(Loss)/Profit Before Tax from Continuing Operations		(2,093,195,243)	(397,360,176)
Tax (Expense)/Income			
- Current period tax (expense)	28	-	-
- Deferred tax income	28	66,240,474	(83,510,290)
(Loss)/Profit For the Period		(2,026,954,769)	(480,870,466)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified through profit or loss		(7,732,151)	(23,349,674)
- Shares not to be classified in profit or loss from investments accounted for using the equity method		(5,635,111)	(17,028,259)
- Defined benefit plans remeasurement losses		(2,796,054)	(8,428,554)
- Deferred tax income		699,014	2,107,139
Total Other Comprehensive Loss		(7,732,151)	(23,349,674)
Total Comprehensive Income		(2,034,686,920)	(504,220,140)

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in Turkish Lira ("TRY") unless otherwise stated.)

(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

		Other accumulated comprehensive income that will not be reclassified in profit/(loss)	Other comprehensive income/(expense) of investments valued using the equity method	Gains/(losses) on remeasurements of defined benefit plans	Restricted profit reserves	Prior periods profit or (losses)	Net (loss)/ profit for the period	Total equity
Balance as of January 1, 2024	440,000,000	3,119,877,373	(68,655,539)	(21,870,548)	59,874,609	(475,190,825)	1,177,677,539	4,231,712,609
Transfers	-	-	-	-	-	1,177,677,539	(1,177,677,539)	-
Total comprehensive income	-	-	(17,028,259)	(6,321,415)	-	-	(480,870,466)	(504,220,140)
Balance as of December 31, 2024	440,000,000	3,119,877,373	(85,683,798)	(28,191,963)	59,874,609	702,486,714	(480,870,466)	3,727,492,469
Balance as of January 1, 2025	440,000,000	3,119,877,373	(85,683,798)	(28,191,963)	59,874,609	702,486,714	(480,870,466)	3,727,492,469
Transfers	650,000,000	(650,000,000)	-	-	-	(480,870,466)	480,870,466	-
Capital increase	650,000,000	184,548,674	-	-	-	-	-	834,548,674
Total comprehensive income	-	-	(5,635,111)	(2,097,041)	-	-	(2,026,954,769)	(2,034,686,921)
Balance as of December 31, 2025	1,740,000,000	2,654,426,047	(91,318,909)	(30,289,004)	59,874,609	221,616,248	(2,026,954,769)	2,527,354,222

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31 DECEMBER 2025

(All amounts are expressed in Turkish Lira ("TRY") unless otherwise stated.)

(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

	Audited January 1- December 31, 2025	Audited January 1 – December 31, 2024
CASH FLOWS ARISING FROM OPERATING ACTIVITIES		
(Loss)/Profit for the Year	(2,026,954,769)	(480,870,466)
Adjustments Regarding Net (Loss)/Profit Reconciliation for the Period:	1,139,180,899	570,626,490
Adjustment of depreciation and amortization	255,758,474	200,190,998
Adjustment of decrease in value of trade receivables	(77,313)	6,229,388
Adjustment of decrease/(increase) in value in inventories	2,806,789	4,514,624
Adjustment of provisions for employee benefits	9,854,722	(19,480,404)
Adjustments regarding provisions	53,426,396	(104,010,674)
Adjustments regarding tax (income)/expense	(66,240,472)	89,186,375
Adjustments for undistributed profits of investments accounted for using equity method	843,518,639	146,864,783
Interest paid	178,124,425	283,772,206
Interest income	(2,379,556)	(7,238,591)
Monetary gain/(loss)	(135,611,205)	(29,402,215)
Changes in Working Capital	726,084,556	(296,631,514)
Change in trade receivables	(11,769,177)	153,875,662
Change in inventories	867,390,167	317,204,035
Change in trade payables	(94,492,452)	(504,963,122)
Change in employee benefits	36,701,303	(12,270,627)
Change in financial investments	1,764,998	(4,895,397)
Change in prepaid expenses	(24,225,837)	41,928,619
Change in deferred income	(4,915,559)	(70,420,641)
Change in other assets regarding operating activities	(51,188,332)	(165,796,473)
Change in other liabilities regarding operating activities	6,819,445	(51,293,570)
Net Cash Provided from Operating Activities	(161,689,314)	(206,875,490)
Taxes paid	5,161,072	23,058,169
Payments made within the scope of provisions for employment benefits	(18,354,677)	(13,026,526)
Net Cash (Used in)/Provided From Operating Activities	(174,882,919)	(196,843,847)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment and intangible assets	136,119,830	4,595,012
Acquisition of property, plant and equipment and intangible assets	(331,695,841)	(167,001,897)
Net Cash Flows (Used in) Investing Activities	(195,576,011)	(162,406,885)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from loans	2,482,818,412	2,119,100,770
Repayment of borrowings	(2,857,844,422)	(1,749,035,185)
Repayment of lease liabilities	39,640,711	(43,068,266)
Cash inflows from share capital increase	650,000,000	–
Interest Income	2,379,556	7,238,594
Cash Flows Provided From Financing Activities	316,994,257	334,235,913
Inflation impact on cash and cash equivalents	(39,419,523)	(105,426,351)
NET INCREASE OF CASH AND CASH EQUIVALENTS	(53,464,673)	(25,014,819)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	143,522,691	273,963,861
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	50,638,495	143,522,691

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in Turkish Lira ("TRY") unless otherwise stated.)

(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

NOTE 1 – COMPANY'S ORGANISATION AND NATURE OF OPERATIONS

Erkunt Traktör Sanayi A.Ş. (Company) was established on September 12, 2003 and operates in Organize Sanayi Bölgesi Batıhın Caddesi No: 2-4 Sincan/Ankara.

The main activity of the Company is the manufacture, sale, maintenance and repair of agricultural machinery, engine and transmission units, machinery and equipment.

As of December 31, 2025, the company's capital is TRY 1,740,000,000, divided into 1,740,000 shares, each with a value of TRY 1,000. (As of December 31, 2024, the company's capital is TRY 440,000,000.)

The capital structure of the Company as of December 31, 2025 and 2024 is as follows:

	31 December 2025		31 December 2024	
	Amount	Ratio (%)	Amount	Ratio (%)
Shareholders				
Mahindra Overseas Investment Company	1,740,000,000	100	440,000,000	100

The Company has 424 employees as of December 31, 2025 (December 31, 2024: 416 people)

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

Financial reporting standards

The Company operating in Türkiye keep and prepare their legal books and financial statements in accordance with the accounting principles set out in the Turkish Commercial Code (TCC) No. 6102 and the tax legislation.

Companies that are subject to independent audits in Türkiye prepare their financial statements in accordance with the TCC and the Turkish Accounting Standards ("TAS") put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA").

The financial statements are presented in accordance with "Communique regarding with TAS Taxonomy" which was published on July 3, 2024 by POA.

Financial reporting in hyperinflationary economy

With the communiques made by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after December 31, 2023.

TAS 29 is applied to the financial statements, including the financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Company has therefore presented its financial statements as of December 31, 2024, on the purchasing power basis as of December 31, 2025.

The adjustments made in accordance with IAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Türkiye published by the Turkish Statistical Institute (TSI). As of December 31, 2025, the indices and adjustment coefficients used in the adjustment of the financial statements are as follows:

Date	Index	Conversion factor	Three year inflation rate
31 December 2025	3,513.87	1.00000	211%
31 December 2024	2,684.55	1.30892	291%
31 December 2023	1,859.38	1.88981	268%

The main components of Company restatement for the purpose of financial reporting in hyperinflationary economies are as follows:

- The financial statements for the current period presented in TRY are expressed in terms of the purchasing power at the balance sheet

date and the amounts for the previous reporting periods are restated in accordance with the purchasing power at the end of the reporting period.

- Monetary assets and liabilities are not restated as they are currently expressed in terms of the purchasing power at the balance sheet date.
- Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the balance sheet date are restated by applying the relevant conversion factors.
- All items in the statement of comprehensive income, except for the effects of non-monetary items in the balance sheet on the statement of comprehensive income, have been restated by applying the multipliers calculated over the periods in which the income and expense accounts were initially recognized in the financial statements.
- The effect of inflation on the Company's net monetary asset position in the current period is recognized in the income statement in the net monetary position loss account.

New and amended standards and interpretations

The accounting policies adopted in preparation of the financial statements as of December 31, 2025 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and International Financial Reporting Interpretations Committee (IFRIC) effective as of January 1, 2025 and thereafter.

a) The new standards, amendments and interpretations which are effective as of January 1, 2025 are as follows:

Amendments to TAS 21 - Lack of exchangeability

In May 2024, POA issued amendments to TAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a significant impact on the financial position or performance of the Company.

b) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the financial statements are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting the financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

The mentioned standard is not applicable to the Company.

TFRS 17 - The new Standard for insurance contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities

with the recognition of profit over the period that services are provided. Certain changes in the estimates of future cash flows and the risk adjustment are also recognised over the period that services are provided. Entities will have an option to present the effect of changes in discount rates either in profit and loss or in OCI. The standard includes specific guidance on measurement and presentation for insurance contracts with participation features. In accordance with amendments issued by POA in December 2021, entities have transition option for a "classification overlay" to avoid possible accounting mismatches between financial assets and insurance contract liabilities in the comparative information presented on initial application of TFRS 17.

The mandatory effective date of the Standard for the following entities has been postponed to accounting periods beginning on or after January 1, 2026 with the announcement made by the POA:

- Insurance, reinsurance and pension companies.
- Banks that have ownership/investments in insurance, reinsurance and pension companies and
- Other entities that have ownership/investments in insurance, reinsurance and pension companies.

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2026 with the announcement made by the POA.

The standard is not applicable for the Company and will not have an impact on the financial position or performance of the Company.

Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments

In August 2025, POA issued amendments to the classification and measurement of financial instruments (amendments to TFRS 9 and TFRS 7). The amendment clarifies that a financial liability is derecognised on the 'settlement date'. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in TFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The amendment will be effective for annual periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The new requirements will be applied retrospectively with an adjustment to opening retained earnings.

The amendments are not applicable for the Company and will not have an impact on the financial position or performance of the Company.

Annual Improvements to TFRS – Volume 11

In September 2025, POA issued Annual Improvements to TFRSs – Volume 11, amending the followings:

- TFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter: These amendments are intended to address potential confusion arising from an inconsistency between the wording in TFRS 1 and the requirements for hedge accounting in TFRS 9.
- TFRS 7 Financial Instruments: Disclosures – Gain or Loss on Derecognition: The amendments update the language

on unobservable inputs in the Standard and include a cross reference to TFRS 13.

- TFRS 9 Financial Instruments – Lessee Derecognition of Lease Liabilities and Transaction Price: TFRS 9 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with TFRS 9, the lessee is required to apply derecognition requirement of TFRS 9 and recognise any resulting gain or loss in profit or loss. TFRS 9 has been also amended to remove the reference to 'transaction price'.
- TFRS 10 Consolidated Financial Statements – Determination of a 'De Facto Agent': The amendments are intended to remove the inconsistencies between TFRS 10 paragraphs.
- TAS 7 Statement of Cash Flows – Cost Method: The amendments remove the term of "cost method" following the prior deletion of the definition of 'cost method'.

Improvements are effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted for all.

The amendments are not applicable for the Company and will not have an impact on the financial position or performance of the Company.

Amendments to TFRS 9 and TFRS 7 - Contracts Referencing Nature-dependent Electricity

In August 2025, POA issued Contracts Referencing Nature-dependent Electricity (Amendments to TFRS 9 and TFRS 7). The amendment clarifies the application of the "own use" requirements and permits hedge accounting if these contracts are used as hedging instruments. The amendment also adds new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows. The amendment will be effective for annual periods beginning on or after 1 January 2026. Early adoption is permitted but will need to be disclosed. The clarifications regarding the 'own use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application.

The amendments are not applicable for the Company and will not have an impact on the financial position or performance of the Company.

TFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

In May 2025, POA issued TFRS 18 which replaces TAS 1. TFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. TFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as TAS 7, TAS 8 and TAS 34. TFRS 18 and the related amendments are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted. TFRS 18 will be applied retrospectively.

The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

TFRS 19 – The new Standard for Subsidiaries without Public Accountability: Disclosures

In August 2025, POA issued TFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other TFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply TFRS 19 will not need to apply

the disclosure requirements in other TFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with TFRS accounting standards may elect to apply TFRS 19. TFRS 19 is effective for reporting periods beginning on or after 1 January 2027 and earlier adoption is permitted. If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under TFRS 19.

The Company is in the process of assessing the impact of the standard on financial position or performance of the Company.

c) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following amendments to IAS 21 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Company will make the necessary changes to its financial statements after the amendments are issued and become effective under TFRS.

Amendments to IAS 21 - Translation to a Hyperinflationary Presentation

The amendments issued by the Board in November 2025 require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. Accordingly, if an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the end of the current reporting period. Furthermore, an entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, in accordance with IAS 29, to the foreign operation's comparative figures. The amendments also introduce certain additional disclosure requirements.

The Company is in the process of assessing the impact of the amendments on financial position or performance of the Company.

Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in TRY, which is the functional currency of Erkunt Traktör and the presentation currency of the Company.

Going concern

The financial statements have been prepared on a going concern basis, assuming that the Company will derive benefits from its assets and fulfill its obligations within the next year and in the normal course of its operations.

Offsetting

Financial assets and liabilities are offset and reported in the net amount when there is a legally enforceable right or when there is an intention to settle the assets and liabilities on a net basis or realize the assets and settle the liabilities simultaneously.

Comparatives and restatement of prior periods' financial statements

The financial statements of the Company include comparative financial information to enable the determination of the trends in the financial

position and performance. Comparative figures are reclassified, where necessary, to conform to changes in presentation in the current period financial statements and the significant changes are explained.

Company has applied consistent accounting policies in the preparation of financial statements presented the Company does not have any other significant changes in accounting policy and accounting estimates in the current period.

2.2 Restatement and errors in the accounting policies and estimates

Any change in the accounting policies resulted from the first-time adoption of a new standard is made either retrospectively or prospectively in accordance with the transition requirements. Changes without any transition requirement, material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period consolidated financial statements. If changes in accounting estimates are related to only one period, they are recognised in the period when changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and future periods prospectively.

2.3 Summary of significant accounting policies

Significant accounting policies applied in the preparation of these financial statements are summarized below:

Related parties

For the purpose of these financial statements, shareholders, key management personnel and Board members, in each case together with their families and companies controlled by/or affiliated with them, associated companies are considered and referred to as related parties (Note 5).

Trade receivables

Trade receivables that are created by the Company by way of providing goods or services directly to a debtor are carried at amortized cost. Receivables with short-term maturities which have no predefined interest rate are measured at the original invoice amount unless the effect of imputed interest is significant (Note 6).

Company has applied simplified approach and used impairment matrix for the calculation of impairment on its receivables carried at amortized cost. In accordance with this method, if any provision provided to the trade receivables as a result of a specific events, Company measures expected credit loss from these receivables by the life-time expected credit loss. The calculation of expected credit loss is performed based on the past experience of the Company and its expectations for the future indications.

Inventories

Inventories are valued at the lower of cost or net realizable value. The cost of inventories is determined on the weighted average basis for each purchase. Cost elements included in inventories are materials, labour and factory overheads. The cost of borrowings is not included in the costs of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and estimated costs to make the sale (Note 9).

Financial Assets

Classification and measurement

Company classified its financial assets in three categories; financial assets carried at amortized cost, financial assets carried at fair value through profit or loss, financial assets carried at fair value through other comprehensive income. Classification is performed in accordance with the business model determined based on the purpose of benefits from financial assets and expected cash flows. Management performs the classification of financial assets at the acquisition date.

(a) Financial assets carried at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, whose payments are fixed or predetermined, which are not actively traded and which are not derivative instruments are measured at amortized cost. They are included in current assets, except for maturities more than 12

months after the balance sheet date. Those with maturities more than 12 months are classified as non-current assets. The Company's financial assets carried at amortized cost comprise "trade receivables" and "cash and cash equivalents" in the statement of financial position. In addition, with recourse factoring receivables classified in trade receivables are classified as financial assets carried at amortized cost since collection risk for those receivables are not transferred to counterparty.

Impairment

The Company evaluates its inventories for impairment under TAS 2, trade receivables under TFRS 9, and property, plant, and equipment under TAS 36; and recognizes provisions in the financial statements when deemed necessary.

(b) Financial assets carried at fair value

Assets that are held by the management for collection of contractual cash flows and for selling the financial assets are measured at their fair value. If the management do not plan to dispose these assets in 12 months after the balance sheet date, they are classified as non-current assets. Company make a choice for the equity instruments during the initial recognition and elect profit or loss or other comprehensive income for the presentation of fair value gain and loss:

i) *Financial assets carried at fair value through profit or loss*

Financial assets that are measured at fair value through profit or loss, excluding those subjects to fair value hedge accounting, are included in the "derivative instruments" line item in the statement of financial position. Derivative instruments are recognized as asset when the fair value of the instrument is positive, as liability when the fair value of the instrument is negative. Company's financial instruments at fair value through profit or loss consist of forward contracts, currency swaps and cross currency fixed interest rate swap.

ii) *Financial assets carried at fair value through other comprehensive income*

Financial assets carried at fair value through other comprehensive income comprise of "financial assets" in the statement of financial position. Gains or losses arising from financial assets, other than impairment and exchange rate income or expenses, are recognized in other comprehensive income. When the financial assets carried at fair value through other comprehensive income are sold, fair value gain or loss classified in other comprehensive income is classified to retained earnings.

Financial liabilities

Borrowings are recognized initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective yield method; any difference between proceeds, net of transaction costs, and the redemption value is recognized in the statement of profit or loss over the period. Borrowing costs are charged to the statement of profit or loss when they are incurred (Note 4). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Trade payables

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Recognition and de-recognition of financial instruments

All purchases and sales of financial assets are recognized on the trade date i.e. the date that the Company commits to purchase or to sell the asset. These purchases or sales are purchases or sales generally require delivery of assets within the time frame generally established by regulation or convention in the market place.

A financial asset (or, where applicable a part of a financial asset or part of a Company of similar financial assets) is derecognized where:

- the rights to receive cash flows from the asset have expired,
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the assets.

Where the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the financial statements.

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

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less (Note 3). For the purpose of statements of cash flows, cash and cash equivalents includes cash and cash equivalents with original maturities less than three months, excluding the interest accruals. If any provision provided to the cash and cash equivalents as a result of a specific events, Company measures expected credit loss from these cash and cash equivalents by the life-time expected credit loss. The calculation of expected credit loss is performed based on the past experience of the Company and its expectations for the future indications.

Property, plant and equipment and related depreciation

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is provided on restated amounts of property, plant and equipment using the straight-line or unit of production methods based on the estimated useful lives of the assets, except for land due to their indefinite useful life. The depreciation periods for property and equipment, which approximate the economic useful lives of assets concerned, are as follows:

Land improvements	5 – 25 years
Buildings	10 – 50 years
Machinery, equipment and moulds	3 – 25 years
Motor vehicles	2 – 14 years
Furniture and fixtures	2 – 50 years
Leasehold improvements	2 – 10 years

Property, plant and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of the property, plant and equipment is the higher of future net cash flows from the utilization of this property, plant and equipment or fair value less cost to sell.

Gains or losses on disposals of property, plant and equipment are included in income/expense from investment activities.

Subsequent costs, such as repairs and maintenance or part replacement of tangible assets, are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits with the item will flow to the company (Note 12). All other costs are charged to the statements of profit or loss during the financial year in which they are incurred.

Intangible assets

Intangible assets are comprised of acquired brands, trademarks, patents, developments costs and computer software (Note 13).

a) *Computer software and rights*

Computer software and rights are recognized at their acquisition cost. They are amortized on a straightline basis over their estimated useful lives and carried at cost less accumulated amortization. Their estimated useful lives are between 4 -15 years

b) *Development costs*

Costs incurred on development projects relating to the design and testing of new or improved products are recognized as intangible assets when it is probable that the project will be a success considering its commercial and technological feasibility, and only if the cost can be measured reliably. Other research and development expenditures are recognized as an expense as incurred. Development expenditures previously recognized as an expense cannot be recognized as an asset in a subsequent period. Development costs that have been capitalized are amortized from the commencement of the commercial production of the product on a straight-line basis from 2 to 10 years.

Leases

The Company - as a lessee

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assess whether:

- a) The contract involved the use of an identified asset - this may be specified explicitly or implicitly.
- b) The asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset, If the supplier has a substantive substitution right, the asset is not identified.
- c) The Company has the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use; and
- d) The Company has the right to direct use of the asset, The Company concludes to have the right of use, when it is predetermined how and for what purpose the Company will use the asset. The Company has the right to direct use of asset if either:
 - i. The Company has the right to operate (or to have the right to direct others to operate) the asset over its useful life and the lessor does not have the rights to change the terms to operate or;
 - ii. The Company designed the asset (or the specific features) in a way that predetermines how and for what purpose it is used

The Company reflects a right-of-use asset and a lease liability in its financial statements at the actual commencement date of the lease.

Right of use asset

The right of use asset is initially recognized at cost comprising of:

- a) Amount of the initial measurement of the lease liability;
- b) Any lease payments made at or before the commencement date, less any lease incentives received;
- c) Any initial direct costs incurred by the Company; and
- d) An estimate of costs to be incurred by the lessee for restoring the underlying asset to the condition required by the terms and conditions of the lease (unless those costs are incurred to produce inventories).

The Company re-measure the right of use asset by applying cost method:

- a) After netting-off accumulated depreciation and impairment losses from right of use asset.
- b) Adjusted for certain re-measurements of the lease liability recognized at the present value.

The Company applies TFRS 16, "Property, Plant and Equipment" to amortize the right of use asset and to assess for any impairment.

Lease Liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Lease liabilities are discounted to present value by using the interest rate implicit in the lease if readily determined or with the Company's incremental borrowing rate. The alternative borrowing rate has been determined based on the borrowing rates of the Company companies at the contract dates.

Lease payments included in the measurement of the lease liability comprise the following:

- a) Fixed payments, including in-substance fixed payments;
- b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as the commencement date.
- c) The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewable period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain to terminate early.

After initial recognition, the lease liability is measured:

- a) Increasing the carrying amount to reflect interest on lease liability,
- b) Reducing the carrying amount to reflect the lease payments made and
- c) Remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The duration of the contract that make up the Company's lease liabilities varies between 1 and 10 years.

Extension and termination options

In determining the lease liability, the Company considers the extension and termination options. The majority of extension and termination options held are exercisable both by the Company and by the respective lessor. Extension options are included in the lease term if the lease is reasonably certain to be extended. The Company remeasures the lease term, if a significant event or a significant change in circumstances occurs which affects the initial assessment. The Company do not have significant lease contracts with extension and termination options that are not included in the lease liability since they are not reasonably certain.

The Company remeasures the lease term, if a significant event or a significant change in circumstances occurs which affects the initial assessment. As result of the evaluations performed in the current period, there is no lease obligation or right of use assets arising from the inclusion of extension and early termination options in the lease period.

Variable lease payments

Company's lease contracts also include variable lease payments which are not in the scope of TFRS 16. Variable lease payments are recognised in profit or loss in the related period.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset which requires substantial period of time to get ready for its intended use or sale shall be capitalized over the cost of the asset (Note 4). Other borrowing costs shall be recognized as an expense in the period it incurs.

Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized directly in equity. In such case, the tax is also recognized in shareholders' equity.

The current income tax charge is calculated in accordance with the tax laws enacted or substantively enacted at the balance sheet date in the countries where the subsidiaries of the Company operate.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Currently enacted tax rates are used to determine deferred income tax at the balance sheet date (Note 28).

Deferred tax liabilities are recognized for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized directly in equity is recognized in equity.

The Company recognizes deferred tax asset for all deductible temporary differences arising from investments in subsidiaries, to the extent that, and only to the extent that, it is probable that:

- the temporary difference will reverse in the foreseeable future;
- taxable profit will be available against which the temporary difference can be utilized.

The Company recognizes deferred tax liability for all taxable temporary differences associated with investments in subsidiaries except to the extent that both of the following conditions are satisfied:

- the parent can control the timing of the reversal of the temporary difference;
- it is probable that the temporary difference will not reverse in the foreseeable future.

Government grants allowing reduced corporate tax payment are evaluated within the scope of TAS 12 Income Taxes standard and are recognised as deferred tax asset by the qualified tax advantage amount, to the extent it is highly probable that future taxable profits will be available against which the unused investment tax credits can be utilised.

Employment termination benefits

Employment termination benefits, as required by the Turkish Labour Law and the laws applicable in the countries where the subsidiaries operate, represent the estimated present value of the total reserve of the future probable obligation of the Company arising in case of the retirement of the employees, termination of employment without due cause, call for military service, be retired or death upon the completion of a minimum one-year service. Actuarial gains and losses are recognized as other comprehensive income or loss in shareholders' equity in the period in which they arise (Note 17).

Retirement Benefit Obligation Provision

The accounting for retirement benefit obligations involves estimating the costs of future benefits and spreading these costs over the employee's expected service life. Determining the obligation and expense related to these costs requires the use of specific assumptions. These key assumptions include the discount rate, the expected long-term return rate on plan assets, life expectancy, and healthcare cost inflation rates. These assumptions may vary based on interest rates in high-quality bonds and equities, as well as medical cost inflation. In the event that actual outcomes differ from these assumptions, the differences accumulate and are amortized over future periods, which generally affects the expense recorded in those periods and the accrued obligation.

While it is believed that the assumptions are appropriate considering current economic conditions and actual experience, significant discrepancies in results or significant changes in assumptions could materially impact retirement and other post-retirement benefit obligations and related future expenses. (Note 17).

The retirement benefit obligation as of December 31, 2025, and the pre-retirement benefit costs for 2025, have been prepared using the assumptions determined as of December 31, 2025.

Foreign currency transactions

Transactions in foreign currencies during the period have been translated at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated into TRY at the exchange rates prevailing at the balance sheet dates. Exchange gain or losses arising from the settlement and translation of foreign currency items have been included under financial income/ expenses and other operating income/ expenses in the statements of profit or loss, except for the effective portion of the foreign currency hedge of net investments in foreign operations.

Revenue recognition

Company recognizes revenue when the goods or services is transferred to the customer and when performance obligation is fulfilled. Goods is counted to be transferred when the control belongs to the customer.

Company recognizes revenue based on the following main principles:

- (a) Identification of customer contracts,
- (b) Identification of performance obligations,
- (c) Determination of transaction price in the contract,
- (d) Allocation of price to performance obligations,
- (e) Recognition of revenue when the performance obligations are fulfilled

Company recognized revenue from its customers only when all of the following criteria are met:

- (a) The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations,
- (b) Company can identify each party's rights regarding the goods or services to be transferred,
- (c) Company can identify the payment terms for the goods or services to be transferred;
- (d) The contract has commercial substance,
- (e) It is probable that Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due.

The Company assess the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. For each performance obligation identified, the entity determine at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If the Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over time. The Company recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to the customer. An asset is transferred when the customer obtains control of that asset or service.

The Company does not adjust the promised amount of consideration for the effects of a significant financing component since the Company expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less. If the financing component is significant in revenue, future collections are discounted by the interest rate in financing component. The difference is recognised as income from operating activities in current period.

Incentives for investments, research, and development activities

Gains arising from incentives for investment and research and development activities together with government grants are recognized when there is a reasonable assurance for the necessary conditions to be fulfilled and

incentive to be acquired by the Company. Vested government grants related with expense or capitalization realized in previous accounting periods, are recognized in statements of profit or loss when collectible and grants relating to capital assets are accounted for as deferred income in the balance sheet and are credited to income statement on a straight-line basis over the expected lives of related assets.

Paid-in capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. No provision is recognized for operating losses expected in later periods.

Warranty expenses

Warranty expenses includes repair and maintenance expenses for products sold and labor and material costs of authorized services' for products under the scope of the warranty terms without any charge to the customers. Based on estimations using past statistical information warranty services and returns of products, warranty expenses are recognized for the products sold in the period for possible utilizations of warranties in the following future periods (Note 16).

Contingent assets and liabilities

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are not included in the financial statements and are disclosed as contingent assets or liabilities.

Contingent liabilities are disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote. If an outflow of resources has become probable, contingent liabilities are recognised in the financial statements. Contingent assets are not recognised in financial statements but disclosed in the notes to the financial statements where an inflow of economic benefits is probable.

Earnings per share

Earnings per share presented in the statements of profit or loss are determined by dividing net income attributable to that class of shares by the weighted average number of such shares outstanding during the year concerned.

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings or inflation adjustments. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them retroactive effect for the year in which they were issued and for each earlier period. Treasury shares are also included in calculation per share.

Reporting of cash flows

In the statements of cash flows, cash flows are classified and reported according to their operating, investing and financing activities.

2.4 Critical accounting estimates, judgments, and assumptions

The preparation of financial statements requires estimates and assumptions to be made regarding the amounts for the assets and liabilities at the balance sheet date, and explanations for the contingent assets and liabilities as well as the amounts of income and expenses realized in the reporting period. The Company makes estimates and assumptions concerning the future. The

accounting estimates and assumptions, by definition, may not be equal the related to actual results. The estimates and assumptions that may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Provision for employee termination benefits

To calculate the employee benefit provision actuarial assumptions relating to turnover ratio, discount rate and salary increase are used. Calculation details are given in Employee benefits disclosure (Note 17).

Useful lives

The Company capitalizes the tangible and intangible assets in accordance with TAS 16 and TAS 38. The Company defines useful life of its assets in terms of the assets expected utility to the Company. Economic useful lives accepted by the Company is disclosed in Note 2.3.

Warranty expenses

The Company recognizes warranty provisions for products under the scope of the warranty terms based the estimations using past statistical information (Note 16).

NOTE 3 – CASH AND CASH EQUIVALENTS

As of 31 December 2025 and 2024, cash and cash equivalents comprised the following:

Account Name	31 December 2025	31 December 2024
Cash on hand	28,470	39,430
Banks	20,922,106	51,456,604
– Current deposit	20,922,106	38,579,154
– Term deposits with a maturity of less than three months	–	12,877,450
Other liquid assets (*)	29,687,919	92,026,657
Total	50,638,495	143,522,691

As of December 31, 2025, there is no blocked deposit amount. (31 December 2024: TRY 22,399,163).

(*) Other liquid assets consist of liquid funds.

As of December 31, 2025 and 31 December 2024, demand deposits comprised the following currencies;

	31 December 2025		31 December 2024	
	Original currency amount	TRY Equivalent	Original currency amount	TRY Equivalent
TRY	20,301,416	20,301,416	36,412,001	36,412,001
USD	1,085	46,500	50,430	2,159,179
EUR	11,419	574,190	159	7,974
Total	–	20,922,106	–	38,579,154

As of December 31, 2025, the Company has no time deposits. As of December 31, 2024, the details are as follows:

31 December 2024

Currency	Interest rate	Maturity	Original Balance	TRY Balance
TRY	41%	2 days	12,877,450	12,877,450

NOTE 4 – FINANCIAL LIABILITIES

As of 31 December 2025 and 31 December 2024, financial borrowings comprised the following:

	31 December 2025	31 December 2024
Short-term borrowings	254,147,537	828,582,089
Total	254,147,537	828,582,089

As of 31 December 2025 and 31 December 2024, short term lease liabilities comprised the following:

	31 December 2025	31 December 2024
Short-term lease liabilities	12,712	18,844,537
Total	12,712	18,844,537

As of 31 December 2025 and 31 December 2024, short term lease liabilities comprised the following:

	31 December 2025	31 December 2024
Long-term lease liabilities	69,711,770	39,232,669
Total	69,711,770	39,232,669

31 December 2025	Bank Name	Currency	Nominal interest rate	Maturity	Nominal amount	Net book value
Revolving Credit	Fibabank	TRY	%46.2	Short term/1 year	135,000,000	135,007,000
Revolving export credit	Ziraat Bank	TRY	%44.6	Short term/1 year	10,000,000	10,000,000
Revolving export credit	Eximbank	TRY	%36	Short term/1 year	100,000,000	106,756,805
					245,000,000	251,763,805

NOTE 5 – RELATED PARTIES

For the purpose of this report, shareholders, important management personnel and members of the board of directors, their families and companies controlled by or affiliated to them, as well as associates and jointly controlled partnerships are considered as related parties. Various transactions were made with related parties during the normal operation of the enterprise. A significant part of the transactions with related parties have been eliminated and the remaining transactions with related parties after elimination are not material for the Company. These transactions were generally carried out during the normal operation of the business in accordance with market conditions.

For the year ended 31 December 2025, shareholders and the executive members of the Company's management received aggregate compensation in amount of TRY 60,353,941 (31 December 2024: TRY 91,165,916).

As of 31 December 2025 and 2024, due from related parties and due to related parties are as follows:

Trade receivables;

	31 December 2025	31 December 2024
Mahindra&Mahindra Limited	11,481,851	832,348
Mahindra South Africa (PYT) Ltd.	7,553,990	66,147
Mahindra South East Asia Limited	560,573	–
Mahindra do Brasil Industrial Ltda.	–	14,210,027
Total	19,596,414	15,108,522

As of 31 December 2025 and 2024, the movement of financial liabilities are as follows:

	31 December 2025	31 December 2024
As of January, 1	886,659,296	720,299,298
Additions	2,775,192,973	2,095,322,913
Interest accruals	19,781,096	55,979,498
Payments	(3,189,603,896)	(1,758,064,615)
Exchange differences	50,969,931	25,727,843
Monetary loss	(219,127,381)	(252,605,642)
Total	323,872,019	886,659,295

The maturity breakdown of financial liabilities is as follows:

	31 December 2025	31 December 2024
1–3 months	12,712	2,516,334
Between 4 and 12 months	254,147,537	837,306,938
1–5 years	59,071,911	26,098,244
More than 5 years	10,639,859	20,737,779
Total	323,872,019	886,659,295

Trade payables;

	31 December 2025	31 December 2024
Mahindra&Mahindra Limited	165,361,184	439,846,034
Erkunt Sanayi A.Ş.	54,460,883	88,361,659
Mitsubishi Mahindra Agricultural Machinery Co. Ltd.	598,372	39,739,111
Total	220,420,439	567,946,804

Services provided to related parties

	31 December 2025	31 December 2024
Sales of goods	29,404,290	90,744,443
Total	29,404,290	90,744,443

Product sales to related parties:

	31 December 2025	31 December 2024
Mahindra&Mahindra Limited	–	41,987,349
Mahindra&Mahindra Limited	14,274,890	24,186,970
Mahindra&Mahindra Limited	671,547	16,994,161
Mitsubishi Mahindra Agricultural Machinery Co. Ltd.	7,331,796	6,451,590
Erkunt Sanayi A.Ş.	572,398	–
Mahindra South Africa	6,553,659	1,124,373
Total	29,404,290	90,744,443

Services received from related parties

	31 December 2025	31 December 2024
Purchase of goods	350,661,281	688,901,599
Total	350,661,281	688,901,599

Purchases from related parties:

	31 December 2025	31 December 2024
Mahindra&Mahindra Limited	158,331,957	334,166,302
Erkunt Sanayi A.Ş.	157,516,482	297,016,450
Mitsubishi Mahindra Agricultural Machinery Co. Ltd.	34,812,842	57,255,269
Mahindra do Brasil Industrial Ltd.	—	463,578
Total	350,661,281	688,901,599

NOTE 6 – TRADE RECEIVABLES AND PAYABLES

Trade receivables

As of 31 December 2025 and 31 December 2024, the Company's short-term trade receivables are as follows:

	31 December 2025	31 December 2024
Trade receivables	921,766,177	605,696,529
<i>Trade receivables from related parties</i>	19,596,414	15,108,522
<i>Notes receivable</i>	—	595,860,216
<i>Doubtful trade receivables</i>	25,930,078	34,041,680
<i>Provision for doubtful trade receivables</i>	(25,930,078)	(34,041,680)
Total	941,362,591	1,216,665,267

The movements of the allowance for doubtful trade receivables for the periods of January 1 - December 31 are as follows:

	31 December 2025	31 December 2024
As of January, 1	34,041,680	58,150,642
Provisions no longer required	(77,312)	(6,229,388)
Monetary loss	(8,034,290)	(17,879,574)
As of December, 31	25,930,078	34,041,680

The maturity breakdown of trade receivables is as follows:

	31 December 2025	31 December 2024
Up to 30 days	381,008,429	585,075,829
30-90 days	340,248,606	457,848,080
More than 90 days	220,105,556	173,741,358
As of December, 31	941,362,591	1,216,665,267

Details regarding the credit risk, exchange rate risk and impairment of the Company's short-term trade receivables are disclosed in Note 31.

As of December 31, 2025, the average maturity of trade receivables is 94 days. (December 31, 2024: 81 days)

Trade payables

Trade payables of the Company as of 31 December 2025 ve 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Trade payables	387,032,789	484,193,542
Trade payables to related parties	220,420,439	567,946,804
Notes payable	159,855,625	75,891,448
Total	767,308,853	1,128,031,794

As of December 31, 2025, the average maturity of trade payables is 79 days. (December 31, 2024: 98 days)

NOTE 7 – FINANCIAL INVESTMENTS

As of 31 December 2025 and 2024, the details of long-term financial investments are as follows:

	31 December 2025		
	Short-term	Long-term	Total
Financial investments measured at amortized cost	5,713,377	—	5,713,377
Total	5,713,377	—	5,713,377

	31 December 2024		
	Short-term	Long-term	Total
Financial investments measured at amortized cost	7,478,375	—	7,478,375
Total	7,478,375	—	7,478,375

	31 December 2025	31 December 2024
IET-İş Portföy Renewable Energy Technologies Investment Fund	5,713,377	7,478,375
Total	5,713,377	7,478,375

NOTE 8 – OTHER RECEIVABLES AND PAYABLES

Other receivables of Company as of 31 December 2025 ve 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Receivables from tax office	49,855,824	50,828,218
Other receivables	1,203,757	1,321,889
Deposits and guarantees given	5,107,301	1,299,528
Total	56,166,882	53,449,635

Other payables of Company as of 31 December 2025 ve 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Other payables	2,233,134	32,214,335
Total	2,233,134	32,214,335

NOTE 9 – INVENTORIES

At 31 December 2025 and 31 December 2024, inventories comprised the following:

	31 December 2025	31 December 2024
Raw materials and supplies	424,474,878	675,679,905
Semi-finished goods	40,940,822	63,690,928
Finished goods	205,416,502	566,445,506
Commercial goods	42,941,862	103,221,329
Other stocks (*)	240,909,848	413,036,411
Provision for impaired inventories (-)	(7,321,413)	(4,514,624)
Total	947,362,499	1,817,559,455

(*) Other inventories include stocks at customs.

	31 December 2025	31 December 2024
Provision for impaired inventories (-)		
As of January, 1	(4,514,624)	-
Provision recognized during the period	(2,806,789)	(4,514,624)
Total	(7,321,413)	(4,514,624)

NOTE 10 – PREPAID EXPENSES AND DEFERRED INCOMES

Short-term prepaid expenses as of December 31, 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Advances given to suppliers	89,190,343	64,691,514
Expenses for future months	12,031,859	12,304,851
Total	101,222,202	76,996,365

As of December 31, 2025 and 2024, short-term deferred incomes are as follows:

	31 December 2025	31 December 2024
Advances received from suppliers	34,512,149	81,104,523
Income for future months	17,600,301	19,339,400
Total	52,112,450	100,443,923

As of December 31, 2025 and 2024, long-term deferred incomes are as follows:

	31 December 2025	31 December 2024
Income for future years	79,145,226	77,796,395
Total	79,145,226	77,796,395

NOTE 11 – COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES

	31 December 2025		
	TRY Equivalent	TRY	EUR
A. Total amount of TRIs provided on behalf of the Company's own legal entity	603,487,404	598,143,735	106,266
<i>Collateral</i>	603,487,404	598,143,735	106,266
<i>Pledge</i>	-	-	-
<i>Mortgage</i>	-	-	-
B. Total amount of other TRIs provided	108,209,564	102,750,000	108,570
<i>Guarantees</i>	108,209,564	102,750,000	108,570
Total	711,696,968	700,893,735	214,836

	31 December 2024		
	TRY Equivalent	TRY	EUR
A. Total amount of TRIs provided on behalf of the Company's own legal entity	1,000,246,450	1,000,246,450	-
Collateral	1,000,246,450	1,000,246,450	-
Pledge	-	-	-
Mortgage	-	-	-
B. Total amount of other TRIs provided	76,572,015	76,572,015	-
Guarantees	76,572,015	76,572,015	-
Total	1,076,818,465	1,076,818,465	-

NOTE 12 – TANGIBLE FIXED ASSETS

Movements of tangible assets at 31 December 2025 are as follows:

	1 January 2025	Additions	Disposals (-)	31 December 2025
Cost				
Lands	173,166,038	–	–	173,166,038
Land improvements	43,554,803	–	(8,492,302)	35,062,501
Buildings	403,315,848	–	–	403,315,848
Machinery and equipment	200,361,783	655,885	(25,244,298)	175,773,370
Motor vehicles	11,464,418	–	–	11,464,418
Fixture and fittings	104,886,181	825,836	(20,769,138)	84,942,879
Other tangible fixed assets	395,601,073	13,712,106	(25,504,668)	383,808,511
Leasehold improvements	21,368,052	–	–	21,368,052
Construction in progress	25,343,010	3,179,658	(1,206,363)	27,316,305
Total	1,379,061,206	18,373,485	(81,216,769)	1,316,217,922
Accumulated Depreciation				
Land improvements	(15,418,044)	(2,782,055)	1,623,442	(16,576,657)
Buildings	(229,720,329)	(5,905,823)	–	(235,626,152)
Machinery and equipment	(112,931,994)	(17,346,730)	4,600,344	(125,678,380)
Motor vehicles	(3,686,868)	(2,354,424)	–	(6,041,292)
Fixture and fittings	(76,720,435)	(8,720,884)	18,958,049	(66,483,270)
Other tangible fixed assets	(243,052,993)	(24,195,836)	869,421	(266,379,408)
Leasehold improvements	(11,916,879)	(3,162,924)	–	(15,079,803)
Total	(693,447,542)	(64,468,676)	26,051,256	(731,864,962)
Net Book Value	685,613,664	–	–	584,352,960

As of December 31, 2025, TRY 8,403,847 of the period's depreciation expense has been recognized under general administrative expenses (Note 22), TRY 5,137,285 under marketing, sales, and distribution expenses (Note 23), TRY 21,136,935 (Note 24) under research and development expenses, and TRY 29,790,609 under the cost of sales (Note 21).

Movements of tangible assets at 31 December 2024 are as follows:

	1 January 2024	Additions	Disposals (-)	Transfers	31 December 2024
Cost					
Lands	173,166,038	–	–	–	173,166,038
Land improvements	43,554,803	–	–	–	43,554,803
Buildings	403,315,848	–	–	–	403,315,848
Machinery and equipment	198,212,392	2,468,554	(319,163)	–	200,361,783
Motor vehicles	4,479,495	6,984,923	–	–	11,464,418
Fixture and fittings	103,890,467	2,820,889	(1,825,175)	–	104,886,181
Other tangible fixed assets	385,927,463	10,170,435	(496,825)	–	395,601,073
Leasehold improvements	21,146,974	221,078	–	–	21,368,052
Construction in progress	170,700	27,146,395	(1,974,085)	–	25,343,010
Total	1,333,864,180	49,812,274	(4,615,248)	–	1,379,061,206

	1 January 2024	Additions	Disposals (-)	Transfers	31 December 2024
Accumulated Depreciation					
Land improvements	(11,762,524)	(3,655,520)	—	—	(15,418,044)
Buildings	(224,203,844)	(5,516,485)	—	—	(229,720,329)
Machinery and equipment	(91,658,436)	(21,496,989)	223,431	—	(112,931,994)
Motor vehicles	(2,483,946)	(1,202,922)	—	—	(3,686,868)
Fixture and fittings	(68,578,308)	(9,228,131)	1,086,004	—	(76,720,435)
Other tangible fixed assets	(215,344,212)	(27,852,484)	143,703	—	(243,052,993)
Leasehold improvements	(8,668,317)	(3,248,562)	—	—	(11,916,879)
Total	(622,699,587)	(72,201,093)	1,453,138	—	(693,447,542)
Net book value	711,164,593	—	—	—	685,613,664

NOTE 13 – INTANGIBLE ASSETS

For the period ended 31 December 2025, the movement of intangible assets are as follows:

	1 January 2025	Additions	Disposals (-)	31 December 2025
Cost				
Rights	155,129,263	—	—	155,129,263
Research and development expenses	715,527,307	140,266,900	—	855,794,207
Other	38,903,695	—	(143,822)	38,759,873
Total	909,560,265	140,266,900	(143,822)	1,049,683,343
Accumulated Amortization				
Rights	(73,301,096)	(12,808,667)	—	(86,109,763)
Research and development expenses	(350,071,508)	(99,866,619)	—	(449,938,127)
Other	(32,166,739)	(4,727,243)	143,822	(36,750,160)
Total	(455,539,343)	(117,402,529)	143,822	(572,798,050)
Net Book Value	454,020,922			476,885,293

For the period ended 31 December 2024, the movement of intangible assets are as follows:

	1 January 2024	Additions	Disposals (-)	31 December 2024
Cost				
Rights	154,765,429	363,834	—	155,129,263
Research and development expenses	688,174,864	113,054,552	(85,702,109)	715,527,307
Other	36,831,311	2,072,384	—	38,903,695
Total	879,771,604	115,490,770	(85,702,109)	909,560,265
Accumulated Amortization				
Rights	(61,440,330)	(11,860,766)	—	(73,301,096)
Research and development expenses	(359,344,761)	(74,995,947)	84,269,200	(350,071,508)
Other	(27,398,127)	(4,768,612)	—	(32,166,739)
Total	(448,183,218)	(91,625,325)	84,269,200	(455,539,343)
Net Book Value	431,588,386	—	—	454,020,922

As of December 31, 2025, TRY 15,304,067 of the period's amortization expense has been recognized under general administrative expenses (Note 22), TRY 9,355,399 under marketing, sales, and distribution expenses (Note 23), TRY 38,492,021 (Note 24) under research and development expenses, and TRY 54,251,044 under the cost of sales (Note 21).

NOTE 14 – RIGHT OF USE ASSETS

For the period ended 31 December 2025, the movement of right of use assets are as follows:

	1 January - 31 December 2025	Additions	Disposals	1 January - 31 December 2025
Cost				
Motor vehicles	105,300,391	–	(20,846,815)	84,453,576
Buildings	81,758,727	64,734,926	(33,912,424)	112,581,229
Total	187,059,118	64,734,926	(54,759,239)	197,034,805
Accumulated Amortization				
Motor vehicles	(56,630,434)	(4,492,228)	41,013,671	(20,108,991)
Buildings	(15,871,095)	(69,395,041)	41,111,780	(44,154,356)
Total	(72,501,529)	(73,887,270)	82,125,451	(64,263,347)
Net Book Value	114,557,589	–	–	132,771,458

As of December 31, 2025, TRY 17,421,505 of the period's amortization expense has been recognized under general administrative expenses (Note 22), TRY 43,028,969 under marketing, sales, and distribution expenses (Note 23), TRY 5,773,985 (Note 24) under research and development expenses, and TRY 7,662,808 under the cost of sales (Note 21).

For the period ended 31 December 2024, the movement of right of use assets are as follows:

	1 January - 31 December 2024	Additions	1 January - 31 December 2024
Cost			
Motor vehicles	105,300,391	–	105,300,391
Buildings	80,059,873	1,698,854	81,758,727
Total	185,360,264	1,698,854	187,059,118
Accumulated Amortization			
Motor vehicles	(27,346,201)	(29,284,233)	(56,630,434)
Buildings	(8,034,865)	(7,836,230)	(15,871,095)
Total	(35,381,066)	(37,120,463)	(72,501,529)
Net Book Value	149,979,198	(35,421,609)	114,557,589

NOTE 15 – INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

As of 31 December 2025 and 2024, the details and summary financial information of associate accounted for using the equity method are as follows:

	31 December 2025	31 December 2024
Erkunt Sanayi Anonim Şirketi	370,560,270	1,219,714,020
Total	370,560,270	1,219,714,020

As of 31 December 2025, the current issued share capital of Erkunt Sanayi Anonim Şirketi is amounting to TRY 1,585,800,000 (31 December 2024: TRY 15,120,000).

The share of profit/(loss) of associate accounted for using the equity method is as follows:

	31 December 2025	31 December 2024
As of January, 1	1,219,714,020	1,366,578,803
Other comprehensive expense	(5,635,111)	(17,028,259)
Share of net loss	(843,518,639)	(129,836,524)
As of December, 31	370,560,270	1,219,714,020

NOTE 16 – PROVISIONS

As of December 31, 2025 and December 31, 2024, short-term provisions are as follows:

	31 December 2025	31 December 2024
Warranty provisions	140,776,285	130,944,548
Litigation reserve	23,969,662	14,764,204
Total	164,745,947	145,708,752

As of December 31, 2025 and December 31, 2025, details of warranty expense reserve is as follows:

	31 December 2025	31 December 2024
As of January, 1	130,944,548	173,513,834
Provisions made during the period	40,736,390	94,206,940
Provisions no longer required (-)	–	(60,350,671)
Monetary loss	(30,904,653)	(76,425,555)
As of December, 31	140,776,285	130,944,548

As of December 31, 2025 and December 31, 2025, details of litigation reserve is as follows:

	31 December 2025	31 December 2024
As of January, 1	14,764,204	8,984,771
Provisions made during the period	12,690,006	9,803,733
Monetary loss	(3,484,548)	(4,024,300)
As of December, 31	23,969,662	14,764,204

NOTE 17 – PROVISIONS FOR EMPLOYEE BENEFITS

Short term provisions for employee benefits

	31 December 2025	31 December 2024
Unused vacation	22,970,168	26,793,639
Total	22,970,168	26,793,639

The movement of short term provisions for employee benefits for the years ended 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
As of January, 1	26,793,639	33,392,993
Period expense	2,500,184	4,206,656
Monetary loss	(6,323,655)	(10,806,010)
As of December, 31	22,970,168	26,793,639

Long term provisions for employee benefits

	31 December 2025	31 December 2024
Severance pay provision	11,368,549	25,619,076
Total	11,368,549	25,619,076

The movement of severance pay provision for the years ended 31 December 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
As of January, 1	25,619,076	38,127,532
Service cost	6,473,572	5,387,956
Interest cost	880,966	796,702
Actuarial gain	2,796,054	9,674,493
Compensation paid (-)	(18,354,677)	(13,026,526)
Monetary loss	(6,046,442)	(15,341,081)
As of December, 31	11,368,549	25,619,076

Under the Turkish Legislations, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service and reaches the retirement age (58 for women and 60 for men).

The amount payable consists of one month's salary limited to a maximum of full TRY 64,948.77 as of December 31, 2025 (December 31, 2024: full TRY 41,828.42) for each period of service.

In accordance with Turkish Labor Code, employment termination benefit is the present value of the total estimated provision for the liabilities of the personnel who may retire in the future, the provision made for present value of determined social relief is calculated by the prescribed liability method. All actuarial gains and losses are accounted in equity as other comprehensive income or loss.

TFRS require actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans, The Company makes a calculation for the employment termination benefit by applying the prescribed liability method, by the experiences and by considering the personnel who become eligible for pension, this provision is calculated by expecting the present value of the future liability which will be paid for the retired personnel.

The principal assumption is that the maximum liability for each year of service will increase in line with inflation, Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation, As the maximum liability is revised semi-annually, the maximum amount of full TRY 53,920.00 (January 1, 2024: full TRY 46,655.43) which is effective from January 1, 2025 has been taken into consideration in calculating the reserve for employment termination benefits of the Company.

NOTE 18 – PAYABLES RELATED TO EMPLOYEE BENEFITS

As of 31 December 2025 and 2024 payables related to employee benefits comprised the followings:

	31 December 2025	31 December 2024
Debts to personnel	52,395,151	21,686,199
Social security deductions to be paid	9,446,642	11,220,774
Total	61,841,793	32,906,973

NOTE 19 – OTHER ASSETS AND LIABILITIES

As of December 31, 2025 and 2024, other current assets are as follows:

	31 December 2025	31 December 2024
VAT deductible	409,513,973	491,638,242
Personnel advances	3,920,798	2,583,061
Total	413,434,771	494,221,303

Other short-term liabilities as of December 31, 2025 and 2024 are as follows:

	31 December 2025	31 December 2024
Taxes and duties to be paid	22,047,234	141,587
Expense accruals	7,258,571	–
Total	29,305,805	141,587

NOTE 20 – EQUITY

As of 31 December 2025, the paid-in capital of the Company comprises of 1,740,000 shares issued (31 December 2024: 440,000 shares) of TRY 1 each (31 December 2024: TRY 1). There are no privileges rights provided to different shareholder Companies or individuals. The shareholder structure of the Company is as follows:

	31 December 2025		31 December 2024	
	Ownership Interest	Shares (%)	Ownership Interest	Shares (%)
Shareholders				
Mahindra&Mahindra LTD	1,740,000,000	100%	440,000,000	100%
Total	1,740,000,000	100%	440,000,000	100%
Inflation adjustment of capital	2,654,426,047		3,119,877,373	
Total	4,394,426,047		3,559,877,373	

The historical values and inflation adjustment effects of the following accounts under equity, in accordance with TFRS and VUK financial statements, as of December 31, 2025, are as follows:

31 December 2025 (TFRS)	Historical Value	Inflation Adjustment Effect	Indexed Value	For the years ended 31 December 2025 and 31 December 2024, cost of sales comprised the following:	
Paid-in capital	1,740,000,000	2,654,426,047	4,394,426,047	1 January – 31 December 2025	1 January – 31 December 2024
Legal reserves	3,442,629	56,431,980	59,874,609		
				Cost of goods sold	(2,727,435,905) (4,745,026,575)
				Cost of commercial goods sold	(379,538,320) (586,386,728)
				Personnel expenses	(302,274,770) (315,562,556)
				Depreciation expenses	(91,704,461) (65,905,514)
				Total	(3,500,953,456) (5,712,881,373)
31 December 2025 (VUK)	Historical Value	Inflation Adjustment Effect	Indexed Value		
Paid-in capital	1,740,000,000	2,285,304,379	4,025,304,379		
Legal reserves	3,442,629	61,577,148	65,019,777		

NOTE 21 – REVENUE AND COST OF SALES

For the periods 1 January - 31 December 2025 and 2024, gross profit as a result of revenues and cost of sales related operating are as follows:

	1 January – 31 December 2025	1 January – 31 December 2024
Domestic sales	4,592,241,628	7,413,249,006
International sales	801,096,466	719,338,334
Other sales	34,065,293	49,192,857
Gross sales	5,427,403,387	8,181,780,197
Sales returns	(487,394,489)	(269,731,509)
Sales discounts	(731,902,207)	(1,195,944,247)
Net Sales	4,208,106,691	6,716,104,441
Cost of sales	(3,500,953,456)	(5,712,881,373)
Gross profit	707,153,235	1,003,223,068

NOTE 22 – GENERAL ADMINISTRATIVE EXPENSES

For the years ended 31 December 2025 and 31 December 2024, administrative expenses comprised the following:

	1 January – 31 December 2025	1 January – 31 December 2024
Personnel expenses	(170,463,056)	(138,488,577)
External benefits and services	(49,827,839)	(73,825,840)
Amortization expenses	(41,129,419)	(36,747,716)
Private security service expenses	(7,796,799)	(7,964,535)
Other expenses	(7,150,728)	(7,893,677)
Total	(276,367,841)	(264,920,345)

NOTE 23 – MARKETING, SALES, AND DISTRIBUTION EXPENSES

For the years ended 31 December 2025 and 31 December 2024, selling, marketing and distribution expenses comprised the following:

	1 January – 31 December 2025	1 January – 31 December 2024
Personnel expenses	(148,034,962)	(139,760,742)
Warranty expenses	(146,273,368)	(234,664,978)
Amortization expenses	(57,521,653)	(34,496,423)
Transportation and freight expenses	(52,517,564)	(64,009,527)
Dealer meeting expenses	(30,577,908)	(19,242,062)
Fair, advertising and promotion expenses	(26,791,765)	(24,316,297)
External benefits and services	(22,776,276)	(123,320,540)
Sales incentive premiums	(14,000,766)	(29,848,095)
Travel and accommodation expenses	(8,885,621)	(8,552,812)
Other expenses	(912,242)	(10,476,216)
Total	(508,292,125)	(688,687,692)

NOTE 24 – RESEARCH AND DEVELOPMENT EXPENSES

For the years ended 31 December 2025 and 31 December 2024, research and development expenses comprised the following:

	1 January – 31 December 2025	1 January – 31 December 2024
Depreciation and amortization expenses	(65,402,941)	(63,041,345)
Project expenses (*)	(11,582,479)	(25,251,942)
External benefits and services	(9,145,428)	(9,138,608)
Personnel expenses	(6,778,985)	(5,443,952)
Other expenses	(1,147,787)	(2,551,147)
Total	(94,057,620)	(105,426,994)

(*) Project numbered 45 were closed before the R&D stages were completed.

NOTE 25 – EXPENSES BY NATURE

	1 January – 31 December 2025	1 January – 31 December 2024
Depreciation and amortization expenses		
Cost of sales	(91,704,461)	(65,905,514)
Selling, marketing and distribution expenses	(57,521,653)	(34,496,423)
Research and development expenses	(65,402,941)	(63,041,345)
General administrative expenses	(41,129,419)	(36,747,716)
Total	(255,758,474)	(200,190,998)
	1 January – 31 December 2025	1 January – 31 December 2024
Personnel expenses		
Cost of sales	(302,274,770)	(315,562,556)
General administrative expenses	(170,463,056)	(138,488,577)
Selling, marketing and distribution expenses	(148,034,962)	(139,760,742)
Research and development expenses	(6,778,985)	(5,443,952)
Total	(627,551,773)	(599,255,827)

NOTE 26 – OTHER OPERATING INCOME AND EXPENSES

For the years ended 31 December 2025 and 31 December 2024, other operating income comprised the following:

	1 January – 31 December 2025	1 January – 31 December 2024
Other ordinary income and profits	98,471,939	87,174,446
Exchange rate difference income	67,042,371	97,331,520
Provisions no longer relevant	41,583,332	63,598,974
Rediscount income	–	25,910,036
Total	207,097,642	274,014,976

For the years ended 31 December 2025 and 31 December 2024, other operating expenses comprised the following:

	1 January – 31 December 2025	1 January – 31 December 2024
Exchange rate difference expense	(252,812,685)	(241,919,280)
Provision expenses	(57,298,696)	(50,496,515)
Rediscount expense	(19,305,692)	(15,522,052)
Other	(3,953,198)	–
Total	(333,370,271)	(307,937,847)

NOTE 27 – FINANCE INCOME AND EXPENSES

For the years ended 31 December 2025 and 31 December 2024, finance income comprised the following:

	1 January – 31 December 2025	1 January – 31 December 2024
Derivatives profit	13,191,967	20,125,050
Interest income	2,379,556	7,238,591
Total	15,571,523	27,363,641

For the years ended 31 December 2025 and 31 December 2024, finance expense comprised the following:

	1 January – 31 December 2025	1 January – 31 December 2024
Interest expenses	(178,124,425)	(283,772,205)
Dealer guarantee letters	(84,705,818)	(143,401,661)
Commission expenses	(5,257,923)	(8,127,258)
Derivative instrument loss	–	(5,966,142)
Other expenses	(3,387,432)	(1,847,053)
Total	(271,475,598)	(443,114,319)

NOTE 28 – TAX ASSETS AND LIABILITIES

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, tax liabilities, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis. The corporation tax rate is 25% in Türkiye (December 31, 2024: 25%). Corporation tax rate is applied to net income of the companies after adjusting for certain disallowable expenses, exempt income and allowances.

Income tax expense for the years ended December 31 is as follows:

	1 January – 31 December 2025	1 January – 31 December 2024
Deferred tax (expense)/income	66,240,474	(83,510,290)
Tax expense	66,240,474	(83,510,290)

The Company recognizes deferred tax assets and liabilities based upon temporary differences arising between their statement of financial position accounts prepared in accordance with TAS/IFRS promulgated by POA Financial Reporting Standards and their statutory financial statements. These temporary differences usually result from the recognition of revenue and expenses in different reporting periods for TAS/IFRS and Tax Laws.

The breakdown of cumulative temporary differences and the resulting deferred tax assets/liabilities provided using principal tax rates is as follows:

	31 December 2025	31 December 2024
(Assets)/Liabilities	(Assets)/Liabilities	(Assets)/Liabilities
Inventories	(33,651,642)	(84,857,266)
Tangible and intangible fixed assets	(56,176,204)	(8,909,760)
Credit effective interest provision	(1,690,951)	3,227,809
Doubtful receivable provision	556,234	753,367
Warranty expense provision	35,194,071	(1,154,884)
Litigation provision	5,992,415	3,691,051
Leave provision	5,742,542	6,698,410
Gratuity provision	2,842,137	4,596,280
Right of use assets	(33,192,864)	(28,639,397)
Leasing liabilities	17,431,120	14,519,302
Receivable and payable discounts	(7,264,004)	(15,825,441)
Deferred income	7,862,378	–
Trade receivables and payables	50,696,565	–
Advances from customers	(115,218,982)	–
Cash and cash equivalents	76,896,962	–
Other	5,460,387	441,205
Deferred tax (assets)/liabilities, net	(38,519,836)	(105,459,324)

For the years 31 December, the deferred tax asset/liability movement is as follows:

	31 December 2025	31 December 2024
As of January, 1	(105,459,324)	(24,056,173)
Deferred tax income recognized directly in the equity	699,014	2,107,139
Deferred tax income recognized in statement of profit or loss	66,240,474	(83,510,290)
As of December, 31	(38,519,836)	(105,459,324)

NOTE 29 – EXPLANATIONS REGARDING NET MONETARY POSITION GAINS/ (LOSES)

	31 December 2025	31 December 2024
Non-monetary items		
Statement of financial position items	(755,063,838)	(413,990,833)
Property, plant, and equipment	66,993,864	27,879,529
Intangible assets	32,577,617	(43,115,386)
Inventories	(247,107,193)	195,916,628
Order advances given	–	12,468,528
Prepaid expenses	13,857,148	1,584,694
Deferred income	(20,623,194)	(19,063,274)

	31 December 2025	31 December 2024
Non-monetary items		
Paid-in capital	(320,474,919)	(255,588,991)
Restricted reserves	(1,535,480)	(1,999,768)
Right of use assets	22,153,534	16,029,932
Investments accounted for using the equity method	373,728,427	89,349,090
Deferred tax liabilities	(24,889,802)	14,902,577
Other accumulated comprehensive income and expense not to be reclassified to profit or loss	26,876,192	21,033,786
Retained earnings	(676,620,032)	(473,388,178)
Profit or loss statement items	146,546,700	651,952,692
Revenue	(427,021,959)	(848,306,822)
Cost of sales	349,567,433	1,173,702,399
Research and development expenses	58,045,021	73,173,369
Marketing expenses	85,963,565	131,882,993
General and administrative expenses	46,431,617	74,456,878
Other income/expenses from operating activities	14,080,658	7,591,019
Finance income/expenses	19,480,365	39,452,856
Net Monetary Position Gains/ (Losses)	(608,517,138)	237,961,859

NOTE 30 – EARNINGS/(LOSS) PER SHARE

Earnings per share disclosed in the consolidated statements of income are determined by dividing the net income per share by the weighted average number of shares that have been outstanding during the year.

The Companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings. In earnings per share calculation, this bonus share issuance is accepted as shares issued. Hence, weighted average stock share, which is used in the calculation of earnings per share, is acquired by retrospective application of bonus share issue.

Earnings per share are as follows:

	31 December 2025	31 December 2024
Average number of shares outstanding during the period (full value)	1,740,000	12,000
Net profit attributable to parent company shareholders	(2,026,954,769)	(480,870,466)
Earnings per share	(1,165)	(40,073)

NOTE 31 – FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial risk management

The Company has exposure to the following risks from its operations:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

Financial risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and

procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally

from the Company's receivables from customers and investments in debt securities. The carrying amounts of financial assets and contract assets represents the maximum credit exposure. Financial instruments that could cause the Company to considerably increase credit risk are mainly cash and commercial receivables. The Company has cash and cash equivalents in various financial institutions. The Company manages this risk by limiting transactions with financial institutions and by constantly evaluating the reliability of such institutions. Credit risk that may arise from trade receivables is limited by the fact that the Company management limits the amount of credit applied to customers. Trade receivables are assessed by considering their past experiences and current economic situation in the Company management and are presented as net in the balance sheet after the provision for doubtful receivables is settled (Note 6).

	Receivables				
	Trade receivables		Other receivables		
31 December 2025	Related party	Other	Related party	Other	Deposits on banks
Exposure to maximum credit risk as at reporting date (A +B+C+D)	19,596,414	921,766,177	—	56,166,882	20,922,106
- The part of maximum risk under guarantee with collateral	—	603,487,404	—	—	—
A. Net carrying value of financial assets which are neither impaired nor overdue	19,596,414	921,766,177	—	56,166,882	20,922,106
B. Net carrying value of financial assets that are restructured. otherwise which will be regarded as overdue or impaired	—	—	—	—	—
C. Net carrying value of financial assets which are overdue but not impaired	—	—	—	—	—
Covered portion of net book value (with letter of guarantee etc.)	—	—	—	—	—
D. Net carrying value of financial assets which are impaired	—	—	—	—	—
- Past due (gross book value)	—	—	—	—	—
- Impairment (-)	—	—	—	—	—
- Covered portion of net book value (with letter of guarantee etc.)	—	—	—	—	—
Impairment (-)	—	—	—	—	—
E. Off balance sheet items with credit risks	—	—	—	—	—

	Receivables				
	Trade receivables		Other receivables		
	Related party	Other	Related party	Other	Deposits on banks
31 December 2024					
Exposure to maximum credit risk as at reporting date (A +B+C+D)	15,108,522	1,201,556,745	—	53,449,635	51,456,604
- The part of maximum risk under guarantee with collateral	—	1,000,246,450	—	—	—
A. Net carrying value of financial assets which are neither impaired nor overdue	15,108,522	1,201,556,745	—	53,449,635	51,456,604
B. Net carrying value of financial assets that are restructured. otherwise which will be regarded as overdue or impaired	—	—	—	—	—
C. Net carrying value of financial assets which are overdue but not impaired	—	—	—	—	—
Covered portion of net book value (with letter of guarantee etc.)	—	—	—	—	—
D. Net carrying value of financial assets which are impaired	—	—	—	—	—
- Past due (gross book value)	—	—	—	—	—
- Impairment (-)	—	—	—	—	—
- Covered portion of net book value (with letter of guarantee etc.)	—	—	—	—	—
Impairment (-)	—	—	—	—	—
E. Off balance sheet items with credit risks	—	—	—	—	—

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

As of 31 December 2025, the monetary liabilities of the Company according to their remaining maturities are as follows:

31 December 2025	Book value	Contractual cash outflows	Less than 3 months	3 - 12 months	1 - 5 years	More than 5 years
Bank loans	254,147,537	269,937,500	149,850,000	120,087,500	—	—
Lease liabilities	69,724,482	148,508,662	—	22,607	135,296,015	13,190,040
Trade payables	767,308,853	767,308,853	767,308,853	—	—	—
Other payables	2,233,134	2,233,134	2,233,134	—	—	—
Short-term provisions	187,716,115	187,716,115	187,716,115	—	—	—
Other short-term liabilities	29,305,805	29,305,805	29,305,805	—	—	—
Long-term provisions	11,368,549	11,368,549	—	—	11,368,549	—
Total	1,321,804,475	1,416,378,618	1,136,413,907	120,110,107	146,664,564	13,190,040

As of 31 December 2024, the monetary liabilities of the Company according to their remaining maturities are as follows:

31 December 2024	Book value	Contractual cash outflows	Less than 3 months	3 - 12 months	1 - 5 years	More than 5 years
Bank loans	828,582,089	829,173,068	231,350,447	597,822,621	—	—
Lease liabilities	58,077,206	234,446,732	13,110,550	38,106,699	129,833,352	53,396,131
Trade payables	1,128,031,794	1,128,031,794	1,128,031,794	—	—	—
Other payables	32,214,335	32,214,335	32,214,335	—	—	—
Short-term provisions	172,502,391	172,502,391	172,502,391	—	—	—
Other short-term liabilities	141,587	141,587	141,587	—	—	—
Long-term provisions	25,619,076	25,619,076	—	—	25,619,076	—
Total	2,245,168,478	2,422,128,983	1,577,351,104	635,929,320	155,452,428	53,396,131

Operational risk

Operational risk is the direct or indirect loss arising from a wide variety of factors related to the Company's processes, employees, technology and infrastructure, and external factors such as legal and regulatory requirements outside the credit risk, market risk and liquidity risk, and generally accepted standards for legal entity Risk. Operational risks arise from all Company activities.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses. In this context, the following company procedures and internal control issues have been identified:

- requirements for appropriate segregation of duties, including the independent authorization of transactions
- requirements for the reconciliation and monitoring of transactions compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective.

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing its profit and market value through the optimization of the debt and equity balance.

	31 December 2025	31 December 2024
Borrowings	254,147,537	828,582,089
Lease liabilities	69,724,482	58,077,206
Less: Cash and cash equivalents	50,638,495	143,522,691
Net debt	273,233,524	743,136,604
Total equity	2,527,354,222	3,727,492,469
Share capital	2,800,587,746	4,470,629,073
Net liabilities/Share capital	0.10	0.17

Market risk

Market risk is the risk that changes in market prices, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The Company is subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprise at different times or in differing amounts.

Currency risk

Transactions in foreign currency cause the risk of exchange. The exchange rate risk is managed by forward foreign exchange purchase/sale contracts based on approved policies.

Assets and liabilities in foreign currencies of the Company as of 31 December 2025 and 31 December 2024 are as follows:

31 December 2025					
	TRY Equivalent	USD	EUR	GPB	JPY
1. Trade Receivables	135,292,731	876,884	1,945,215	(1,650)	—
2. Monetary Financial Assets	647,045	1,103	11,597	290	—
3. Current Assets(1+2)	135,939,776	877,987	1,956,812	(1,360)	—
4. Total Assets (3)	135,939,776	877,987	1,956,812	(1,360)	—
5. Trade Payables	184,136,570	3,351,651	799,131	6,046	2,444,406
6. Financial Liabilities	—	—	—	—	—
7. Other	—	—	—	—	—
8. Short-Term Liabilities (5+6+7)	184,136,570	3,351,651	799,131	6,046	2,444,406
9. Total Liabilities (8)	184,136,570	3,351,651	799,131	6,046	2,444,406
Total (4+9)	(49,196,836)	(2,473,666)	1,157,681	(7,406)	(2,444,406)

31 December 2024					
	TRY Equivalent	USD	EUR	GPB	
1. Trade Receivables	107,906,168	805,917	1,470,100	—	
2. Monetary Financial Assets	2,203,931	46,850	382	382	
3. Current Assets(1+2)	110,110,099	852,767	1,470,482	382	
4. Total Assets (3)	110,110,099	852,767	1,470,482	382	
5. Trade Payables	417,560,131	8,294,310	710,944	6,046	
6. Financial Liabilities	331,785,586	—	6,900,000	—	
7. Other	4,610,864	—	95,890	—	
8. Short-Term Liabilities (5+6+7)	753,956,581	8,294,310	7,706,834	6,046	
9. Total Liabilities (8)	753,956,581	8,294,310	7,706,834	6,046	
Total (4+9)	(643,846,482)	(7,441,543)	(6,236,352)	(5,664)	

Exchange Rate Sensitivity Analysis 2025 Profit/(Loss)			Exchange Rate Sensitivity Analysis 2024 Profit/(Loss)		
	Appreciation of foreign currency	Depreciation of foreign currency		Appreciation of foreign currency	Depreciation of foreign currency
10% appreciation/depreciation of USD against TRY			10% appreciation/depreciation of USD against TRY		
1-USD net asset/liability	(10,624,465)	10,624,465	1-USD net asset/liability	(343,644,551)	343,644,551
2-Portion of hedged for USD (-)	—	—	2-Portion of hedged for USD (-)	—	—
3-Net effect of USD (1+2)	(10,624,465)	10,624,465	3-Net effect of USD (1+2)	(343,644,551)	343,644,551
10% appreciation/depreciation of EUR against TRY			10% appreciation/depreciation of EUR against TRY		
4- EUR net asset/liability	5,814,263	(5,814,263)	4- EUR net asset/liability	(299,874,172)	299,874,172
5- Portion of hedged for EUR (-)	—	—	5- Portion of hedged for EUR (-)	—	—
6- Net effect of EUR (4+5)	5,814,263	(5,814,263)	6- Net effect of EUR (4+5)	(299,874,172)	299,874,172
10% appreciation/depreciation of GBP against TRY			10% appreciation/depreciation of GBP against TRY		
7- Other currencies net asset/liability	(42,774)	42,774	7- Other currencies net asset/liability	(327,758)	327,758
8- Portion of hedged for other currencies (-)	—	—	8- Portion of hedged for other currencies (-)	—	—
9- Net effect of other currencies (7+8)	(42,774)	42,774	9- Net effect of other currencies (7+8)	(327,758)	327,758
10% appreciation/depreciation of JPY against TRY					
10- Other currencies net asset/liability	66,708	(66,708)			
11- Portion of hedged for other currencies (-)	—	—			
12- Net effect of other currencies (10+11)	66,708	(66,708)	Total (3+6+9)	(643,846,481)	643,846,482
Total (3+6+9)	(4,786,268)	4,786,268			

NOTE 32 - FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDIT FIRMS

The Company's explanation regarding the fees for the services received from the independent audit firms, calculated based on purchasing power parity as of December 31, 2025, which is based on the letter of POA dated August 19, 2021, the preparation principles of which are based on the Board Decision published in the Official Gazette on March 30, 2021, are as follows:

	31 December 2025	31 December 2024
Audit and assurance fee	1,770,000	654,462
Total	1,770,000	654,462

NOTE 33 – EVENTS AFTER BALANCE SHEET DATE

None.

INDEPENDENT AUDITOR'S REPORT

TO THE GENERAL ASSEMBLY OF ERKUNT SANAYİ ANONİM ŞİRKETİ,

A) Audit of the Financial Statements

1) Our Opinion

We have audited the accompanying financial statements of Erkunt Sanayii Anonim Şirketi (the "Company"), which comprise the statement of financial position as at 31 December 2025, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements comprising a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2) Basis for Opinion

Our audit was conducted in accordance with the Standards on Independent Auditing (the "ISA") that are part of Turkish Standards on Auditing adopted within issued by the Public

Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") the ethical requirements regarding independent audit in regulations issued by the POA; and other relevant legislation are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3) 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. Key audit matters were addressed in the context of our independent audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	
Revenue Recognition	How the key audit matter was addressed in the audit
The company's revenue consists of amounts generated from the sale of casting and machining of gray and nodular parts mainly for tractor and construction vehicles both domestically and internationally. In 2025, the company's net revenue from these activities amounted to 3,980,719,053 TRY. We have focused on this issue during our audit procedures for the following reasons: It being one of the most important performance measurement criteria for evaluating the strategies implemented and the results achieved during the year. The information regarding the company's accounting policies is disclosed in Note 2.	The audit procedures we applied regarding the revenue recognition are summarized below: - It was assessed whether the accounting policies applied by the company for revenue recognition follow TFRS 15, "Revenue from Contracts with Customers" standard. - The processes implemented by the company for revenue recognition were understood. - For auditing revenue, invoice tests were conducted using a sampling method, and the accuracy of these invoices was cross-checked with delivery notes and payments received from customers. - A reconciliation was sent to the company's customers using a sampling method. As a result of the work done on revenue recognition, we did not identify any significant findings.

Key audit matters	
Application of TAS 29 – “Financial Reporting in Hyperinflationary Economies”	How the key audit matter was addressed in the audit
As disclosed in Note 2.5, the Company applied TAS 29 “Financial reporting in hyperinflationary economies (“TAS 29”) in its financial statements as of and for the year ended 31 December 2025. TAS 29 requires financial statements to be restated into the current purchasing power at the end of the reporting period. Therefore, transactions in 2025 and non-monetary balances at the end of the period were restated to reflect a price index that is current at the balance sheet date as of 31 December 2025. The implementation of TAS 29 leads to a change in several of the Company’s control activities pervasively related to financial reporting. Applying TAS 29 results in significant changes to financial statement items included in the Company’s financial statements as of and for the year ending 31 December 2025, including statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow. In addition, considering the additional effort required to perform the audit of the application of TAS 29, we identified the application of TAS 29 as a key audit matter.	We performed the following audit procedures in relation to the application of TAS 29: - Understanding and evaluating the process and controls related to application of TAS 29 designed and implemented by management, - Obtaining detailed lists of non-monetary items and testing original entry dates and amounts on a sample basis, - Verifying whether management’s determination of monetary and non-monetary items follows TAS 29, - Verifying the general price index rates used in calculations correspond with the coefficients in the “Consumer Price Index in Turkey” published by the Turkish Statistical Institute, - Testing the mathematical accuracy of non-monetary items, statement of profit or loss, and cash flow statement adjusted for inflation effects, Evaluating the adequacy of disclosures related to the application of TAS 29 in the notes to the financial statements in accordance with TFRS.

4) Responsibilities of Management and those Charged with Governance for the Financial Statements

The Company management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

5) Auditor’s Responsibilities for the Audit of the Financial Statements

The responsibilities of independent auditors in an independent audit are as follows:

Our aim is to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an independent auditor’s report that includes our opinion. Reasonable assurance expressed as a result of an independent audit conducted in accordance with SIA is a high level of assurance but does not guarantee that a material mistake will always be detected. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

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

- Identify and assess the risks of material misstatement in 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 mistake 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.
- Assess the internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- 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 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 independent 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 provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards actions taken to eliminate threats or safeguards applied.

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

6) Other Responsibilities Arising from Regulatory Requirements

No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2025 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.

In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

The responsible auditor who conducted and concluded this independent audit is Beşir Acar.

Ankara, 14 May 2026

Eren Bağımsız Denetim Anonim Şirketi

(A member firm of Grant Thornton International)

Beşir ACAR

Partner

ERKUNT SANAYİ ANONİM ŞİRKETİ**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025**

(All amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

	Note	Audited December 31, 2025	Audited December 31, 2024
ASSETS			
Current Assets			
Cash and cash equivalents	3	30.251.714	117.033.950
Trade receivables		795.487.205	836.676.032
- Trade receivables from related parties	5	55.760.072	102.204.078
- Trade receivables from third parties	6	739.727.133	734.471.954
Other receivables		43.071.453	57.829.411
- Other receivables from third parties	7	43.071.453	57.829.411
Inventories	8	620.431.581	761.387.793
Prepaid expense	9	50.015.853	79.347.610
Other current assets	20	138.975.493	90.153.395
Derivative financial instruments	21	—	20.517.560
Total Current Assets		1.678.233.299	1.962.945.751
Non-current Assets			
Other receivables		6.195.478	4.518.369
- Other receivables from third parties	7	6.195.478	4.518.369
Financial investments accounted by equity method	12	304.735.257	264.227.694
Investment properties	16	9.951.266	5.877.384
Property, plant and equipment	13	849.772.830	1.045.317.099
Right of use of assets	15	316.374.070	369.569.725
Intangible assets	14	74.601.664	73.411.638
Prepaid expenses	9	74.924.961	16.695.539
Deferred tax assets	31	43.813.739	29.604.445
Total Non-current Assets		1.680.369.265	1.809.221.893
TOTAL ASSETS		3.358.602.564	3.772.167.644

The accompanying notes are an integral part of these financial statements.

ERKUNT SANAYİ ANONİM ŞİRKETİ**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025**

(All amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

	Note	Audited December 31, 2025	Audited December 31, 2024
LIABILITIES			
Short-term Liabilities			
Short-term borrowings	4	769.986.982	560.685.088
Short-term portions of long-term borrowings	4	62.091.056	17.771.236
Trade payables		933.529.714	918.140.340
- Trade payables to related parties	5	25.924.701	13.434.190
- Trade payables to third parties	6	907.605.013	904.706.150
Liabilities related to the employee benefits	19	85.681.696	70.348.781
Deferred revenue	10	6.491.638	1.817.265
Short-term provisions		153.573.956	84.365.613
- Provisions related to the employee benefits	18	142.010.415	73.283.346
- Other short term provisions	17	11.563.541	11.082.267
Derivative instruments for hedging purposes	21	15.742.971	—
Other short-term liabilities	20	15.575.609	63.608.923
Total Short-term Liabilities		2.042.673.622	1.716.737.246
Long-term Liabilities			
Long-term borrowings	4	91.336.538	86.133.147
Other payables		8.524	11.159
- Other payables to related parties	5	8.524	11.159
Long-term provisions		165.840.250	208.922.474
- Provisions related to the employee benefits	18	165.840.250	208.922.474
Total Long-term Liabilities		257.185.312	295.066.780
Total Liabilities		2.299.858.934	2.011.804.026
EQUITY			
Paid-in share capital	22	1.585.800.000	15.120.000
Inflation adjustment of capital	22	932.702.052	438.153.197
Accumulated other comprehensive expense that will not be reclassified through profit or loss		(259.566.975)	(243.466.658)
- Remeasurement of the defined benefit liability	22	(259.566.975)	(243.466.658)
Legal reserves	22	305.338.745	318.161.424
Accumulated gains/(losses)	22	772.628.682	1.603.357.150
Loss/profit) for the period		(2.278.158.874)	(370.961.495)
Total Equity		1.058.743.630	1.760.363.618
Total Equity and Liabilities		3.358.602.564	3.772.167.644

The accompanying notes are an integral part of these financial statements

ERKUNT SANAYİ ANONİM ŞİRKETİ
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME PERIOD
ENDED 31 DECEMBER 2025

(All amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

	Notes	Audited January 1- December 31, 2025	Audited January 1- December 31, 2024
PROFIT OR LOSS			
Revenue	23	3.890.719.053	4.778.763.435
Cost of sales (-)	23	(4.569.869.921)	(4.922.420.297)
Gross Profit from Business Operations		(679.150.868)	(143.656.862)
General administrative expenses (-)	24	(310.705.212)	(246.406.481)
Sales, marketing and distribution expenses (-)	25	(56.760.085)	(61.647.907)
Research and development expenses (-)	26	(33.041.279)	(47.652.156)
Other income from operating activities	28	322.635.171	302.295.768
Other expenses from operating activities (-)	28	(533.607.482)	(209.487.356)
(Loss)/Profit from Operating Activities		(1.290.629.755)	(406.554.994)
Income from investing activities	29	—	23.674.632
Share of profit/loss of investments accounted for using equity method	12	54.691.409	40.768.370
(Loss)/Profit from Operating Activities Before Financial Expense		(1.235.938.346)	(342.111.992)
Finance income	30	38.420.935	4.422.081
Finance expenses (-)	30	(293.425.839)	(109.461.723)
Monetary gain/loss (-)	33	(796.058.145)	171.632.230
(Loss)/Profit Before Tax		(2.287.001.395)	(275.519.404)
Tax (Expense)/Income			
- Deferred tax income	31	8.842.521	(95.442.091)
(Loss)/Profit for the Period		(2.278.158.874)	(370.961.495)
OTHER COMPREHENSIVE INCOME			
That will not be reclassified through profit or loss			
- Defined benefit plans remeasurement losses	18	(21.467.090)	(64.869.561)
- Deferred tax income/expense)	31	5.366.773	16.217.391
Total Other Comprehensive Loss		(16.100.317)	(48.652.170)
Total Comprehensive Income		(2.294.259.190)	(419.613.665)

The accompanying notes are an integral part of these financial statements.

(All amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

(All amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)
(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

	Other accumulated comprehensive income and expenses not to be reclassified in profit or loss					Retained (Losses)/earning		
	Paid-in capital	Capital adjustment differences	Revaluation and measuring gain/(loss) from defined benefit plans	Legal reserves	Retained earnings	Net (loss)/profit for the period	Total equity	
Balance as of 1 January 2024	15,120,000	438,153,197	(194,814,488)	318,161,424	1,627,916,187	(24,559,037)	2,179,977,283	
Transfers	–	–	–	–	(24,559,037)	24,559,037	–	
Total comprehensive income	–	–	(48,652,170)	–	–	(370,961,495)	(419,613,665)	
Net profit for the period	–	–	–	–	–	(370,961,495)	(370,961,495)	
Other comprehensive income	–	–	(48,652,170)	–	–	–	(48,652,170)	
Balance as of 31 December 2024	15,120,000	438,153,197	(243,466,658)	318,161,424	1,603,357,150	(370,961,495)	1,760,363,618	
Balance as of 1 January 2025	15,120,000	438,153,197	(243,466,658)	318,161,424	1,603,357,150	(370,961,495)	1,760,363,618	
Transfers	–	–	–	–	(370,961,495)	370,961,495	–	
Capital increase	1,570,680,000	494,548,855	–	(12,822,679)	(459,766,973)	–	1,592,639,203	
Total comprehensive income	–	–	(16,100,317)	–	–	(2,278,158,874)	(2,294,259,192)	
Net profit for the period	–	–	–	–	–	(2,278,158,874)	(2,278,158,874)	
Other comprehensive income	–	–	(16,100,317)	–	–	–	(16,100,317)	
Balance as of 31 December 2025	1,585,800,000	932,702,052	(259,566,975)	305,338,745	772,628,682	(2,278,158,874)	1,058,743,630	

The accompanying notes are an integral part of these financial statements.

ERKUNT SANAYİ ANONİM ŞİRKETİ**CASH FLOW FOR THE PERIOD OF 1 JANUARY- 31 DECEMBER 2025**

(All amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

		Audited	Audited
		January 1-	January 1-
	Note	December 31,	December 31,
		2025	2024
A. CASH FLOWS ARISING FROM OPERATING ACTIVITIES		(986.892.263)	(95.608.488)
(Loss)/Profit for the Period		(2.278.158.874)	(370.961.495)
Adjustments Regarding Net (Loss)/Profit Reconciliation for the Period:		1.370.870.207	256.525.548
Adjustment of depreciation and amortization	13	650.584.464	383.500.909
Adjustments related to provisions		269.269.455	118.039.765
- Adjustment of provisions for employee benefits	18	267.215.098	110.201.342
- Adjustment of decrease in value of trade receivables	6	(1.153.268)	2.187.440
- Adjustments for (reversal of) provisions for lawsuits	17	3.207.625	5.650.983
Adjustments related to (profit)/loss on investment accounted through equity method	12	(49.292.563)	(40.768.370)
Adjustments regarding tax (income)/expense	31	(8.842.521)	95.442.090
Adjustments to unrealized foreign currency translation		31.418.114	1.304.481
Interest expense	30	56.364.036	17.771.236
Adjustments related to monetary loss and profit	33	421.369.223	(318.764.564)
Changes in Working Capital		115.339.458	116.353.757
Change in trade receivables	6	(149.846.587)	206.396.539
Change in inventories	8	140.956.212	88.561.282
Change in trade payables	6	232.082.692	(94.505.939)
Change in employee benefits		31.936.162	(13.357.645)
Change in prepaid expenses	9	(40.137.982)	(18.742.722)
Change in other assets regarding operating activities		(70.099.493)	(35.194.481)
Change in other liabilities regarding operating activities		(33.020.763)	69.601.418
Change in deferred income	31	5.103.272	(76.271.987)
Changes in operating activities of other receivables		(1.634.055)	(10.132.708)
Net Cash Provided from Operating Activities		(791.949.209)	1.917.810
Taxes paid		–	(27.264.402)
Payments made within the scope of provisions for employment benefits	18	(203.617.264)	(83.403.486)
Dividends received		8.785.000	13.141.590
Payments related to other provisions		(110.790)	–
B. CASH FLOWS FROM INVESTING ACTIVITIES		(455.782.004)	(236.461.781)
Gains from sale of property, plant and equipment and intangible assets	13	14.705.523	482.108.825
Losses from acquisition of property, plant and equipment and intangible assets	13	(470.487.527)	(714.608.643)
Cash advances and payables given		–	(3.961.963)
C. CASH FLOWS FROM FINANCING ACTIVITIES		1.386.826.966	408.101.761
Cash inflows from loans	4	1.211.911.029	664.174.204
Repayment of borrowings	4	(923.174.411)	(256.072.443)
Cash inflows from capital increases		1.098.090.348	–
NET INCREASE OF CASH AND CASH EQUIVALENTS		(55.847.301)	76.031.492
EFFECTS OF INFLATION ON CASH		(30.934.935)	(43.174.481)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3	117.033.950	84.176.939
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3	30.251.714	117.033.950

The accompanying notes are an integral part of this financial statement.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

(All amounts are expressed in Turkish Lira ("TL") unless otherwise stated.)

(The information provided only for comparison purposes is expressed in purchasing power as of 31 December 2025.)

1. ORGANIZATION AND OPERATION OF COMPANY

Erkunt Sanayi A.Ş. ("Company") was established in 1961 and its main business involves the production and trade of all kinds of parts, processed parts, and main products based on casting technology for automotive, tractor, and construction machinery.

The company has its headquarters in Etimesgut, Ankara, and owns two facilities: Foundry-1 and Machining-1. In addition, the company has Foundry-2, which was established in 1996, and Machining-2, which began operation in 2008, both located in the Sincan Ankara ASO Organized Industrial Zone.

As of December 31, 2024, the company's capital is 15.120.000 TRY, consisting of 1.512.000.000 bearer shares, each with a value of 0.01 TRY. A capital increase was made in 2025 and, as of December 31, 2025, the company's capital is 1.585.800.000 TRY, consisting of 158.580.000.000 bearer shares, each with a value of 0.01 TRY.

The company's capital structure as of December 31, 2025, and 2024 is as follows:

Shareholder	Amount	Share (%)	Amount	Share (%)
Mahindra Overseas Investment Company	1.189.645.940	75.02%	9.633.788	64.72%
Erkunt Traktör Sanayi Anonim Şirketi	381.006.899	24.03%	5.288.795	34.98%
Diğer	15.147.161	0.96%	197.417	1.31%
Total	1.585.800.000	100	15.120.000	100

As of December 31, 2025, the company has 1,159 employees. (December 31, 2024: 1,132 employees)

The financial statements for the period from January 1 to December 31, 2025, were approved at the Board of Directors meeting on April 30, 2026. The financial statements will become final once they are approved at the General Assembly

2. BASIS FOR PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of presentation

Financial reporting standards applied and declaration of conformity

The Company operating in Türkiye keep and prepare their legal books and financial statements in accordance with the accounting principles set out in the Turkish Commercial Code (TCC) No. 6102 and the tax legislation.

Companies that are subject to independent audits in Türkiye prepare their financial statements in accordance with the TCC and the Turkish Accounting Standards ("TAS") put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA").

The financial statements are presented in accordance with "Announcement regarding with TAS Taxonomy" which was published on July 3, 2024, by POA.

Functional and presentation currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency'). The financial statements are presented in TRY, which is the functional currency of Erkunt Sanayi and the presentation currency of the Company.

Going concern

The Company prepared financial statements in accordance with the going concern assumption.

As of December 31, 2025, the Company's short-term liabilities exceed its current assets by TRY (364,440,323). The Company continues its operations. It is expected that cash inflows will increase in the upcoming periods and that liquidity will be generated to meet its short-term liabilities.

Offsetting

Financial assets and liabilities are offset and reported in the net amount when there is a legally enforceable right or when there is an intention to settle the assets and liabilities on a net basis or realize the assets and settle the liabilities simultaneously.

Comparatives

The financial statements of the Company include comparative financial information to enable the determination of the trends in the financial position and performance. Comparative figures are reclassified, where necessary, to conform to changes in presentation in the current period financial statements and the significant changes are explained.

2.2 Restatement and errors in the accounting policies and estimates

Any change in the accounting policies resulting from the first-time adoption of a new standard is made either retrospectively or prospectively in accordance with the transition requirements. Changes without any transition requirement, material changes in accounting policies or material errors are corrected, retrospectively by restating the prior period financial statements. If changes in accounting estimates are related to only one period, they are recognized in the period when changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and prospectively.

2.3 Summary of significant accounting policies

Significant accounting policies applied in the preparation of these financial statements are summarized below:

Related parties

For the purpose of these financial statements, shareholders, key management personnel and Board members, in each case together with their families and companies controlled by/or affiliated with them, associated companies are considered and referred to as related parties (Note 5).

Trade receivables

Trade receivables that are created by the Company by way of providing goods directly to a debtor are carried at amortized cost. Receivables with short-term maturities which have no predefined interest rate are measured at the original invoice amount unless the effect of imputed interest is significant (Note 6).

The company has applied a simplified approach and used the impairment matrix for the calculation of impairment on its receivables carried at amortized cost. In accordance with this method, if any provision provided to the trade receivables as a result of a specific event, the Company measures expected credit loss from these receivables by the lifetime expected credit loss. The calculation of expected credit loss is performed based on the past experience of the Company and its expectations for future indications.

Inventories

Inventories are valued at the lower cost or net realizable value. The cost of inventories is determined on the average weighted basis for each purchase. The cost elements included in inventories are materials, labor, and factory overheads. The cost of borrowings is not included in the costs of inventories. The net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and estimated costs to make the sale. The Company uses the average weighted cost method. (Note 8).

Financial Instruments**Recognition and de-recognition of financial instruments**

All purchases and sales of financial assets are recognized on the trade date i.e., the date that the Company commits to purchase or to sell the assets. These purchases or sales are purchases or sales generally require delivery of assets within the time frame established by regulation or convention in the marketplace.

(a) Financial assets carried at amortized cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, whose payments are fixed or predetermined, which are not actively traded, and which are not derivative instruments are measured at amortized cost. They are included in current assets, except for maturities more than 12 months after the balance sheet date. Those with maturities more than 12 months are classified as non-current assets. The Company's financial assets carried at amortized cost comprise "trade receivables" and "cash and cash equivalents" in the statement of financial position. In addition, with recourse factoring receivables classified in trade receivables are classified as financial assets carried at amortized cost since collection risk for those receivables are not transferred to counterparty.

Impairment

The Company evaluates its inventories for impairment under TAS 2, trade receivables under TFRS 9, and property, plant, and equipment under TAS 36; and recognizes provisions in the financial statements when deemed necessary.

(b) Financial assets carried out at fair value

Assets that are held by the management for collection of contractual cash flows and for selling the financial assets are measured at their fair value. If the management do not plan to dispose of these assets in 12 months after the balance sheet date, they are classified as non-current assets. Company makes a choice for the equity instruments during the initial recognition and elect profit or loss or other comprehensive income for the presentation of fair value gain and loss:

i) Financial assets carried at fair value through profit or loss

Financial assets that are measured at fair value through profit or loss, excluding those subjects to fair value hedge accounting, are included in the "derivative instruments" line item in the statement of financial position. Derivative instruments are recognized as assets when the fair value of the instrument is positive, as liability when the fair value of the instrument is negative. The company's financial instruments are at fair value through profit or loss consisting of forward contracts, currency swaps and cross-currency fixed interest rate swaps.

ii) Financial assets carried at fair value through other comprehensive income

Financial assets carried at fair value through other comprehensive income comprise of "financial assets" in the statement of financial

position. Gains or losses arising from financial assets, other than impairment and exchange rate income or expenses, are recognized in other comprehensive income. When the financial assets carried at fair value through other comprehensive income are sold, fair value gain or loss classified in other comprehensive income is classified to retained earnings.

Classification and measurement

The company classified its financial assets into three categories; financial assets carried at amortized cost, financial assets carried at fair value through profit or loss, financial assets carried at fair value through other comprehensive income. Classification is performed in accordance with the business model determined based on the purpose of benefiting financial assets and expected cash flows. Management performs the classification of financial assets at the acquisition date.

Financial liabilities

Borrowings are recognized initially at the proceeds received; net of transaction costs are incurred. Borrowings are subsequently stated at amortized cost using the effective yield method; any difference between proceeds, net of transaction costs, and the redemption value is recognized in the statement of profit or loss over the period. Borrowing costs are charged to the statement of profit or loss when they are incurred (Note 4). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Trade payables

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

A financial asset (or, where applicable a part of a financial asset or part of a Company of similar financial assets) is derecognized where:

- the rights to receive cash flows from the asset have expired,
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the assets.

Where the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the financial statements.

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less (Note 3). For the purpose of statements of cash flows, cash and cash equivalents includes cash and cash equivalents with original maturities less than three months, excluding the interest accruals. If any provision provided to the cash and cash equivalents because of a specific event, Company measures expected credit loss from these cash and cash equivalents by the life-time expected credit loss. The calculation of expected credit loss is performed based on the experience of the Company and its expectations for future indications.

Property, plant, equipment, and depreciation**Recognition and measurement**

Property, plant and equipment are measured at cost, including borrowing costs, less accumulated depreciation and any impairment losses.

If revaluation management is selected for property, plant and equipment and measured at fair value:

Property, plant and equipment are measured at fair value, less accumulated depreciation and any impairment losses. Increases arising on revaluation

are recognized in the revaluation reserve under equity. Decreases resulting from the revaluation of the carrying amounts of such land and buildings are recognized as an expense to the extent of the excess, if any, of the revaluation reserve over the amount of the previous revaluation.

Depreciation is provided on restated amounts of property, plant and equipment using the straight-line or unit of production methods based on the estimated useful lives of the assets, except for land due to their indefinite useful life. The depreciation periods for property and equipment, which approximate the economic useful lives of assets concerned, are as follows:

Land improvements	4 – 50
Buildings	10 – 50
Machinery and equipment	2 – 33
Motor vehicles	4 – 5
Furniture and fixtures	2 – 50
Leasehold improvements	10 - 25

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate components (significant parts) of property, plant and equipment.

Gains or losses on the disposal of an item of property, plant and equipment are recognized in profit or loss.

Subsequent costs

Subsequent expenditures are capitalized only to the extent that it is probable that future economic benefits associated with the expenditure will flow to the Company.

Property, plant, and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount of the property, plant and equipment is the higher of future net cash flows from the utilization of this property, plant and equipment or fair value less cost to sell.

Gains or losses on disposals of property, plant and equipment are included in income/expense from investment activities.

Subsequent costs, such as repairs and maintenance or part replacement of tangible assets, are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits with the item will flow to the company (Note 12). All other costs are charged to the statements of profit or loss during the financial year in which they are incurred.

Recognition and reclassification to investment property

When a land or building is owner-occupied and its intended use is changed to investment property, it is remeasured at fair value and classified as investment property. Gains arising on remeasurement of fair value are recognized in profit or loss up to the amount of any pre-existing impairment loss on a particular property, with the remainder recognized in other comprehensive income and presented as a revaluation surplus in equity. Losses are recognized directly in profit or loss.

Investment property is initially recognized at cost and subsequently measured at fair value, with the related changes recognized in profit or loss in the period in which they occur.

Any gain or loss arising on the sale of an investment property (calculated as the difference between the net proceeds from the sale and the carrying amount of the item) is recognized in profit or loss. When investment properties previously classified as property, plant and equipment are sold, the related amounts in the revaluation reserve (Note 16), if any, are transferred to retained earnings.

Other intangible assets

Other intangible assets are comprised of acquired brands, trademarks, patents, developments costs and computer software (Note 14).

Recognition and measurement

Research and development Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditures are capitalized only if the costs can be measured reliably, the development of the product or process is technically and commercially feasible, future economic benefits are probable, and the Company has the intention and resources to complete the development with a view to selling or using the asset. Otherwise, they are recognized in profit or loss as incurred. Subsequent to initial recognition, development costs are measured at cost less accumulated amortization and any accumulated impairment losses. Development costs that have been capitalized are amortized from the commencement of the commercial production of the product on a straight-line basis from 2 to 10 years.

Other intangible assets

Other intangible assets acquired by the Company that have a finite useful life are measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent costs

Subsequent costs are capitalized only if they have the effect of increasing the future economic benefits of the intangible assets to which they relate. All other expenditure, including internally generated goodwill and trademarks, is recognized in profit or loss as incurred.

Computer software and rights

Computer software and rights are recognized at their acquisition cost. They are amortized on a straight line basis over their estimated useful lives and carried at a cost less accumulated amortization. Their estimated useful lives are between 3 -25 years.

Leases

The Company - as a lessee

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset. The Company assesses whether:

- The contract involved the use of an identified asset - this may be specified explicitly or implicitly.
- The asset should be physically distinct or represent all the capacity of a physically distinct asset, If the supplier has a substantive substitution right, the asset is not identified.
- The Company has the right to obtain all the economic benefits from the use of an asset throughout the period of use; and
- The Company has the right to direct use of the asset, The Company concludes to have the right of use, when it is predetermined how and for what purpose the Company will use the asset. The Company has the right to direct use of assets if either:
 - The Company has the right to operate (or to have the right to direct others to operate) the asset over its useful life and the lessor does not have the right to change the terms to operate or.
 - The Company designed the asset (or the specific features) in a way that predetermines how and for what purpose it is used.

The Company reflects a right-of-use asset and a lease liability in its financial statements at the actual commencement date of the lease.

Right of use asset

The right to use assets is initially recognized at cost comprising of:

- Amount of the initial measurement of the lease liability.
- Any lease payments made at or before the commencement date, less any lease incentives received.
- Any initial direct costs incurred by the Company; and
- An estimate of costs to be incurred by the lessee for restoring the underlying asset to the condition required by the terms and conditions of the lease (unless those costs are incurred to produce inventories).

The Company re-measure the right of use asset by applying cost method:

- After netting-off accumulated depreciation and impairment losses from right of use asset.

- b) Adjusted for certain re-measurements of the lease liability recognized at the present value.

The Company applies TFRS 16, "Property, Plant and Equipment" to amortize the right of use asset and to assess for any impairment.

Lease Liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Lease liabilities are discounted to present value by using the interest rate implicit in the lease if readily determined or with the Company's incremental borrowing rate. The alternative borrowing rate has been determined based on the borrowing rates of the Company companies at the contract dates.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as the commencement date.
- The exercise price under a purchase option that the Company is certain to exercise, lease payments in an optional renewable period if the Company is certain to exercise an extension option, and penalties for early termination of a lease unless the Company is certain to terminate early.

After initial recognition, the lease liability is measured:

- Increasing the carrying amount to reflect interest on lease liability,
- Reducing the carrying amount to reflect the lease payments made and
- Remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The duration of the contract that covers the Company's lease liabilities varies between 1 and 5 years.

Extension and termination options

In determining the lease liability, the Company considers the extension and termination options. The majority of extension and termination options held are exercisable both by the Company and by the respective lessor. Extension options are included in the lease term if the lease is certain to be extended. The Company remeasures the lease term if a significant event or a significant change in circumstances occurs which affects the initial assessment. The Company do not have significant lease contracts with extension and termination options that are not included in the lease liability since they are not certain.

The Company remeasures the lease term if a significant event or a significant change in circumstances occurs which affects the initial assessment. As result of the evaluations performed in the current period, there is no lease obligation or right of use assets arising from the inclusion of extension and early termination options in the lease period.

Variable lease payments

The company's lease contracts also include variable lease payments which are not in the scope of TFRS 16. Variable lease payments are recognized in profit or loss in the related period.

Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset which requires a substantial period of time to get ready for its intended use or sale shall be capitalized over the cost of the asset (Note 4). Other borrowing costs shall be recognized as an expense in the period it incurs (Note 4).

Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognized in the statement of profit or loss, except to the extent that it relates to items recognized directly in equity. In such cases, the tax is also recognized in shareholders' equity.

The current income tax charge is calculated in accordance with the tax laws enacted or substantively enacted at the balance sheet date in the countries where the subsidiaries of the Company operate.

Deferred income tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Currently enacted tax rates are used to determine deferred income tax at the balance sheet date (Note 31).

Deferred tax liabilities are recognized for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized directly in equity is recognized in equity.

The Company recognizes deferred tax assets for all deductible temporary differences arising from investments in subsidiaries, to the extent that, and only to the extent that, it is probable that:

- the temporary difference will reverse in the foreseeable future.
- taxable profit will be available against which the temporary difference can be utilized.

The Company recognizes deferred tax liability for all taxable temporary differences associated with investments in subsidiaries except to the extent that both of the following conditions are satisfied:

- the parent can control the timing of the reversal of the temporary difference.
- it is probable that the temporary difference will not reverse in the foreseeable future.

Government grants allowing reduced corporate tax payment are evaluated within the scope of TAS 12 Income Taxes standard and are recognized as deferred tax assets by the qualified tax advantage amount, to the extent it is highly probable that future taxable profits will be available against which the unused investment tax credits can be utilized.

Employment termination benefits

Employment termination benefits, as required by the Turkish Labor Law and the laws applicable in the countries where the subsidiaries operate, represent the estimated present value of the total reserve of the future probable obligation of the Company arising in case of the retirement of the employees, termination of employment without due cause, call for military service, be retired or death upon the completion of a minimum one-year service. Actuarial gains and losses are recognized as other comprehensive income or loss in shareholders' equity in the period in which they arise (Note 18).

Retirement Benefit Obligation Provision

The accounting for retirement benefit obligations involves estimating the costs of future benefits and spreading these costs over the employee's expected service life. Determining the obligation and expense related to these costs requires the use of specific assumptions. These key assumptions include the discount rate, the expected long-term return rate on plan assets, life expectancy, and healthcare cost inflation rates. These assumptions may vary based on interest rates in high-quality bonds and equities, as well as medical cost inflation. If actual outcomes differ from these assumptions, the differences accumulate and are amortized over future periods, which affects the expense recorded in those periods and the accrued obligation.

While it is believed that the assumptions are appropriate considering current economic conditions and actual experience, significant discrepancies in results or significant changes in assumptions could materially impact retirement and other post-retirement benefit obligations and related future expenses. (Note 18).

The retirement benefit obligation as of December 31, 2024, and the pre-retirement benefit costs for 2024, have been prepared using the assumptions determined as of January 1, 2025.

Foreign currency transactions

Transactions in foreign currencies during the period have been translated at the exchange rates prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies have been translated

into TRY at the exchange rates prevailing at the balance sheet dates. Exchange gain or losses arising from the settlement and translation of foreign currency items have been included under financial income/ expenses and other operating income/ expenses in the statements of profit or loss, except for the effective portion of the foreign currency hedge of net investments in foreign operations.

Revenue recognition

Company recognizes revenue when the goods or services is transferred to the customer and when performance obligation is fulfilled. Goods are counted to be transferred when the control belongs to the customer.

Company recognizes revenue based on the following main principles:

- (a) Identification of customer contracts,
- (b) Identification of performance obligations,
- (c) Determination of transaction price in the contract,
- (d) Allocation of price to performance obligations,
- (e) Recognition of revenue when the performance obligations are fulfilled

The company recognized revenue from its customers only when all the following criteria are met:

- (a) The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to performing their respective obligations,
- (b) Company can identify each party's rights regarding the goods or services to be transferred,
- (c) Company can identify the payment terms for the goods or services to be transferred.
- (d) The contract has commercial substance,
- (e) It is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether the collectability of an amount of consideration is probable, an entity shall consider only the customer's ability and intention to pay that amount of consideration when it is due.

The Company assess the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. For each performance obligation identified, the entity determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If the Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognizes revenue over time. The Company recognize revenue when the entity satisfies a performance obligation by transferring a promised good or service to the customer. An asset is transferred when the customer obtains control of that asset or service.

The Company does not adjust the promised amount of consideration for the effects of a significant financing component since the Company expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less. If the financing component is significant in revenue, future collections are discounted by the interest rate in financing component. The difference is recognized as income from operating activities in the current period.

Incentives for investments, research, and development activities

Gains arising from incentives for investment and research and development activities together with government grants are recognized when there is a reasonable assurance for the necessary conditions to be fulfilled and incentive to be acquired by the Company. Vested government grants related with expense or capitalization realized in previous accounting periods, are recognized in statements of profit or loss when collectible and grants relating to capital assets are accounted for as deferred income in the balance sheet and are credited to income statement on a straight-line basis over the expected lives of related assets.

Paid-in capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation because of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. No provision is recognized for operating losses expected in later periods.

Warranty expenses

Warranty expenses include repair and maintenance expenses for products sold and labor and material costs of authorized services for products under the scope of the warranty terms without any charge to the customers. Based on estimations using past statistical information warranty services and returns of products, warranty expenses are recognized for the products sold in the period for utilizations of warranties in the following future periods (Note 2).

Contingent assets and liabilities

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company are not included in the financial statements and are disclosed as contingent assets or liabilities (Note 11).

Contingent liabilities are disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote. If an outflow of resources has become probable, contingent liabilities are recognized in the financial statements. Contingent assets are not recognized in financial statements but disclosed in the notes to the financial statements where an inflow of economic benefits is probable.

Earnings per share

Earnings per share presented in the statements of profit or loss are determined by dividing net income attributable to that class of shares by the weighted average number of such shares outstanding during the year concerned.

In Türkiye, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings or inflation adjustments. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the year has been adjusted in respect of bonus shares issued without a corresponding change in resources by giving them a retroactive effect for the year in which they were issued and for each earlier period. Treasury shares are also included in calculation per share. (Note 32)

Capital and dividends

Ordinary shares

Transaction costs arising from equity transactions are recognized as a deduction from the related equity item. Income taxes relating to distributions to holders of equity instruments and transaction costs arising from equity transactions are accounted for in accordance with IAS 12 Income Taxes.

Preference shares

The Company's redeemable preference shares are classified as financial liabilities. These are non-mandatory dividends and are paid in cash by the holders. Discretionary dividends are recognized as interest expense in profit or loss as they accrue.

Non-refundable shares are classified as equity because they are non-mandatory dividend payments, involve no obligation to provide cash or other financial assets and do not have to be discounted to the floating portion of the Company's equity instruments. These non-mandatory dividends are accounted for as equity distributions after approval by the Company's shareholders.

Repurchased and reissued shares (treasury shares)

When shares previously recognized as share capital are repurchased, the purchase price, including any costs attributable to the repurchase, net of tax, is recognized as a reduction of equity. Repurchased shares are recognized as repurchased own shares of the Company under equity. When the shares are sold or reissued, the consideration received increases equity, and the resulting gain or loss is transferred to share premium.

Reporting of cash flows

In the statements of cash flows, cash flows are classified and reported according to their operating, investing, and financing activities.

Provisions

Provisions are determined by discounting estimated future cash flows to their present value using a pre-tax discount rate that reflects the time value of money and the risks specific to the liability. The discount amount is recognized as finance cost.

New and amended standards and interpretations

The accounting policies adopted in preparation of the financial statements as of December 31, 2024, are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2024 and thereafter.

a) The new standards, amendments and interpretations which are effective as of January 1, 2024, are as follows:

- Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities
- Amendments to TFRS 16 - Lease Liability in Sale and Leaseback
- Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements.

The amendments did not have a significant impact on the financial position or performance of the Company.

b) Standards issued but not yet effective and not early adopted

Standards, interpretations, and amendments to existing standards that are issued but not yet effective up to the date of issuance of the financial statements are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting the financial statements and disclosures when the new standards and interpretations become effective.

- Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.
- Amendments to TAS 21 - Lack of exchangeability

The Company will assess the effects of these changes after the mentioned standards have been finalized.

- TFRS 17 - The new Standard for insurance contracts The mentioned standard is not applicable to the Company.

c) The amendments which are effective immediately upon issuance

Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules

The amendments do not have a significant impact on the financial position or performance of the Company.

d) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following amendments to TFRS 9 and TFRS 7 as well as TFRS 18 and TFRS 19 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Company will make the necessary changes to its financial statements after the amendments and new Standard are issued and become effective under TFRS.

- Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments
- Amendments to TFRS 9 and TFRS 7 – Contracts Concerning Electricity Generated from Natural Resources
- IFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

The Company is in the process of assessing the impact of the amendments on the financial position or performance of the Company.

- TFRS 19 – Subsidiaries without Public Accountability: Disclosures The mentioned standard is not applicable to the Company.

2.4 Critical accounting estimates, judgments, and assumptions

The preparation of financial statements require estimates and assumptions to be made regarding the amounts for the assets and liabilities at the balance sheet date, and explanations for the contingent assets and liabilities as well as the amounts

of income and expenses realized in the reporting period. The Company makes estimates and assumptions concerning the future. The accounting estimates and assumptions, by definition, may not be equal the related to actual results. The estimates and assumptions that may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Provision for employee termination benefits

To calculate the employee benefit provision actuarial assumptions relating to turnover ratio, discount rate and salary increase are used. Calculation details are given in the Employee benefits disclosure (Note 18).

Useful lives

The Company capitalizes tangible and intangible assets in accordance with TAS 16 and TAS 38. The Company defines useful life of its assets in terms of the assets expected utility to the Company. Economic useful lives accepted by the Company is disclosed in Note 2.3.

Investment accounted for using the equity method

The Company has significant influence over an investment accounted for using the equity method.

Leases

The Company has an arrangement containing a lease.

2.5 Financial reporting on hyperinflationary economy

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities applying TFRSs have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after December 31, 2023.

TAS 29 is applied to the financial statements, including the financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Company has therefore presented its financial statements as of December 31, 2024, on the purchasing power basis as of December 31, 2025.

The adjustments made in accordance with IAS 29 were made using the adjustment coefficient obtained from the Consumer Price Index (CPI) of Türkiye published by the Turkish Statistical Institute (TSI). As of December 31, 2024, the indices and adjustment coefficients used in the adjustment of the financial statements are as follows:

Date	Index	Conversion factor	Three year inflation rate
December 31, 2025	3.513,87	1.30892	212%
December 31, 2024	2,684.55	1.25429	291%
December 31, 2023	1,859.38	1.44379	268%

The main components of Company restatement for the purpose of financial reporting in hyperinflationary economies are as follows:

- The financial statements for the current period presented in TRY are expressed in terms of the purchasing power at the balance sheet date and the amounts for the previous reporting period are restated in accordance with the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in terms of the purchasing power at the balance sheet date.
- Non-monetary assets, liabilities and equity items that are not expressed in the current purchasing power at the balance sheet date are restated by applying the relevant conversion factors.
- All items in the statement of comprehensive income, except for the effects of non-monetary items in the balance sheet on the statement of comprehensive income, have been restated by applying the multipliers calculated over the periods in which the income and expense accounts were initially recognized in the financial statements.
- The effect of inflation on the Company's net monetary asset position in the current period is recognized in the income statement in the net monetary position loss account.

3. CASH AND CASH EQUIVALENTS

As of December 31, 2025 and 2024, cash and cash equivalents comprised the following:

	December 31, 2025	December 31, 2024
Cash on hand	11.004	10.394
Banks	30.240.710	117.021.785
- Demand Deposits	30.240.710	113.618.584
- Time Deposits	-	3.403.201
Other current assets	-	1.771
Total	30.251.714	117.033.950

As of December 31, 2025, there are no blocked deposits in the company. (December 31, 2024: None.)

As of December 31, 2025 and 2024, time and demand deposits comprised the following currencies;

Currency	December 31, 2025	
	Original currency	TRY Equivalent
TRY	17.959.390	17.959.390
USD	3	123
GBP	18	1.016
EUR	244.207	12.280.181
Total		30.240.710

Currency	December 31, 2024	
	Original currency	TRY Equivalent
TRY	27.135.194	35.517.887
USD	29.003	1.337.155
GBP	1.381.285	79.996.220
EUR	3.546	170.523
Total		117.021.785

On December 31, 2025, there is no time deposits.

4. FINANCIAL LIABILITIES

As of December 31, 2025, and December 31, 2024, financial borrowings comprised the following:

	December 31, 2025	December 31, 2024
Short term borrowings	657.000.000	463.358.842
Short-term portions of long-term loans	62.091.056	17.771.236
Other financial liabilities	3.147.644	7.092.106
Lease liabilities	109.839.338	90.234.140
Short-term financial borrowings	832.078.038	578.456.324
Lease liabilities	91.336.538	86.133.147
Long term financial borrowings	91.336.538	86.133.147
Total financial borrowings	923.414.576	664.589.471

Company has no pledges or mortgages on its financial liabilities (December 31, 2024: None).

As of December 31, 2025, the details of financial liabilities and lease liabilities are as follows:

	December 31, 2025	December 31, 2024
Less than one year	832.078.038	578.456.324
Between one and two years	91.336.538	86.133.147
Total	923.414.576	664.589.471

As of December 31, 2025, the details of financial liabilities are as follows:

	December 31, 2025		
	Currency	TRY Amount	Int. Rate %
Lease liabilities (Short-term and long-term)	TL	201.175.876	28.0
Short term borrowings	TL	719.091.056	43.0
Other financial liabilities	TL	3.147.644	
Total		923.414.576	

As of December 31, 2024, the details of financial liabilities are as follows:

	December 31, 2024		
	Currency	TRY Amount	Int. Rate %
Lease liabilities (Short-term and long-term)	TL	176.367.287	28.0
Short term borrowings	TL	481.130.078	27.2
Other financial liabilities	TL	7.092.106	
Total		664,589,471	

As at December 31, 2025 and December 31, 2024, cash flows from financial operations comprised the followings:

	1 January - December 31, 2025	1 January - December 31, 2024
Movement of Financial Liabilities		
January 1, beginning of the period	664.589.471	345.540.533
Payment	(923.174.411)	(238.301.208)
Interest accruals	86.290.013	17.771.236
Addition	1.252.561.446	664.174.206
Exchange rate difference	-	1.304.481
Monetary gain / (loss), net	(156.851.944)	(125.899.777)
End of the period	923.414.576	664.589.471

5. RELATED PARTIES

For the purpose of this report, shareholders, important management personnel and members of the board of directors, their families and companies controlled by or affiliated with them, as well as associates and jointly controlled partnerships are considered as related parties. Various transactions were made with related parties during the normal operation of the enterprise. A significant part of the transactions with related parties have been eliminated and the remaining transactions with related parties after elimination are not material for the Company. These transactions were generally carried out during the normal operation of the business in accordance with market conditions.

As of December 31, 2025, there are no guarantees received/given from related parties.

As of December 31, 2025 and 2024, due from related parties and due to related parties are as follows:

Due from related parties:

	December 31, 2025	December 31, 2024
Erkunt Traktör Sanayii A.Ş.	55.760.072	88.771.714
Mahindra&Mahindra Limited	–	13.432.364
Total	55.760.072	102.204.078

Trade payables from related parties arise from the sales of finished goods and raw materials.

Due to related parties:

	December 31, 2025	December 31, 2024
Kumsan Döküm Malzemeleri Sanayi ve Ticaret A.Ş.	24.703.464	13.431.791
Erkunt Traktör Sanayii A.Ş.	1.221.237	2.399
Total	25.924.701	13.434.190

Trade payables to related parties arise from order advances.

Other payables:

	December 31, 2025	December 31, 2024
Individual partners	8.524	11.159
Total	8.524	11.159

Other payables to related parties arise from expense reflection.

Sales to related parties:

	December 31, 2025	December 31, 2024
Erkunt Traktör A.Ş.,	157.516.482	–
Mahindra&Mahindra Limited	–	13.518.808
Kumsan Döküm ve Malzemeleri Sanayi ve Ticaret A.Ş.	384.841	911.023
Total	1.544.062	14.429.831

Purchase from related parties:

	December 31, 2025	December 31, 2024
Erkunt Gayrimenkul A.Ş.,	–	37.301.170
Erkunt Traktör A.Ş.,*	1.159.221	–
Mahindra&Mahindra Limited	5.502.677	7.167.532
Kumsan Döküm ve Malzemeleri Sanayi ve Ticaret A.Ş.	74.927.653	47.248.760
Total	237.946.812	91.717.462

Key management of the Company consists of the Chairman and members of the Board of Directors, general manager, assistant general managers and directors. Benefits provided to key management personnel consist of salaries, severance pay, premiums, private pension, health insurance, life insurance, payments made within the scope of other expenses such as passenger car rentals, fuel and mobile phones, and severance pay and other provisions.

As of December 31, 2025, and 2024, benefits provided to key management personnel for Erkunt Sanayi A.Ş. are as follows:

	December 31, 2025	December 31, 2024
Benefits provided to senior management		
Wages paid and similar	23.798.417	23.121.413
Total	23.798.417	23.121.413

6. TRADE RECEIVABLE AND PAYABLE

Trade receivables

Trade receivables of the Company as of December 31, 2025 and December 31, 2024 are as follows:

	December 31, 2025	December 31, 2024
Trade receivables from Third party	739.727.133	734.471.954
Trade receivables from related parties (Note 5)	55.760.072	102.204.078
Total	795.487.205	836.676.032

Details of trade receivables as of December 31, 2025 and December 31, 2024 are as follows:

	December 31, 2025	December 31, 2024
Trade receivables	733.295.889	734.471.954
Income accruals	6.431.244	–
Doubtful receivables	1.483.074	431.691
Provisions for doubtful receivables	(1.483.074)	(431.691)
Total	739.727.133	734.471.954

As of December 31, 2025, rates used in trade receivables discount: For Turkish Lira, denominated trade receivables, the average annual rates used in the discount of trade receivables is 39.75%

(December 31, 2024: Annual rate is 49.25%).

Provisions for doubtful receivables as of January 1 - December 31, 2025, and movements in 2024 were as follows:

	1 January - December 31, 2025	1 January - December 31, 2024
Beginning balance	431.691	3.374.737
Increase during the period	1.153.268	–
Reversal of bad debt provision	–	(2.187.440)
Monetary (gain)/loss	(101.885)	(755.606)
Ending Balance	1.483.074	431.691

The company's exposure to currency and credit risk and impairment for current trade receivables are disclosed in Note 35.

As of December 31, 2025, the average maturity of trade receivables is 83 days. (December 31, 2024: 75 days)

	December 31, 2025		
	Currency	Original Currency	TRY Amount
Trade receivables	EUR	8.138.757	409.264.735
Trade receivables	USD	117.828	5.048.423
Trade receivables	GBP	4.518.938	259.894.497
Trade receivables	TL	121.279.549	121.279.550
Total			795.487.205

	December 31, 2024		
	Currency	Original Currency	TRY Amount
Trade receivables	EUR	7.910.702	380.112.186
Trade receivables	USD	447.374	20.644.545
Trade receivables	GBP	4.754.942	274.956.846
Trade receivables	TL	160.962.455	160.962.455
Total			836.676.032

Trade payables

Trade payables of Company as of December 31, 2025 and December 31, 2024 are as follows:

	December 31, 2025	December 31, 2024
Trade payables to third parties	907.605.013	904.706.150
Trade payables to related parties	25.924.701	13.434.190
Total	933.529.714	918.140.340

On December 31, 2025 and December 31, 2024, trade payables comprised the following:

	December 31, 2025	December 31, 2024
Trade payables	904.651.064	904.508.051
Other trade payables	2.953.949	198.099
Total	907.605.013	904.706.150

	December 31, 2025		
	Currency	Original Currency	TRY Amount
Trade payables	EUR	4.169.697	210.054.748
Trade payables	USD	5.887.010	252.687.552
Trade payables	GBP	166.967	9.652.724
Trade payables	CHF	648	35.146
Trade payables	TL	461.099.544	461.099.544
Total			933.529.714

	December 31, 2024		
	Currency	Original Currency	TRY Amount
Trade payables	EUR	3.722.402	178.849.892
Trade payables	USD	6.921.328	319.397.657
Trade payables	GBP	5.070	274.172
Trade payables	TL	419.618.618	419.618.619
Total			918.140.340

Company's exposure to foreign currency and liquidity risks for short-term trade payables are disclosed in Note 34,

As of December 31, 2025, the average maturity of trade payables is 89 days.

(December 31, 2024: 82 days) As of December 31, 2025. Company has no long-term trade debts

(December 31, 2024: None).

7. OTHER RECEIVABLES AND PAYABLES

Other current receivables

Other receivables of Company as of December 31, 2025, and December 31, 2024, are as follows:

	December 31, 2025	December 31, 2024
Other receivables from tax office	29.519.680	55.630.281
Other receivables	13.551.773	4.565
Receivables from Social Security	—	2.194.565
Total	43.071.453	57.829.411

Other non-current receivables

As of December 31, 2025, and December 31, 2024, current other payables comprised the following:

	December 31, 2025	December 31, 2024
Deposits and guarantees given	6.195.478	4.518.369
Total	6.195.478	4.518.369

Other non-current payables

As of December 31, 2025, and December 31, 2024, non-current other payables comprised the following:

	December 31, 2025	December 31, 2024
Other receivables from related parties	8.524	11.159
Total	8.524	11.159

The company's exposure to foreign currency and credit risks for short term other payables are disclosed in Note 34.

8. INVENTORIES

On December 31, 2025, and December 31, 2024, inventories comprised the following:

	December 31, 2025	December 31, 2024
Raw materials and supplies	414.985.629	499.630.439
Semi-finished products	136.440.765	145.385.825
Products	67.158.229	114.497.954
Other inventories	1.846.958	1.873.575
Total	620.431.581	761.387.793

As of December 31, 2025, there is no mortgage/pledge on inventories (December 31, 2024: None).

9. PREPAID EXPENSES

At December 31, 2025 and December 31, 2024, current prepaid expenses comprised the following:

	December 31, 2025	December 31, 2024
Order advances given(**)	36.194.206	31.633.042
Prepaid expenses(*)	13.215.332	47.131.066
Other advances given	606.315	583.502
Total	50.015.853	79.347.610

(*) As of December 31, 2025, the company's prepaid expenses consist of insurance expenses, telephone costs, etc.

(**) As of December 31, 2025, all the advances given by the Company are for the purchase of raw materials.

At December 31, 2025 and December 31, 2024, non current prepaid expenses comprised the following:

	December 31, 2025	December 31, 2024
Advances given(*)	67.410.580	16.200.822
Prepaid expenses	7.514.381	494.717
Total	74.924.961	16.695.539

(*) As of December 31, 2025, all the advances given by the Company are for the purchase of raw materials.

10. DEFERRED REVENUE

Current deferred revenue

	December 31, 2025	December 31, 2024
Order advances received	4.814.641	1.170.667
Deferred income from third parties	1.676.997	646.598
Total	6.491.638	1.817.265

11. COMMITMENTS AND CONTINGENT ASSETS AND LIABILITIES

December 31, 2025	TRY	Total
Guarantee letters given	109.964.832	109.964.832
Cash collateral given	246.375.000	246.375.000

December 31, 2025	TRY	USD	EUR	Total TRY
Guarantee letters received	36.016.982	8.640	1.654.910	119.605.801

December 31, 2024	TRY	USD	EUR	Total TRY
Guarantee letters received	8.208.838	38.735	20.776.397	1.009.027.866

13. PROPERTY, PLANT AND EQUIPMENT

Movements of tangible assets on December 31, 2025 are as follows:

	January 1, 2025	Additions	Disposals (-)	Transfer	December 31, 2025
Cost					
Land	31.886.066	—	(16.680.473)	—	15.205.593
Land improvements	159.573.478	283.643	—	—	159.857.121
Building	270.023.279	246.900	—	—	270.270.179
Machinery, plant and equipment	6.488.347.026	336.923.309	—	79.006.997	6.904.277.332
Motor vehicles	3.783.396	—	—	—	3.783.396
Furniture and fixture	133.409.730	1.129.449	(397.315)	—	134.141.864
Other tangible fixed assets	117.996.961	701.652	—	—	118.698.613
Construction in progress	222.899.373	58.429.621	—	(148.382.806)	132.946.188
Leasehold improvements	16.495.314	—	—	—	16.495.314
Total	7.444.414.623	397.714.574	(17.077.788)	(69.375.809)	7.755.675.600

Accumulated Depreciation

Land Improvements	136.970.699	5.055.485	—	—	142.026.184
Building	97.750.890	7.251.300	—	—	105.002.190
Machinery, Plant and Equipment	5.935.842.844	486.567.848	—	—	6.422.410.692
Motor Vehicles	3.783.397	—	—	—	3.783.397
Furniture and fixture	103.200.817	8.190.926	—	—	111.391.743
Other tangible fixed assets	116.595.730	893.113	—	—	117.488.843
Leasehold improvements	4.953.147	1.218.839	(2.372.265)	—	3.799.721
Total	6.399.097.524	509.177.511	(2.372.265)	—	6.905.902.770
Net Book Value	1.045.317.099				849.772.830

December 31, 2024	TRY	Total
Guarantee letters given	23.966.582	23.966.582
Cash collateral given	244.875.000	244.875.000

12. FINANCIAL INVESTMENTS ACCOUNTED FOR BY EQUITY METHOD

The Company's Investments Accounted through Equity Method as of December 31, 2025, and 2024 are explained below;

December 31, 2025	December 31, 2025	December 31, 2024
Kumsan Döküm ve Malzemeleri Sanayi ve Ticaret A.Ş.	304.735.257	264.227.694
Total	304.735.257	264.227.694

As of December 31, 2025, the share capital of Kumsan Döküm Malzemeleri Anonim Şirketi is TRY 1,200,000, (December 31, 2024: TRY 1,200,000).

	1 January - December 31, 2025	1 January - December 31, 2024
Beginning balance	264.227.694	236.600.914
Share of profit for the period	49.292.563	40.768.370
Dividend distribution	(8.785.000)	(13.141.590)
Ending Balance	304.735.257	264.227.694

Share of Profit/Loss of Investments Accounted for Using Equity Method are below;

December 31, 2025	December 31, 2025	December 31, 2024
Kumsan Döküm ve Malzemeleri Sanayi ve Ticaret A.Ş.	54.691.409	40.768.370
Total	54.691.409	40.768.370

ERKUNT SANAYİ ANONİM ŞİRKETİ

As of December 31, 2025, there are no mortgage or pledge on property, plant and equipment (December 31, 2024: None.).

As of December 31, 2025, property, plant and equipment are insured against the earthquake, fire, flood and similar disasters amounting to TRY 4,500,586,400 (December 31, 2024: 3,178,500,000).

Depreciation and amortization expenses of tangible fixed assets, intangible assets, right-of-use assets amounting in total of TRY 491,727,063 is accounted in cost of sales (2024: 280,993,063), TRY 5,341,373 in research and development (2024: 20,534,740), TRY 153,479,196 in general administrative expenses (2024: 81,508,188) and TRY 36,832 in sales, marketing and distribution expenses (2024: 19,612).

Movements of tangible assets on December 31, 2024 are as follows:

	January 1, 2024	Additions	Disposals (-)	December 31, 2024
Cost				
Land	31.886.066	–	–	31.886.066
Land improvements	159.240.782	332.696	–	159.573.478
Building	270.023.279	–	–	270.023.279
Machinery, plant and equipment	6.313.691.940	178.751.603	(4.096.517)	6.488.347.026
Motor vehicles	3.783.396	–	–	3.783.396
Furniture and fixture	131.247.561	2.162.169	–	133.409.730
Other tangible fixed assets	118.824.775	–	(827.814)	117.996.961
Construction in progress	462.188.080	232.707.003	(471.995.710)	222.899.373
Leasehold improvements	9.473.030	7.022.284	–	16.495.314
Total	7.500.358.909	420.975.755	(476.920.041)	7.444.414.623
Accumulated Depreciation				
Land improvements	132.325.114	4.645.585	–	136.970.699
Building	91.101.497	6.649.393	–	97.750.890
Machinery, plant and equipment	5.751.367.935	188.571.426	(4.096.517)	5.935.842.844
Motor vehicles	3.783.397	–	–	3.783.397
Furniture and fixture	94.458.105	8.742.712	–	103.200.817
Other tangible fixed assets	116.870.351	553.193	(827.814)	116.595.730
Leasehold improvements	3.982.726	970.421	–	4.953.147
Total	6.193.889.125	210.132.730	(4.924.331)	6.399.097.524
Net Book Value	1.306.469.784			1.045.317.099

14. INTANGIBLE ASSETS

For the period ended December 31, 2025, the movement of intangible assets are as follows:

	January 1, 2025	Additions	Disposals (-)	Transfer	December 31, 2025
Cost					
Software	105.508.491	71.343	–	16.628.371	122.208.205
Research and development	23.789.046	11.224.755	–	–	35.013.801
Total	129.297.537	11.296.098	–	16.628.371	157.222.006
Accumulated Amortization					
Software	55.885.898	21.393.072	–	–	77.278.970
Research and development	–	5.341.371	–	–	5.341.371
Total	55.885.898	26.734.444	–	–	82.620.342
Net Book Value	73.411.639				74.601.664

For the period ended December 31, 2024, the movement of intangible assets are as follows:

Cost	January 1, 2024	Additions	Disposals (-)	December 31, 2024
Software	45.713.981	59.794.510	–	105.508.491
R&D	–	23.789.046	–	23.789.046
Total	45.713.981	83.583.556	–	129.297.537
Accumulated Amortization				
Software	43.744.067	12.141.832	–	55.885.899
R&D	–	–	–	–
Total	43.744.067	12.141.832	–	55.885.899
Net Book Value	1.969.914			73.411.638

For the year ended December 31, 2025 Company does not have any intangible assets that are created within Company (December 31, 2024: None.).

15. RIGHT OF USE ASSETS

For the period ended December 31, 2025, the movement of right of use assets are as follows:

Cost	January 1, 2025	Additions	Disposals (-)	December 31, 2025
Building	293.793.226	–	–	293.793.226
Machinery	259.025.676	32.614.227	–	291.639.903
Motor vehicles	69.504.813	28.862.629	–	98.367.442
Total	622.323.715	61.476.856	–	683.800.571
Accumulated Amortization				
Building	82.553.469	29.136.518	–	111.689.987
Machinery (Operational)	133.301.964	62.604.775	–	195.906.739
Motor vehicles	36.898.557	22.931.218	–	59.829.775
Total	252.753.990	114.672.511	–	367.426.501
Net Book Value	369.569.725			316.374.070

For the period ended December 31, 2024, the movement of right of use assets are as follows:

	January 1, 2024	Additions	Disposals (-)	December 31, 2024
Building	205.028.492	88.764.734	–	293.793.226
Machinery	137.740.688	121.284.988	–	259.025.676
Motor vehicles	90.740.950	–	(21.236.137)	69.504.813
Total	433.510.130	210.049.722	(21.236.137)	622.323.715
Accumulated Amortization				
Building	22.304.353	60.249.116	–	82.553.469
Machinery (Operational)	32.770.038	100.531.926	–	133.301.964
Motor vehicles	48.021.582	–	(11.123.025)	36.898.557
Total	103.095.973	160.781.042	(11.123.025)	252.753.990
Net Book Value	330.414.157			369.569.725

16. INVESTMENT PROPERTY

For the period ended December 31, 2025, the movement of investment property is as follows:

Cost	January 1, 2025	Additions	Disposals (-)	December 31, 2025
Building	22.142.655	122.517	–	22.265.172
Total	22.142.655	122.517	–	22.265.172
Accumulated Amortization				
Building	16.265.271	–	(3.951.365)	12.313.906
Total	16.265.271	–	(3.951.365)	12.313.906
Net Book Value	5.877.384			9.951.266

	January 1, 2024	Additions	Disposals (-)	December 31, 2024
Cost				
Building	22.142.655	—	—	22.142.655
Total	22.142.655	—	—	22.142.655
Accumulated Amortization				
Building	15.819.969	445.302	—	16.265.271
Total	15.819.969	445.302	—	16.265.271
Net Book Value	6.322.686			5.877.384

17. PROVISIONS

On December 31, 2025 and December 31, 2024, short-term provisions comprised the following:

	December 31, 2025	December 31, 2024
Litigation provision	11.563.541	11.082.267
Total	11.563.541	11.082.267

Movements of litigation provision on December 31, 2025 and 2024 are as follows:

	1 January 2025- December 31, 2025	1 January 2024- December 31, 2024
Balance at the beginning of the period	11.082.267	8.892.365
Provisions made during the period	3.207.625	6.905.574
Provisions no longer required (-)	(110.790)	(1.254.591)
Monetary loss/gain	(2.615.561)	(3.461.081)
Balance at the end of the period	11.563.541	11.082.267

18. PROVISIONS FOR EMPLOYEE BENEFITS

(a) Short-term provisions for employee benefits

On December 31, 2025 and December 31, 2024, short-term provisions comprised the following:

	December 31, 2025	December 31, 2024
Unused leave provision	53.010.415	51.538.137
Personnel premium provisions	89.000.000	21.745.209
Total	142.010.415	73.283.346

Movements of unused leave provision on December 31, 2025, and 2024 are as follows:

	1 January 2025- December 31, 2025	1 January 2024- December 31, 2024
Balance at the beginning of the period	51.538.137	40.955.410
Provisions made during the period	13.635.963	23.171.494
Monetary loss/gain	(12.163.685)	(12.588.767)
Balance at the end of the period	53.010.415	51.538.137

The movement table of personnel premium provisions for employee benefits for the years ended December 31, 2025, is as follows:

	1 January 2025- December 31, 2025	1 January 2024- December 31, 2024
Balance at the beginning of the period	21.745.209	30.688.574
Provisions made during the period	182.253.156	100.668.390
Provisions no longer required (-)	(109.866.207)	(100.178.781)
Monetary loss/gain	(5.132.158)	(9.432.974)
Balance at the end of the period	89.000.000	21.745.209

(b) Long-term provisions for employee benefits

	December 31, 2025	December 31, 2024
Severance pay provision	165.840.250	208.922.474
Total	165.840.250	208.922.474

The movement of retirement pay provision for the years ended December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Opening balance	208.922.474	308.055.627
Cost of services	71.325.980	82.566.401
Interest cost	7.184.242	3.973.836
Actuarial loss	21.467.090	64.869.561
Payment made during the period	(93.751.056)	(83.403.485)
Monetary gain/loss	(49.308.480)	(167.139.466)
Balance as at 31 December	165.840.250	208.922.474

According to the legislation in Turkey, employees who completed one working year in Company, are dismissed without any meaningful reason, quit due to the military service, pass away, completed 25 working years for male, 20 working years for female and are at retirement date (58 years old for female, 60 years old for male) should be paid for termination benefit. Due to the amendment of the legislation on 8 September 1999, there are certain transitional liabilities regarding duration of service depending on retirement.

As of 1 January 2025, these payments calculate 30 days salary according to at the most TRY 64,948.77 (2024: TRY 61,446.13) at the rate of retirement or resignation day per year worked, Provision of termination benefit is calculated on the current period and reflected on financial tables. The provision is calculated by estimating the present value of the possible liability in the future caused by the retirements of employees of the Company, This calculation is made according to the ceiling announced by the government.

The provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. TRFS require actuarial valuation methods to be developed to entities' obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability.

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as at December 31, 2025, the provision has been calculated by estimating the present value of the future probable obligation of Company arising from the retirement of the employees. The provisions at the respective reporting period dates have been calculated based on the table below.

	December 31, 2025	December 31, 2024
Inflation rate	23.14%	23.75%
Interest rate	27.10%	29.32%
Discount rate	3.22%	4.50%
Average probability	91.54%	92.17%

19. PAYABLES RELATED TO EMPLOYEE BENEFITS

As of December 31, 2025 and 2024 payables related to employee benefits comprised the following:

	December 31, 2025	December 31, 2024
Payables to personnel	54.825.670	45.198.312
Social security premiums payable	30.856.026	25.150.469
Total	85.681.696	70.348.781

22. EQUITY

(a) Capital

As at December 31, 2025, the paid-in capital of the Company comprises of 158,580,000,000 shares issued (December 31, 2024: 1,512,000,000 shares) of TRY 0.01 each (December 31, 2024: TRY 0.01). There are no privileges rights provided to different shareholder Companies or individuals. The shareholder structure of the Company is as follows:

	December 31, 2025		December 31, 2024	
	Ownership Interest	Shares (%)	Ownership Interest	Shares (%)
Shareholders				
Mahindra Overseas Investment Com.Ltd.	1.189.645.940	75.02%	9.633.788	63.72%
Erkunt Traktör A.Ş.	381.006.899	24.03%	5.288.795	34.98%
Bürge Ceylan Kaleli	7.992.911	0.50%	110.950	0.73%
Hasan Kaleli	1.645.187	0.10%	22.837	0.15%
Zekeriya Kaleli	1.368.768	0.09%	19.000	0.13%
Ali İslam Kaleli	1.175.195	0.07%	16.313	0.11%
Ahmet Nalbur	1.585.800	0.10%	15.120	0.10%
Rezzan Oral	10.604	0.00%	147	0.00%
Bearer shares	1.368.696	0.09%	13.050	0.09%
Total	1.585.800.000	100%	15.120.000	100%
Capital adjustment differences	932.702.052		438.153.197	
Total	2.518.502.052		453.273.197	

As of December 31, 2025, the Company's issued and paid-in share capital consists of 158,580,000,000 shares and all with a par value of TRY 0.01 each. These shares are bearer shares.

20. OTHER ASSETS AND LIABILITIES

(a) Other current assets

As at December 31, 2025 and 2024 other current assets comprised the followings:

	December 31, 2025	December 31, 2024
Deferred Value Added Taxes ("VAT")	138.975.493	90.153.395
Total	138.975.493	90.153.395

(b) Other current liabilities

As of December 31, 2025 and 2024, other current liabilities are as follows:

	December 31, 2025	December 31, 2024
Expense accruals	318.068	48.632.584
Taxes and payables	15.257.541	14.976.339
Total	15.575.609	63.608.923

21. DERIVATIVE FINANCIAL INSTRUMENTS

As of December 31, 2025 and 2024, derivative financial instruments are as follows:

	December 31, 2025	December 31, 2024
Derivative financial instruments(*)	(15.742.971)	20.517.560
Total	(15.742.971)	20.517.560

(*) Derivative financial instruments consist of revenues from forward contracts.

(b) Capital adjustment differences

As of December 31, 2025, capital adjustment differences amounting to TRY 932,702,052 consist of capital adjustment differences arising from the adjustment of Company's paid-in capital amount according to inflation and not offset against previous year's losses or added to the capital (December 31, 2024: 438,153,197).

(c) Defined benefit plans for re-measurement losses

Consists of actuarial gains and losses recognized as other comprehensive income because of the adoption of TAS 19, December 31, 2025: TRY (259,566,975), December 31, 2024: TRY (243,466,658).

(d) Restricted reserves

The legal reserves consist of the first and second reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profit at the rate of 5% until the total reserve reaches a maximum of 20% of the Company's paid-in capital. The second legal reserve is appropriated at the rate of 10% of all distributions more than 5% of Company's share capital. The first and second legal reserves are not available for distribution unless they exceed 50% of the share capital, however they can be used to offset losses if there are no retained earnings. In 2025 reserve amount is 305,338,745 (2024:318,161,424).

(e) Accumulated gains/(losses)

Retained earnings indicated by the Company on its financial statements issued as follows.

	December 31, 2025	December 31, 2024
Beginning of the period	1.603.357.150	1.627.916.187
Transfer from net profit for the period	(370.961.495)	(24.559.037)
Transfer for capital increase	(459.766.973)	—
End of the period	772.628.682	1.603.357.150

	Historical Value	Inflation Adjustment Effect	Indexed Value
December 31, 2025 (TFRS)			
Paid-in capital	1.585.800.000	932.702.052	2.518.502.052
Legal reserves	3.024.000	305.338.745	308.362.745

	Historical Value	Inflation Adjustment Effect	Indexed Value
December 31, 2025 (Statutory)			
Paid-in capital	1.585.800.000	—	1.585.800.000
Legal reserves	3.024.000	—	3.024.000

23. REVENUE AND COST OF SALES

For the periods 1 January - December 31, 2025, and 2024, gross profit because of revenues and the cost of sales related operating are as follows:

	1 January - December 31, 2025	1 January - December 31, 2024
Domestic sales	632.404.852	987.662.833
Export	3.352.082.166	3.904.677.591
Gross revenues	3.984.487.018	4.892.340.424
Returns and discounts (-)	(93.767.965)	(113.576.989)
Net sales	3.890.719.053	4.778.763.435
Cost of sales (-)	(4.569.869.921)	(4.922.420.297)
General production cost	(2.857.526.200)	(2.888.449.306)
Raw materials and supplies	(677.133.751)	(1.160.496.379)
Personnel expenses	(543.482.907)	(592.481.553)
Depreciation expenses	(491.727.063)	(280.993.059)
Gross profit	(679.150.868)	(143.656.862)

24. GENERAL ADMINISTRATIVE EXPENSES, SELLING

For the year ending 31 December, administrative expenses comprised the following:

	1 January - December 31, 2025	1 January - December 31, 2024
Depreciation expense	153.479.196	81.062.883
Personnel expenses	60.945.272	73.449.928
Expenses related to outsourced benefits	12.942.159	19.142.469
Donations and aids	11.279.177	24.633.871
Maintenance and repair expenses	4.168.846	157.992
Tax expenses	4.073.504	3.551.655
Commission expenses	3.630.015	3.194.635
Material expenses	3.259.993	3.686.178
Travel expenses	2.332.856	2.304.721
Communication expenses	1.815.155	2.142.697
Representation and hospitality expenses	1.476.521	1.395.698
Education expenses	395.435	291.497
Other expenses	50.907.083	31.392.257
Total	310.705.212	246.406.481

25. SALES, MARKETING, AND DISTRIBUTION EXPENSES

For the years ended 31 December, selling, marketing and distribution expenses comprised the following:

	1 January - December 31, 2025	1 January - December 31, 2024
Sales commissions	30.539.866	30.202.096
Freight expenses	11.443.546	14.654.827
Personnel expenses	11.377.051	11.599.809
Donations and aids	708.857	3.212.437
Travel expenses	472.496	83.971
Insurance expenses	61.042	175.038
Representation and hospitality expenses	57.125	9.779
Depreciation expense	36.832	19.612
Advertisement expenses	9.993	398.520
Education expenses	—	797
Other expenses	2.053.277	1.291.021
Total	56.760.085	61.647.907

26. RESEARCH AND DEVELOPMENT EXPENSES

Research and development expenses for the years ended December 31 are as follows:

	1 January - December 31, 2025	1 January - December 31, 2024
Personnel expenses	22.676.738	12.956.714
Depreciation expense	4.210.968	20.534.740
Labor expenses	4.070.971	4.912.144
Donations and aids	1.753.884	4.286.897
Expenses related to outsourced benefits	261.594	4.844.625
Project expenses	26.062	39.510
Travel expenses	3.471	2.858

	1 January - December 31, 2025	1 January - December 31, 2024
Education expenses	886	974
Material expenses	—	649
Other expenses	36.705	73.045
Total	33.041.279	47.652.156

27. EXPENSE BY NATURE

	1 January - December 31, 2025	1 January - December 31, 2024
General production cost	2.857.526.200	2.888.449.306
Raw materials and supplies	677.133.751	1.160.496.379
Depreciation expense	650.584.464	383.500.909
Personnel expenses	638.481.969	690.488.004
Sales commissions	30.539.866	30.202.096
Donations and aids	13.741.918	31.687.899
Expenses related to outsourced benefits	13.203.753	23.987.094
Freight expenses	11.443.546	14.654.827
Maintenance and repair expenses	4.168.846	157.992
Tax expenses	4.073.504	3.551.655
Labor expenses	4.070.971	4.912.144
Commission expenses	3.630.015	3.194.635
Material expenses	3.259.993	3.686.827
Travel expenses	2.808.823	2.391.550
Communication expenses	1.815.155	2.142.697
Representation and hospitality expenses	1.533.646	1.405.477
Education expenses	396.321	293.268
Insurance expenses	61.042	175.038
Project expenses	26.061	39.510
Advertisement expenses	9.993	398.520
Other expenses	52.997.064	32.749.044
Total	4.971.506.901	5.278.126.841

28. OTHER OPERATING INCOME AND EXPENSES

For the years ending 31 December, the other operating income comprised the following:

	1 January - December 31, 2025	1 January - December 31, 2024
Foreign exchange gains	268.666.229	190.779.613
Rediscount income	34.144.808	60.571.861
Reversal of litigation provision	122.924	—
Adjustments related to doubtful provision	—	2.187.440
Adjustments related to litigation provision	—	1.254.592
Other	19.701.210	47.502.262
Total	322.635.171	302.295.768

For the years ended 31 December, other operating expenses comprised the following:

	1 January - December 31, 2025	1 January - December 31, 2024
Non-operating part expenses	(198.622.822)	–
Foreign exchange losses	(171.041.884)	(143.543.390)
Personnel bonus provision	(98.747.866)	–
Rediscount expenses	(41.598.327)	(51.911.709)
Litigation provision	(3.558.945)	(6.905.574)
Provision for doubtful receivables	(1.279.582)	–
Other expenses	(18.758.056)	(7.126.683)
Total	(533.607.482)	(209.487.356)

29. INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES

For the years ending 31 December, income from investment activities comprised the following:

	1 January - December 31, 2025	1 January - December 31, 2024
Profits from the sale of assets held for sale	–	22.176.837
Gain on sale of marketable securities	–	1.497.794
Total	–	23.674.632

30. FINANCE INCOME AND EXPENSES

	1 January - December 31, 2025	1 January - December 31, 2024
Foreign exchange gain	32.741.557	–
Interest income	5.679.378	4.422.081
Total	38.420.935	4.422.081

For the years ended 31 December finance expense comprised the following:

	1 January - December 31, 2025	1 January - December 31, 2024
Borrowing expenses	(194.404.536)	–
Interest expenses	(49.884.523)	(109.461.723)
Foreign exchange loss	(49.136.780)	–
Total	(293.425.839)	(109.461.723)

31. INCOME TAX

Corporate tax

The “Law Regarding the Imposition of Additional Motor Vehicle Tax for the Compensation of Economic Losses Caused by the Earthquakes Occurred on 6/2/2024, and Amendments in Some Laws and Decree Laws, Including the Law Published in the Official Gazette with Number 32249 on July 14, 2024,” according to Article 21, stipulates changes in Article 32 of the Corporate Tax Law numbered 5520. These changes regulate the corporate tax rate, increasing the general rate from 20% to 25%, and for banks and financial institutions, the rate rises from 25% to 30%. This amendment is effective from October 1, 2025, starting with the declarations to be submitted, and it is applied to the gains of corporations in the tax years of 2025 and subsequent periods (2024: 25%). The corporate tax rate is applied to the net corporate income, calculated by adding back non-deductible expenses according to tax laws and deducting exemptions and discounts specified in tax laws from the commercial income of corporations.

There is no practice in Turkey regarding reaching an agreement with the tax authorities on the taxes to be paid, Corporate tax returns must be submitted to the tax office to which the company is affiliated by the 25th day of the fourth month following the month in which the accounting period is closed.

The authorities with the power to conduct tax inspections can examine accounting records within a five-year period, and if erroneous transactions are identified, the tax amounts may change due to tax assessments. According to Turkish tax legislation, declared financial losses shown on the tax return can be deducted from the annual corporate income, if they do not exceed five years. However, financial losses cannot be offset against profits from previous years.

On December 30, 2023, the “GENERAL COMMUNIQUÉ ON TAX PROCEDURE LAW” was published in the Official Gazette, stating that, as of December 31, 2023, the balance sheet prepared in accordance with the Tax Procedure Law should be subjected to inflation adjustments, and the effects should be accounted for as of the same date.

Deferred Taxes

The existence of deferred tax liabilities or assets is determined by calculating the tax effects according to the balance sheet method of the temporary differences between the values of assets and liabilities as shown in the financial statements and the amounts considered in the legal tax base. Deferred tax liabilities or assets are reflected in the accompanying financial statements, considering the anticipated tax rates that will be applicable in future periods when these temporary differences are expected to be reversed.

In reflecting the deferred tax asset in the financial statements. Company considers factors such as developments in the sector in which it operates, estimated taxable profits in future periods, the general economic and political situation of Turkey, and/or international economic and political conditions that may affect Company. The company anticipates that it will generate enough taxable profit in future periods. As of December 31, 2025, the deferred tax assets and liabilities in the financial statements have been calculated at a rate of 25% for the portion of temporary differences that will create a tax impact in 2025 and subsequent periods.

Current tax assets and liabilities

Total income tax benefit/expense) recognized in profit or loss for the year ended December 31, 2025 and 2024 are as follows:

	December 31, 2025	December 31, 2024
Corporate tax expense	–	–
Current period corporate tax expense	–	–
Deferred tax expense on Profit & Loss	8.842.521	(95.442.091)
From temporary differences	10.575.500	(95.442.091)
From investment incentive	(1.732.979)	–
Deferred tax expense on OCI	5.366.773	16.217.390
Tax income/expense) recognized in other comprehensive income	14.209.295	(79.224.701)

For the year 31 December, the deferred tax asset/liability movement is as follows:

	December 31, 2025	December 31, 2024
Opening balance as of January 1	29.604.445	108.829.145
Deferred tax of other comprehensive income	8.842.521	16.217.391
Deferred tax income	5.366.773	(95.442.091)
Closing balance as of December 31	43.813.739	29.604.445

For the year 31 December, tax reconciliation is as follows:

The details of deferred tax assets and liabilities as of December 31 are as follows:

	31 December 2025	31 December 2024
Adjustments related to financial liabilities	57.666.269	38.522.909
Adjustments related to severance pay	41.460.063	52.230.622
Adjustments related to investment incentives	40.255.159	41.988.137
Adjustments related to personal bonus provisions	22.250.000	—
Adjustments related to vacation pay liability	13.252.604	18.320.837
Adjustments related to financial investments	4.248.045	5.560.365
Adjustments related to derivative instruments	3.935.743	(5.129.390)
Adjustments related to trade and other receivables	3.541.739	3.528.098
Adjustments related to litigation provisions	2.890.885	2.770.566
Adjustments related to trade and other payables	1.274.820	(2.424.379)
Adjustments related to deferred income	1.203.660	292.667
Adjustments related to the right of use assets	(79.093.518)	(92.392.431)
Adjustments related to inventories	(33.829.431)	(43.751.273)
Adjustments related to property, plant and equipment and intangible assets	(20.831.334)	22.950.174
Adjustments related to prepaid expenses	(9.050.790)	(5.920.331)
Adjustments related to other provisions	(5.360.175)	(6.942.126)
Deferred tax asset/(liability), net	43.813.739	29.604.445

32. EARNINGS/(LOSS) PER SHARE

Earnings per share are calculated by dividing net profit for the period by the weighted average number of shares outstanding during the year. The Company's earnings / (loss) per share calculation are as follows:

	1 January - December 31, 2025	1 January - December 31, 2024
Profit / (loss) for the period	(2.278.158.874)	(370.961.494)
Weighted average number of shares	158.580.000.000	1.979.092.004
Earnings / (loss) per share	(0.01)	0.19

33. EXPLANATIONS REGARDING NET MONETARY POSITION GAINS/(LOSES)

	31 December 2025	31 December 2024
Non-monetary items		
Statement of financial position items	(1.396.840.668)	(104.244.792)
Stocks	(15.120.647)	223.097.454
Prepaid expenses	6.424.786	3.587.589
Financial Investments Valued Using the Equity Method	62.361.246	—
Property, plant, and equipment	46.889.422	(139.099.216)
Intangible assets	(499.180)	5.970.811
Investment properties	6.182.482	238.660
Right of use assets	42.837.692	27.963.231
Investments in progress	—	—
Paid-in capital	(1.208.509.694)	(4.679.486)
Legal reserves	(70.343.018)	(6.447.448)
Revaluation and measuring gain/(loss) from defined benefit plans	57.461.366	—
Retained earnings/losses	(331.512.165)	(214.876.387)
Deferred tax assets	6.987.042	—
Profit or loss statement items	600.782.524	275.877.022
Revenue	(363.040.139)	(661.850.709)
Cost of sales (-)	804.206.440	830.690.549
Research and development expenses (-)	(2.251.636)	19.040.577
Marketing expenses (-)	4.877.852	8.421.951
General and administrative expenses (-)	125.600.872	79.338.212
Other operating income	(40.899.735)	(42.467.220)
Other operating expenses	49.601.043	24.679.809
Financial income	(606.010)	(7.800.811)
Financial expenses	28.692.684	26.025.128
Share of profit / loss of investments accounted for using the equity method	(5.398.846)	(200.464)
Total	(796.058.145)	171.632.230

34. FINANCIAL INSTRUMENTS

Financial risk management

The company has exposure to the following risks from its operations:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note informs us about, Company's exposures towards risks mentioned above. Company's goals, policies and processes for measuring and managing risks and capital management policy of Company. Detailed descriptions and analysis mentioned in Notes 34 and 35.

Financial risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring Company's risk management policies. The committee reports regularly to the board of directors on its activities.

Company's risk management policies are established to identify and analyze the risks faced by Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and Company's activities. The company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Company audit committee oversees how management monitors compliance with Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by Company. The company audit committee assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers and investments in debt securities. The carrying amounts of financial assets and contract assets represent the maximum credit exposure. Financial instruments that could cause the Company to considerably increase credit risk are mainly cash and commercial receivables. Companies have cash and cash equivalents in various financial institutions. The company manages this risk by limiting transactions with financial institutions and by constantly evaluating the reliability of such institutions. The credit risk that may arise from trade receivables is limited by the fact that Company management limits the amount of credit applied to customers. Trade receivables are assessed by considering their past experiences and current economic situation in Company management and are presented as net in the balance sheet after the provision for doubtful receivables is settled (Note 6).

Capital risk management

The company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing its profit and market value through the optimization of the debt and equity balance,

	December 31, 2025	December 31, 2024
Total finance liabilities	923.414.576	664.589.471
Liquid assets	(30.251.714)	(117.033.950)
Net liabilities	893.162.862	547.555.521
Equity	1.058.743.630	1.760.363.619
Share capital	1.951.906.492	2.307.919.139
Net liabilities/Share capital	45.76%	23.73%

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation.

Market risk

Market risk is the risk that changes in market prices, interest rates and equity prices will affect Company's income or the value of its holdings of financial instruments. The company is subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprise at different times or in differing amounts.

Currency risk

The company is exposed to currency risk due to its sales, import transactions and borrowings in foreign currency. These transactions are held in USD and Euro.

Interest rate risk

Company is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets.

Operational risk

Operational risk is the direct or indirect loss arising from a wide variety of factors related to Company's processes, employees, technology and infrastructure, and external factors such as legal and regulatory requirements outside the credit risk, market risk and liquidity risk, and generally accepted standards for legal entity Risk. Operational risks arise from all Company activities.

The company's objective is to manage operational risk to balance the avoidance of financial losses. In this context, the following company procedures and internal control issues have been identified:

- requirements for appropriate segregation of duties, including the independent authorization of transactions
- requirements for the reconciliation and monitoring of transactions compliance with regulatory and other legal requirements
- documentation of controls and procedures
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- requirements for the reporting of operational losses and proposed remedial action
- development of contingency plans
- training and professional development
- ethical and business standards
- risk mitigation, including insurance where this is effective,

35. NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

Credit risk

December 31, 2025

	Receivables				
	Trade receivables		Other receivables		Deposits on banks
	Related party	Other	Related party	Other	
Exposure to maximum credit risk as at reporting date (A +B+C+D)	55.760.072	739.727.133	—	49.266.931	30.240.710
- The part of maximum risk under guarantee with collateral	—	—	—	—	—
A. Net carrying value of financial assets which are neither impaired nor overdue	55.760.072	739.727.133	—	49.266.931	30.240.710
B. Net carrying value of financial assets that are restructured, otherwise, which will be regarded as overdue or impaired	—	—	—	—	—
C. Net carrying value of financial assets which are overdue but not impaired	—	—	—	—	—
Covered portion of net book value (with letter of guarantee etc.)	—	—	—	—	—
D. Net carrying value of financial assets which are impaired	—	—	—	—	—
- Past due (gross book value)	—	1.483.074	—	—	—
- Impairment (-)	—	(1.483.074)	—	—	—
- Covered portion of netbook value (with letter of guarantee etc.)	—	—	—	—	—
- Impairment (-)	—	—	—	—	—
E. Off balance sheet items with credit risks	—	—	—	—	—

December 31, 2024

	Receivables				
	Trade receivables		Other receivables		Deposits on banks
	Related party	Other	Related party	Other	
Exposure to maximum credit risk as at reporting date (A +B+C+D)	102.204.078	734.471.954	—	57.829.411	117.021.785
- The part of maximum risk under guarantee with collateral	—	—	—	—	—
A. Net carrying value of financial assets which are neither impaired nor overdue	102.204.078	734.471.954	—	57.829.411	117.021.785
B. Net carrying value of financial assets that are restructured, otherwise, which will be regarded as overdue or impaired	—	—	—	—	—
C. Net carrying value of financial assets which are overdue but not impaired	—	—	—	—	—
Covered portion of net book value (with letter of guarantee etc.)	—	—	—	—	—
D. Net carrying value of financial assets which are impaired	—	—	—	—	—
- Past due (gross book value)	—	431.691	—	—	—
- Impairment (-)	—	(431.691)	—	—	—
- Covered portion of netbook value (with letter of guarantee etc.)	—	—	—	—	—
- Impairment (-)	—	—	—	—	—
E. Off balance sheet items with credit risks	—	—	—	—	—

The majority of the Company's customers are Turkey's largest retail companies and therefore the Company's losses from its receivables have not been very high. While the Company monitors the credit risks of its customers, customers are Companies according to their credit characteristics and customer types. The majority of commercial receivables are receivables from large retail companies.

The Company receives bank guarantee letters and real estate mortgages from its customers against collection risk or ensures that they are included in the DBS system. Credit risk is distributed due to the large number of institutions that constitute the customer base.

Liquidity risk

As of December 31, 2025, the monetary liabilities of the Company according to their remaining maturities are as follows:

December 31, 2025	Book value	Contractual cash outflows	Less than 3 months	3 - 12 months	1 - 5 years	More than 5 years
Non-derivatives financial liabilities						
Leasing liabilities	201.175.876	281.872.452	16.533.816	46.240.002	182.108.634	36.990.000
Trade payables	933.529.714	933.529.714	933.529.714	—	—	—
Financial liabilities	722.238.700	722.238.700	256.222.306	466.016.394	—	—
Other payables	8.524	8.524	—	—	8.524	—
Total	1.856.952.814	1.937.649.390	1.206.285.836	512.256.396	182.117.158	36.990.000

As of December 31, 2024, the monetary liabilities of the Company according to their remaining maturities are as follows:

December 31, 2024	Book value	Contractual cash outflows	Less than 3 months	3 - 12 months	1 - 5 years	More than 5 years
Non-derivatives financial liabilities						
Leasing liabilities	176.367.287	409.620.425	14.588.070	49.424.390	297.190.891	48.417.072
Trade payables	918.140.339	918.140.339	918.140.339	—	—	—
Financial liabilities	488.222.184	488.222.184	—	488.222.184	—	—
Other payables	11.159	11.159	—	—	11.159	—
Total	1.582.740.969	1.815.994.107	932.728.409	537.646.574	297.202.050	48.417.072

Market risk

Currency risk

Transactions in foreign currency cause the risk of exchange, The exchange rate risk is managed by forward foreign exchange purchase/sale contracts based on approved policies,

Assets and liabilities in foreign currencies of Company as of December 31, 2025 and December 31, 2024 are as follows:

	December 31, 2025				
	TRY Equivalent	USD	EUR	GPB	CHF
1. Trade Receivables	674.207.656	117.828	8.138.757	4.518.938	—
2. Cash and Cash equivalents	12.281.320	3	244.207	18	—
3. Other	9.816.529	648	180.000	12.820	—
4. Current Assets (1+2+3)	696.305.505	118.479	8.562.965	4.531.775	—
5. Total Assets (4)	696.305.505	118.479	8.562.965	4.531.775	—
6. Trade Payables	(472.430.170)	(5.887.010)	(4.169.697)	(166.967)	(648)
7. Financial Liabilities	—	—	—	—	—
8. Short-Term Liabilities (6+7)	(472.430.170)	(5.887.010)	(4.169.697)	(166.967)	(648)
9. Financial Liabilities	—	—	—	—	—
10. Long-Term Liabilities (9)	—	—	—	—	—
11. Total Liabilities (8+10)	(472.430.170)	(5.887.010)	(4.169.697)	(166.967)	(648)
Total (4+11)	223.875.335	(5.768.531)	4.393.268	4.364.808	(648)

	December 31, 2024			
	TRY Equivalent	USD	EUR	GPB
1. Trade Receivables	675.710.714	447.374	7.910.702	4.754.942
2. Monetary Financial Assets	81.379.318	29.003	3.546	1.381.285
3. Other	15.306.199	—	318.539	—
4. Current Assets (1+2+3)	772.396.232	476.377	8.232.787	6.136.227
5. Total Assets (4)	772.396.232	476.377	8.232.787	6.136.227
6. Trade Payables	(498.521.721)	(6.921.328)	(3.722.402)	—
7. Financial Liabilities	—	—	—	—
8. Short-Term Liabilities (6+7)	(498.521.721)	(6.921.328)	(3.722.402)	—
9. Financial Liabilities	—	—	—	—
10. Long-Term Liabilities (9)	—	—	—	—
11. Total Liabilities (8+10)	(498.521.721)	(6.921.328)	(3.722.402)	—
Total (4+11)	273.874.511	(6.444.951)	4.510.385	6.136.227

December 31, 2025		
Profit/Loss		
	Foreign currency appreciation	Foreign currency depreciation
20% change of the USD against TRY:		
1- Net USD denominated asset/liability	(49.527.801)	49.527.801
2- USD risk protect portion (-)	-	-
3- Net effect of USD (1+2)	(49.527.801)	49.527.801
20% change of the EUR against TRY:		
4- Net EUR denominated asset/liability	44.108.328	(44.108.328)
5- EUR risk protect portion (-)	-	-
6- Net Effect of EUR (4+5)	44.108.328	(44.108.328)
20% change of the GBP against TRY:		
7- Net GBP denominated asset/liability	50.048.562	(50.048.562)
8- GBP risk protect portion (-)	-	-
9- Net Effect of GBP (7+8)	50.048.562	(50.048.562)
20% change of the CHF against TRY:		
10- Net CHF denominated asset/liability	(7.029)	7.029
11- CHF risk protect portion (-)	-	-
12- Net Effect of CHF (10+11)	(7.029)	7.029
TOTAL (3+6+9+12)	44.622.059	(44.622.059)

December 31, 2024		
Profit/Loss		
	Foreign currency appreciation	Foreign currency depreciation
20% change of the USD against TRY:		
1- Net USD denominated asset/liability	(45.639.721)	45.639.721
2- USD risk protect portion (-)	-	-
3- Net effect of USD (1+2)	(45.639.721)	45.639.721
20% change of the EUR against TRY:		
4- Net EUR denominated asset/liability	33.006.184	(33.006.184)
5- EUR risk protect portion (-)	-	-
6- Net Effect of EUR (4+5)	33.006.184	(33.006.184)
20% change of the GBP against TRY:		
7- Net GBP denominated asset/liability	53.419.980	(53.419.980)
8- GBP risk protect portion (-)	-	-
TOTAL (3+6+8)	53.419.980	(53.419.980)

Interest rate risk

The Company is exposed to interest rate risk through the impact of rate changes on interest bearing assets and liabilities. The Company manages this risk through natural hedges that arise from offsetting interest rate sensitive assets and liabilities. In order to minimize this interest rate risk, the Company seeks to borrow funds at the most favorable rates.

As of 31 December, the interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

	December 31, 2025	December 31, 2024
Fixed rate instruments		
Financial asset	-	3.403.201
Financial liabilities	-	639.726.129

Fees for Services Received from Independent Auditor/Independent Audit Firms

Company's explanation regarding the fees for the services received from the independent audit firms, which is based on letter of POA dated August 19, 2024, preparation principles of which are based on the Board Decision published in the Official Gazette on March 30, 2024, are as follows:

	1 January - December 31, 2025	1 January - December 31, 2024
Independent audit fee for the reporting period	1.700.000	654.450
Total	1.700.000	654.450

36. EVENTS AFTER BALANCE SHEET DATE

None.

INDEPENDENT AUDITORS' REPORT

To the Members of
Swaraj Engines Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Swaraj Engines Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("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, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for 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. We have determined the matter described below to be the key audit matter to be communicated in our report:

KAM on Related Party Transactions	
Key Audit Matter	As a part of the business activity, the Company deals with entities which are related parties and significant revenue sources are from related parties only. The Arm's length pricing of the transactions with Related Parties, risks of material misstatement associated with related party relationships and transactions may have a significant impact on the interest of the Company, and true and fair presentation of related party relationships and transactions in the financial statements of the Company.

KAM on Related Party Transactions	
Principal Audit Procedures	We performed the following audit procedures relating to related party relationships and transactions. • Obtained the list of related parties from management and reconciled the same with prior period disclosures to identify completeness and changes during the year. • Evaluated the nature of the relationships and transactions by reviewing supporting documentation to understand the purpose and business rationale. • Obtained direct balance confirmations from related parties for outstanding balances and transactions during the year. • Performed substantive audit procedures on sampled related party transactions, including testing of underlying documents and approvals. • Ensured that all related party transactions were placed before the Audit Committee for approval. • Reviewed the company's related party transactions policy approved by the Board and checked compliance with the said policy. • Obtained independent consultant report on arm's length analysis of revenue transactions. Reviewed the key assumptions of the study, with support from our internal expert.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report, and the related annexures, but does not include the financial statements and our Auditors' 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.

Responsibilities of management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of

the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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

Auditors' Responsibilities for the audit of the Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the 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 auditors' 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 auditors' 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.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, 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.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
- (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 controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
- (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 Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its Financial Statements – Refer Note 2.31 to the Financial Statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There was no delay in transferring the amounts to the Investor Education and Protection Fund by the Company;
 - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (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; and
 - (v) The final dividend proposed in the previous year, declared, and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
- (vi) Based on our examination which included test checks, the Company has used an 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Karthik Srinivasan
Partner
Membership No. 215782
UDIN: 26215782PYQPDS3468

Place: Jaipur
Date: April 13, 2026

Annexure A to the Independent Auditors' Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Swaraj Engines Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to financial statements 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 **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Karthik Srinivasan
Partner
Membership No. 215782
UDIN: 26215782PYQPDS3468

Place: Jaipur
Date: April 13, 2026

Annexure B to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

- (i) (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant, and equipment.
- (B) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and investment property by which the property, plant and equipment (including asset in custody of vendors), and investment property are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment and investment property. In accordance with the programme, the Company has physically verified property, plant and equipment, and investment property during the year and no material discrepancies were noticed on such verification. In respect of Property, Plant and Equipment lying at the premises of third-party vendors, physical verification was carried out by the management through confirmation from such vendors.
- (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment and investment property or intangible assets or both during the year.
- (e) Based on the audit procedures performed by us and according to the information, explanations, and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, the inventory comprising of finished goods, raw materials, stores & spares, components, and work-in-progress has been physically verified at reasonable intervals by the management during the year. Stock-in-transit as on March 31, 2026 has been verified by the management on subsequent receipt of the goods. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records. We have relied on confirmations and representations from third parties in case of inventory lying in their locations, wherever applicable.

- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.
- (iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act for the products of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, specified by the Central Government under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on

the last day of the financial year for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:

Statute	Nature	Forum where dispute is pending	Period to which the Amount relates	Amount involved (In Lakhs)
Central Excise Act, 1944	Excise Duty	Appellate Authority - Tribunal Level	F.Y. 2004-05 to FY 2005-06	87.47
		Appellate Authority - Tribunal Level	F.Y. 2015-16 to FY 2017-18	107.25

- (viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not obtained any loans or other borrowings. Accordingly, the reporting under Clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution, or any other lender till the date of our audit report.
- (c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not obtained term loan during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no short-term loan is obtained by the Company during the year. Accordingly, the reporting under Clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has no subsidiaries, associates or joint ventures. Accordingly, the reporting under Clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has no subsidiaries, associates or joint ventures. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanations given to us, the Company has not raised any moneys 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) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) 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) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, no whistle-blower complaints were received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit reports of the Company issued till date for the period under audit.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us, 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) In our opinion and according to the information and explanations given to us, the Company has not conducted

any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

- (c) In our opinion and according to the information and explanations given to us, 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 Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.
- (d) Based on the information and explanations given to us, we report that the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has five Core Investment Companies.
- (xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a

period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.
- (b) According to the information and explanations given to us, in respect of ongoing projects, the Company has no unspent amount which needs to be transferred to a special account in compliance with sub-section (6) of Section 135 of the Act.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Karthik Srinivasan
Partner
Membership No. 215782
UDIN: 26215782PYQPDS3468

Place: Jaipur
Date: April 13, 2026

BALANCE SHEET AS AT MARCH 31, 2026

		Rs. in Lakhs	
Particulars	Note	2026	2025
(I) ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	2.1	10668.39	11015.45
(b) Capital work-in-progress	2.2	5481.34	476.57
(c) Investment property	2.3	19.95	20.48
(d) Intangible assets	2.4	0.54	4.08
(e) Financial assets	2.5	2671.98	6651.98
(f) Income tax assets (net)		290.57	247.78
(g) Deferred tax assets (net)	2.13	488.15	317.71
(h) Other non-current assets	2.6	841.13	641.73
Total Non-Current Assets		20462.05	19375.78
CURRENT ASSETS			
(a) Inventories	2.7	7480.82	7835.12
(b) Financial assets			
(i) Investments	2.8	1926.00	1919.40
(ii) Trade receivables	2.9	20617.99	17722.42
(iii) Cash and cash equivalents	2.10	1725.82	655.59
(iv) Bank balances other than (iii) above	2.10	10457.38	16774.16
(v) Other financial assets	2.5	3971.49	726.14
(c) Other current assets	2.6	11241.25	2206.59
Total Current Assets		57420.75	47839.42
Total Assets		77882.80	67215.20
(II) EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	2.11	1214.99	1214.75
(b) Other equity (refer SOCE)		47677.42	40705.33
Total Equity		48892.41	41920.08
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities			
- Lease liabilities		144.88	139.99
(b) Provisions	2.12	933.80	731.79
Total Non-Current Liabilities		1078.68	871.78
Current Liabilities:			
(a) Financial liabilities			
(i) Lease liabilities		59.98	58.53
(ii) Trade payables			
- Total outstanding dues of Micro and Small Enterprises	2.14	9500.13	8614.27
- Total outstanding dues of creditors other than Micro and Small Enterprises	2.14	15326.03	13500.89
(iii) Other financial liabilities	2.15	2136.54	1600.18
(b) Provisions	2.12	751.50	472.14
(c) Other current liabilities	2.16	137.53	177.33
Total Current Liabilities		27911.71	24423.34
Total Equity and Liabilities		77882.80	67215.20
Significant Accounting Policies	1		
Notes on Accounts	2		

As per our report of even date attached

The Notes referred to above form an integral part of these financial statements

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

For and on behalf of the Board

Karthik Srinivasan
Partner
Membership No. 215782

Mahesh Gupta
Chief Financial Officer

Rajya Vardhan Kanoria
Chairman
DIN: 00003792

Rajesh K. Kapila
Company Secretary
M.No. : ACS - 9936

Devjit Sarkar
Whole Time Director & Chief Executive Officer
DIN: 10745850

Jaipur, 13th April, 2026

S.A.S. Nagar (Mohali), 13th April, 2026

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

			Rs. in Lakhs
Particulars	Note	2026	2025
INCOME			
Revenue from operations	2.17	200713.43	168189.23
Other income	2.18	1770.21	1640.67
TOTAL INCOME		202483.64	169829.90
EXPENSES			
Cost of materials consumed	2.19	157181.10	131874.38
Changes in inventories of finished goods and work-in-progress	2.20	(103.79)	797.19
Employee benefits expense	2.21	5278.64	4816.97
Finance costs	2.22	39.37	33.01
Depreciation and amortisation expense	2.23	2245.40	2034.33
Other expenses	2.24	11145.20	7969.42
TOTAL EXPENSES		175785.92	147525.30
Profit before exceptional items and tax		26697.72	22304.60
Exceptional items		340.51	—
Profit before tax		26357.21	22304.60
Tax expense			
(1) Current tax	2.13	6895.63	5756.10
(2) Deferred tax	2.13	(169.16)	(49.87)
Total tax expense		6726.47	5706.23
Profit for the year		19630.74	16598.37
Other comprehensive income		9.03	(19.18)
A (i) Items that will not be reclassified to profit or loss		12.07	(25.63)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(3.04)	6.45
B (i) Items that may be reclassified to profit or loss		—	—
(ii) Income tax relating to items that will be reclassified to profit or loss		—	—
Total comprehensive income for the period		19639.77	16579.19
Earning per Equity Share (face value Rs. 10 per share):			
(1) Basic	2.26	161.60	136.64
(2) Diluted	2.26	161.56	136.61
Significant Accounting Policies	1		
Notes on Accounts	2		

As per our report of even date attached

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Karthik Srinivasan
Partner
Membership No. 215782

Mahesh Gupta
Chief Financial Officer

Rajesh K. Kapila
Company Secretary
M.No. : ACS - 9936

The Notes referred to above form an integral part of these financial statements

For and on behalf of the Board

Rajya Vardhan Kanoria
Chairman
DIN: 00003792

Devjit Sarkar
Whole Time Director & Chief Executive Officer
DIN: 10745850

Jaipur, 13th April, 2026

S.A.S. Nagar (Mohali), 13th April, 2026

STATEMENT OF CHANGES IN EQUITY (SOCE) FOR THE YEAR ENDED MARCH 31, 2026**A. Changes in Equity Share Capital**

Rs. in Lakhs

Financial Year	Balance as at 1st April	Changes in equity share capital due to prior period errors	Restated balance as at 1st April	Changes in equity share capital during the year	Balance as at 31st March
FY 2025-26	1214.75	–	1214.75	0.24	1214.99
FY 2024-25	1214.73	–	1214.73	0.02	1214.75

**B. Changes in Other Equity
For the year ended 31st March, 2026**

Rs. in Lakhs

Particulars	Reserves and Surplus						Other Comprehensive Income-Actuarial Gain/(Loss)	Total
	Retained Earnings	General Reserve	Securities Premium	Capital Reserve	Capital Redemption Reserve	Other Reserve-Employee Stock Option Outstanding Reserve		
As at 1st April 2025	31653.08	8922.86	243.53	0.05	29.47	36.70	(180.36)	40705.33
Profit for the Year	19630.74	–	–	–	–	–	9.03	19639.77
Dividend paid on equity shares	(12694.10)	–	–	–	–	–	–	(12694.10)
Options exercised during the period	–	–	41.07	–	–	(41.07)	–	–
Options expensed during the period	–	–	–	–	–	26.42	–	26.42
As at 31st March, 2026	38589.72	8922.86	284.60	0.05	29.47	22.05	(171.33)	47677.42

For the year ended 31st March, 2025

Rs. in Lakhs

Particulars	Reserves and Surplus						Other Comprehensive Income-Actuarial Gain/(Loss)	Total
	Retained Earnings	General Reserve	Securities Premium	Capital Reserve	Capital Redemption Reserve	Other Reserve-Employee Stock Option Outstanding Reserve		
As at 1st April 2024	26594.60	8922.86	240.63	0.05	29.47	15.41	(161.18)	35641.84
Profit for the Year	16598.37	–	–	–	–	–	(19.18)	16579.19
Dividend paid on equity shares	(11539.89)	–	–	–	–	–	–	(11539.89)
Options exercised during the period	–	–	2.90	–	–	(2.90)	–	–
Options expensed during the period	–	–	–	–	–	24.19	–	24.19
As at 31st March, 2025	31653.08	8922.86	243.53	0.05	29.47	36.70	(180.36)	40705.33

Significant Accounting Policies - Note 1

Notes on Accounts - Note 2

As per our report of even date attached

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Karthik Srinivasan
Partner
Membership No. 215782

Mahesh Gupta
Chief Financial Officer

Rajesh K. Kapila
Company Secretary
M.No. : ACS - 9936

For and on behalf of the Board

Rajya Vardhan Kanoria
Chairman
DIN: 00003792

Devjit Sarkar
Whole Time Director & Chief Executive Officer
DIN: 10745850

Jaipur, 13th April, 2026

S.A.S. Nagar (Mohali), 13th April, 2026

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2026

	Rs. in Lakhs	
Particulars	2026	2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	26357.21	22304.60
Adjustments for:		
Depreciation and Amortisation	2245.40	2034.33
Employee Stock Compensation	26.42	24.19
Interest (Received) / Paid (Net)	(1597.14)	(1479.82)
(Profit)/Loss on Mutual Fund Investment	(210.05)	(191.50)
(Profit)/Loss on disposal of Property, Plant and Equipment (Net)	97.87	85.07
Net gain on financial assets measured at FVTPL	(3.31)	(4.03)
Operating Profit Before Working Capital Changes	26916.40	22772.84
Movements in working capital:		
(Increase)/Decrease in Trade and Other Receivables (Non-Current/Current)	(12169.22)	(5198.29)
(Increase) in Inventories	354.30	(755.29)
(Decrease)/Increase in Trade and Other Payables (Non-Current/Current)	3493.36	6601.46
Cash generated from Operations	18594.84	23420.72
Income taxes paid	(6942.74)	(5754.22)
Net cash generated from Operating Activities	11652.10	17666.50
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investments Sales / (Purchase) - Net	(3.29)	95.73
Bank Deposit (Placed) / Matured - Net	10385.00	(6685.00)
Other Corporate Deposits (Placed)/Matured - Net	(1000.00)	(2000.00)
Interest received	1636.51	1512.87
Net Proceeds from disposal of Mutual Fund Investments	210.05	191.50
Purchase of Property, Plant and Equipment	(6979.03)	(2446.19)
Changes in earmarked balances and margin accounts with banks	(2,088.22)	3501.73
Proceeds from disposal of Property, Plant and Equipment	47.95	14.96
Net cash (used in) from Investing Activities	2208.97	(5814.40)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of lease liabilities (including interest)	(72.98)	(53.50)
Dividends paid to Shareholders of the Company	(12,694.10)	(11539.89)
Equity Shares issued under ESOP	0.24	0.02
Interest and Finance Charges paid	(24.00)	(20.77)
Net cash (used in) Financing Activities	(12790.84)	(11614.14)
Net Increase / (Decrease) in Cash and Cash Equivalents	1070.23	237.96
Cash and Cash Equivalents at the beginning of the year	655.59	417.63
Cash and Cash equivalents at the end of the year - refer note no. 2.10 (a)	1725.82	655.59

Note: 1. The above Statement of Cash Flows has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows'.

2. Previous year's figures have been regrouped, wherever necessary, so as to correspond with those of the current year.

Significant Accounting Policies - Note 1

Notes on Accounts - Note 2

As per our report of even date attached

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Karthik Srinivasan
Partner
Membership No. 215782

Mahesh Gupta
Chief Financial Officer

Rajesh K. Kapila
Company Secretary
M.No. : ACS - 9936

For and on behalf of the Board

Rajya Vardhan Kanoria
Chairman
DIN: 00003792

Devjit Sarkar
Whole Time Director & Chief Executive Officer
DIN: 10745850

Jaipur, 13th April, 2026

S.A.S. Nagar (Mohali), 13th April, 2026

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

1. COMPANY'S OVERVIEW AND MATERIAL ACCOUNTING POLICIES

1.1 Company's Overview

Swaraj Engines Limited (SEL) is a public limited company incorporated and domiciled in India. SEL has its works / principal place of business at Plot No. 2, Phase-IX, Industrial Area, S.A.S. Nagar (Mohali), Punjab, India and registered office at Phase-IV, Industrial Area, S.A.S. Nagar (Mohali), Punjab, India.

SEL is in the business of manufacturing diesel engines and hi-tech engine components. Diesel Engines are specifically designed for tractor application.

The Shares of the Company are listed on both BSE Limited and National Stock Exchange of India Limited.

1.2 Basis of Preparation and Presentation

These financial statements are prepared in accordance with Indian Accounting Standards ('Ind AS') under the historical cost convention on the accrual basis except for certain financial instruments, which are measured at fair values. The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013 as amended.

The financial statements are approved by the Company's Board of Directors and authorised for issue on 13th April, 2026.

1.3 Current and Non-Current Classification

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

- i) expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii) held primarily for the purpose of trading,
- iii) expected to be realised within twelve months after the reporting period,
- iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period, or
- v) carrying current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when:

- i) it is expected to be settled in normal operating cycle,
- ii) it is held primarily for the purpose of trading,
- iii) it is due to be settled within twelve months after the reporting period,

iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, or

v) it includes current portion of non-current financial liabilities.

All other liabilities are classified as non-current

1.4 Property, Plant and Equipment

i) Property, plant and equipment are stated at cost of construction or acquisition, less accumulated depreciation and impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

ii) When an asset is scrapped, or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in Profit and Loss Account.

iii) Depreciation on Tangible Assets (except Land) is provided on Straight Line Method, pro-rata monthly rests, as per the life prescribed in Schedule II of the Companies Act, 2013 except for fixed assets mentioned in para (iv) below, based on the Company's expected usage Pattern supported by technical assessment

<u>Nature of Assets</u>	<u>Life adopted in Accounts</u>
a. Patterns, Blocks and Dies	8 Years
b. Vehicles	4 Years

iv) The assets' residual value, useful lives and methods of depreciation are reviewed at each financial year end, and adjustment if any, is made prospectively.

1.5 Investment Properties

Investment Properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured at cost and the same is derecognized upon disposal or when it is permanently withdrawn from use with no future economic benefits are expected from the disposal.

Depreciation is provided on Straight Line Method, pro-rata monthly rests, as per the life prescribed for Building in Schedule II of the Companies Act, 2013.

1.6 Inventories

Inventories are valued at cost or net realizable value, whichever is lower. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads and is ascertained on weighted

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

average basis, net of recoverable taxes incurred in bringing them to their respective present location and condition. Cost of raw materials and stores and spares are determined on weighted average basis.

1.7 Foreign Currency Transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are revalued at the exchange rates prevailing on the balance sheet date. Exchange differences arising on account of fluctuation in the rate of exchange is recognised in the statement of profit and loss.

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

1.8 Employee Benefit

Company's contributions paid/payable during the year to Employee's State Insurance Corporation and Labour Welfare Fund are recognized in the Statement of Profit and Loss.

Company contributes to the appropriate authorities its share of the Members Provident Fund Account as per the Employees' Provident Fund Act, 1952.

Company contributes to a trust, which has taken Master Policy with the Life Insurance Corporation of India to cover its liability towards employees' gratuity. Provisions in respect of liabilities of gratuity and leave encashment are made based on actuarial valuation made by an independent actuary as at the balance sheet date. Gains and Losses through re-measurements of the net defined benefit liability are recognized in other comprehensive income. The actual return of the plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income.

In respect of Employee Stock Option Scheme:

The compensation cost of stock options granted to employees is measured by the Fair Value Method. The fair value, determined at the grant date of the underlying equity shares, is recognized and amortised on straight line basis over the vesting period.

1.9 Revenue Recognition

The Company's revenue recognition policy is aligned to the principles enunciated in Ind AS 115. The company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring a promised good or service to a customer. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated

to the 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, if any.

Transaction price is the amount of a consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Sale of goods

Revenue from sale of goods is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled in exchange of goods.

Rendering of services

Revenue from rendering services is recognised when performance obligation is satisfied and customer obtains the control of the transferred services. Following criteria is required to be met for transfer of control of services:

- i) the customer simultaneously receives and consumes the benefits from the services transferred.
- ii) the Company has an enforceable right to payment for services transferred.

Other Operational Revenue

Other operational revenue represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract.

Other Income

Dividend income from investments is recognised when the right to receive payment has been established.

Interest income is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the deposits and at the interest rate settled with the Banks/ Financial Institutions.

1.10 Intangible Assets

Intangible assets are carried at cost and amortized on Straight line method, so as to reflect the pattern in which the assets economic benefits are consumed.

Intangible Asset under Development

The expenses incurred on development phase are initially recognized as Intangible assets under development until the development phase is complete, upon which the amount is capitalized as intangible asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Other Intangible Assets

i) Development expenditure:

Development expenditure incurred on technical services and other project/product related expenses are amortized over the estimated period of benefit, not exceeding five years. Amortization commences as and when the asset is available for use.

ii) Software Expenditure:

The expenditure incurred is amortised over three financial years equally commencing from the year in which the expenditure is incurred.

1.11 Taxes on Income

Current tax is determined as the amount of tax payable in respect of the taxable income for the year.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

1.12 Financial Instruments

Financial Assets

Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Subsequent measurement

Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. For financial assets maturing within one year from the balance sheet date, the carrying amounts are approximate to fair value due to the short maturity of these instruments. Trade receivables that do not

contain a significant financing component are measured at transaction price.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized at fair value.

Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

1.13 Impairment of Assets

The carrying value of assets at each balance sheet date are reviewed for Impairment. If any indication exists, the recoverable amount of such assets is estimated and impairment is recognized if the carrying amount of these assets exceeds their recoverable amount.

1.14 Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

In respect of warranty on sale of engines, the estimated cost of warranty is accrued at the time of sale. The estimate for accounting of warranty is periodically reviewed and revisions are made as and when required.

1.15 Use of estimates and judgments

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

Depreciation / amortisation and useful lives of property plant and equipment/ intangible assets:

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

Fair value measurement of financial instruments

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

Provision for product warranty

The Company recognizes provision for product warranties in respect of its products that it sells. Provisions are discounted, where necessary to its present value based

on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjust to reflect the current best estimates.

1.16 Earnings per share

Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year.

1.17 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits with any qualifying financial institution repayable on demand or maturing within three months from the date of acquisition and which are subject to an insignificant risk of change in value.

1.18 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS116. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate which is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

The Company recognises the lease payments associated with these leases as per expense on a straight-line basis over the lease term.

The Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct costs incurred and restoration cost, less any lease incentives received.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments.

1.19 Accounting Policies not specifically referred above are consistent with generally accepted Accounting practices.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

2.1 Property, Plant and Equipment

Particulars	Rs. in Lakhs	
	2026	2025
(a) Property, Plant and Equipment	10472.81	10826.69
(b) Right of use assets	195.58	188.76
Total	10668.39	11015.45

(a) Property, Plant and Equipment

(Refer Note 1.4)

(i) Following are the changes in the carrying value of Property, Plant and Equipment for the year ended 31st March, 2026:

Description of Assets	Rs. in Lakhs							
	Land	Buildings	Plant and Equipment	Office Equipments	Furniture and Fixtures	Electrical Installations	Vehicles	Total
Gross Carrying Value as at 1st April, 2025	124.80	1677.62	24610.97	303.00	160.08	486.16	56.68	27419.31
Additions during the year	–	91.59	1,836.90	30.77	16.88	–	–	1976.14
Disposals/Adjustments during the year	–	130.18	866.59	25.40	8.19	10.51	11.79	1052.66
Gross Carrying Value as at 31st March, 2026 (A)	124.80	1639.03	25581.28	308.37	168.77	475.65	44.89	28342.79
Accumulated depreciation as at 1st April, 2025	–	887.06	15016.95	199.14	72.36	365.83	51.28	16592.62
Depreciation expense for the year	–	81.33	2,036.78	27.25	15.68	20.60	2.56	2184.20
Accumulated depreciation on disposals/adjustments during the year	–	48.15	808.81	23.77	6.42	8.49	11.20	906.84
Accumulated depreciation as at 31st March, 2026 (B)	–	920.24	16244.92	202.62	81.62	377.94	42.64	17869.98
Carrying Value as at 31st March, 2026 (A-B)	124.80	718.79	9336.36	105.75	87.15	97.71	2.25	10472.81

Following are the changes in the carrying value of Property, Plant and Equipment for the year ended 31st March, 2025:

Description of Assets	Rs. in Lakhs							
	Land	Buildings	Plant and Equipment	Office Equipments	Furniture and Fixtures	Electrical Installations	Vehicles	Total
Gross Carrying Value as at 1st April, 2024	124.80	1623.84	19781.81	244.39	144.66	486.16	101.59	22507.25
Additions during the year	–	74.77	5326.37	70.74	23.55	–	–	5495.43
Disposals/Adjustments during the year	–	20.99	497.21	12.13	8.13	–	44.91	583.37
Gross Carrying Value as at 31st March, 2025 (A)	124.80	1677.62	24610.97	303.00	160.08	486.16	56.68	27419.31
Accumulated depreciation as at 1st April, 2024	–	851.09	13552.57	190.06	67.42	344.48	85.77	15091.39
Depreciation expense for the year	–	55.91	1866.12	20.60	12.42	21.35	8.17	1984.57
Accumulated depreciation on disposals/adjustments during the year	–	19.94	401.74	11.52	7.48	–	42.66	483.34
Accumulated depreciation as at 31st March, 2025 (B)	–	887.06	15016.95	199.14	72.36	365.83	51.28	16592.62
Carrying Value as at 31st March, 2025 (A-B)	124.80	790.56	9594.02	103.86	87.72	120.33	5.40	10826.69

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**(b) Right of use assets - Vehicles**

(Refer Note 1.18)

Rs. in Lakhs

Description of Assets	2026	2025
Gross Carrying Value as at 1st April	267.30	160.74
Additions during the year	78.86	129.85
Disposals/Adjustments during the year	18.44	23.29
Gross Carrying Value as at 31st March (A)	327.72	267.30
Accumulated depreciation as at 1st April	78.54	45.96
Depreciation expense for the year	57.13	43.83
Disposals/adjustments during the year	3.53	11.25
Accumulated depreciation as at 31st March (B)	132.14	78.54
Carrying Value as at 31st March (A - B)	195.58	188.76

(i) The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
Lease Liabilities	59.98	144.88	58.53	139.99

2.2 Capital Work-in-Progress**Ageing for capital work-in-progress as at 31st March, 2026 is as follows:**

Rs. in Lakhs

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Project-in-Progress	5,480.61	0.73	—	—	5481.34
Total	5,480.61	0.73	—	—	5481.34

Ageing for capital work-in-progress as at 31st March 2025 is as follows:

Rs. in Lakhs

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Project-in-Progress	430.65	45.92	—	—	476.57
Total	430.65	45.92	—	—	476.57

(ii) The following is the movement in the lease liabilities

Particulars	2026	2025
As at 1st April	198.52	121.93
Additions/modifications	65.68	116.67
Finance Cost	15.37	12.28
Lease rentals paid	(74.71)	(52.36)
As at 31st March	204.86	198.52

(iii) The table provides details regarding contractual liabilities of lease liabilities on an undiscounted basis:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Undiscounted future cash flows		
- Not later than 1 year	66.27	66.86
- Later than 1 year and not later than 5 years	159.05	159.05
- Later than 5 years	—	—

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

2.3 Investment Property

(Refer Note 1.5)

Following are the changes in the carrying value of Investment Property for the year ended 31st March, 2026:

Description of Assets	Rs. in Lakhs
Description of Assets	Investment Property
Gross Carrying Value as at 1st April, 2025	33.35
Additions during the year	–
Disposals/Adjustments during the year	–
Gross Carrying Value as at 31st March, 2026 (A)	33.35
Accumulated depreciation as at 1st April, 2025	12.87
Depreciation expense for the year	0.53
Accumulated depreciation on disposals/adjustments during the year	–
Accumulated depreciation as at 31st March, 2026 (B)	13.40
Carrying Value as at 31st March, 2026 (A-B)	19.95

Following are the changes in the carrying value of Investment Property for the year ended 31st March, 2025:

Description of Assets	Rs. in Lakhs
	Investment Property
Gross Carrying Value as at 1st April, 2024	33.35
Additions during the year	–
Disposals/Adjustments during the year	–
Gross Carrying Value as at 31st March, 2025 (A)	33.35
Accumulated depreciation as at 1st April, 2024	12.34
Depreciation expense for the year	0.53
Accumulated depreciation on disposals/adjustments during the year	–
Accumulated depreciation as at 31st March, 2025 (B)	12.87
Carrying Value as at 31st March, 2025 (A-B)	20.48

Fair value disclosure on Company's Investment Properties

Part of Company's administrative building/block is letted out and the same is classified as Investment Property based on the nature, characteristics and risks.

As at 31st March, 2026, the Fair Value of the property is Rs. 101.20 Lakhs. This valuation is performed by accredited independent valuer and same is categorised at Level 2.

2.4 Intangible Assets

(Refer Note 1.10)

Following are the changes in the carrying value of Intangible Assets for the year ended 31st March, 2026:

Description of Assets	Computer Software	Development Expenditure	Total
Gross Carrying Value as at 1st April, 2025	25.70	–	25.70
Additions during the year	–	–	–
Disposals/Adjustments during the year	4.80	–	4.80
Gross Carrying Value as at 31st March, 2026 (A)	20.90	–	20.90
Accumulated Amortisation as at 1st April, 2025	21.62	–	21.62
Amortisation expense for the year	3.54	–	3.54
Accumulated Amortisation on disposals/adjustments during the year	4.80	–	4.80
Accumulated Amortisation as at 31st March, 2026 (B)	20.36	–	20.36
Carrying Value as at 31st March, 2026 (A-B)	0.54	–	0.54

Following are the changes in the carrying value of Intangible Assets for the year ended 31st March, 2025:

Description of Assets	Computer Software	Development Expenditure	Total
Gross Carrying Value as at 1st April, 2024	25.45	178.42	203.87
Additions during the year	0.25	–	0.25
Disposals/Adjustments during the year	–	178.42	178.42
Gross Carrying Value as at 31st March, 2025 (A)	25.70	–	25.70
Accumulated Amortisation as at 1st April, 2024	16.22	178.42	194.64
Amortisation expense for the year	5.40	–	5.40
Accumulated Amortisation on disposals/adjustments during the year	–	178.42	178.42
Accumulated Amortisation as at 31st March, 2025 (B)	21.62	–	21.62
Carrying Value as at 31st March, 2025 (A-B)	4.08	–	4.08

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**2.5 Other Financial Assets**

Rs. in Lakhs

Particulars	Non-Current		Current	
	2026	2025	2026	2025
Carried at amortised cost:				
Security Deposits-Considered Good				
Unsecured	81.98	81.98	—	—
Others				
Fixed Deposits more than 12 months	2590.00	4570.00	—	—
Interest Accrued on Deposits	—	—	971.38	724.66
Other Corporate Deposits	—	2000.00	3000.00	—
Others (including Advances to Employees)	—	—	0.11	1.48
Total	2671.98	6651.98	3971.49	726.14

2.6 Other Current Assets

Rs. in Lakhs

Particulars	Non-Current		Current	
	2026	2025	2026	2025
Capital advances	801.02	595.25	—	—
Balance with Government Authorities	—	—	11087.68	2060.69
Prepaid Expenses	5.50	11.87	38.73	34.92
Income Tax (Net of Provisions)	—	—	—	—
Others (including advances to suppliers)	34.61	34.61	114.84	110.98
Total	841.13	641.73	11241.25	2206.59

2.7 Inventories

(Refer Note 1.6)

Rs. in Lakhs

Particulars	2026	2025
Raw Materials & Components*	5157.06	5911.09
Work-in-Progress	159.68	67.94
Finished Goods	1117.22	1105.17
Stores and Spares	659.71	473.28
Loose Tools	387.15	277.64
Total	7480.82	7835.12

* including Goods-in-transit Rs. 537.39 Lakhs (2025 - Rs. 784.00 Lakhs)

2.8 Investments - Current

Rs. in Lakhs

Particulars	Face Value per unit (in Rs.)	2026		2025	
		Number	Amount	Number	Amount
Quoted Investments					
Carried at Fair Value through Profit and Loss					
Investments in Mutual Funds					
Axis Liquid Fund- Regular Growth	1000	—	—	41953	1199.82
Aditya Birla Sun Life Liquid Fund- Growth- Regular Plan	100	119107	523.25	173862	719.58
Nippon India Liquid Fund- Growth	1000	21087	1402.75	—	—
Total			1926.00		1919.40

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

2.9 Trade Receivables

(Refer Note 2.30)

	Rs. in Lakhs	
Particulars	2026	2025
Billed - Unsecured, considered good	20617.99	17722.42
Of the above, Trade Receivables from:		
- Related Parties	20617.99	17722.42
- Others	-	-

Ageing of Trade Receivables is as follows :-

	Rs. in Lakhs					
Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years
As at 31st March 2026						
Undisputed Trade Receivables - considered good	19035.18	1,576.17	6.64	-	-	-
Total	19035.18	1,576.17	6.64	-	-	-
As at 31st March 2025						
Undisputed Trade Receivables - considered good	15924.46	1,797.96	-	-	-	-
Total	15924.46	1,797.96	-	-	-	-

2.10 Cash & Cash Equivalents and Other Bank Balances

	Rs. in Lakhs	
Particulars	2026	2025
a) Cash and Cash Equivalents		
Balances with Banks	225.82	655.59
Fixed deposits with original maturity less than 3 months	1500.00	-
Total	1725.82	655.59
b) Other Bank balances		
Earmarked balances with Banks - Unpaid/Unclaimed Dividend	127.38	139.16
Balances with Bank on Margin Account	2600.00	500.00
Fixed Deposits with Banks	7730.00	16135.00
Total	10457.38	16774.16

2.11 Equity Share Capital

	Rs. in Lakhs	
Particulars	2026	2025
Authorised:		
Equity Shares, Rs. 10/- par value	2500.00	2500.00
2,50,00,000 (2025: 2,50,00,000) Equity Shares		
Issued, Subscribed and Paid-Up:		
Equity Shares, Rs. 10/- par value	1214.99	1214.75
1,21,49,865 (2025 : 1,21,47,466) Equity Shares fully paid-up		
	1214.99	1214.75

The Company has issued only one class of shares referred to as Equity Shares having a par value of Rs. 10/-. Each Equity Shareholder is entitled to one vote per share.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**(i) Equity Shareholders holding more than 5% shares:**

Name	As at 31st March, 2026		As at 31st March, 2025	
	Number of shares held	% of Shareholding	Number of shares held	% of Shareholding
Mahindra & Mahindra Limited (M&M)	6331141	52.11%	6331141	52.12%
DSP Small Cap Fund	731746	6.02%	780000	6.42%

(ii) Reconciliation of the number of shares outstanding and the amount of share capital:

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of shares held	Share Capital (Rs. in Lakhs)	Number of shares held	Share Capital (Rs. in Lakhs)
Issued, Subscribed and Paid-up:				
At the beginning of the year	12147466	1214.75	12147255	1214.73
Movement in equity during the year				
Add: Equity shares issued in pursuance to Employee Stock Option Plan	2,399.00	0.24	211	0.02
Number of equity shares at the closing	12149865	1214.99	12147466	1214.75

In the last 5 years, the Company has not :

- allotted any shares as fully paid up pursuant to contract(s) without payment being received in cash;
- allotted any bonus shares.

(iii) Disclosure of Shareholding of Promoters:

Promoter Name	As at 31st March, 2026		As at 31st March, 2025		% Change during the year
	Number of shares held	% of Shareholding	Number of shares held	% of Shareholding	
Mahindra & Mahindra Limited (M&M)	6331141	52.11%	6331141	52.12%	(0.01%)

(iv) Employee Stock Option

Under the Employee Stock Option Scheme - 2015 (ESOS-2015), 31,000 Equity Shares of the face value of Rs. 10/- are available for being granted to eligible employees on the recommendation of the Nomination and Remuneration Committee. Under the first cycle (Dec. 2015 - Dec. 2019), options granted were vested in four instalments on the expiry of 18 months, 30 months, 42 months and 54 months respectively. Options granted effective January 2020 & onwards are vested in 3 instalments on the expiry of 12 months, 24 months and 36 months. These options may be exercised on any day over a period of 5 years from the date of vesting. Numbers of vested options are exercisable subject to minimum of 50 or number of options vested whichever is lower.

Further to grant given till previous financial years, the Company during the current financial year has given grant of 652 Equity Shares at face value to the eligible employees.

Activity in ESOS - 2015 is as follows:

Particulars	No. of shares	
	2026	2025
Options Outstanding at the beginning	3590	2718
Options Granted during the year	652	1083
Options Forfeited/Lapsed during the year	-	-
Options Exercised during the year	(2399)	(211)
Options Outstanding at the end	1843	3590

Information in respect of options outstanding as at 31st March 2026

Exercise Price	No. of Options	Weighted Average Remaining Life for vesting
Rs. 10	1843	18 Months

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The fair value of Options granted during the year, calculated using the Black-Scholes Option Pricing model with the following assumptions:

Grant date	1st Dec 2025
Vesting Period	12 - 36 Months
Share price in market at the time of option grant (Rs.)	3730.10
Exercise price (Rs.)	10.00
Expected volatility (%)	31.20
Expected life of the option (years)	4.50
Expected dividends (%)	2.80
Risk-free interest rate (%)	6.15
Weighted average fair value as on grant date (Rs.)	3281.45

2.12 Provisions

Particulars	Rs. in Lakhs			
	Non-Current		Current	
	2026	2025	2026	2025
Provision for Employee Benefits (Refer Note 1.8)				
- Provision for Leave Encashment	678.63	538.25	59.63	127.08
- Provision for Gratuity (Refer Note 2.29)	—	—	236.21	55.95
- Provision for Post Retirement Medical Benefits	107.23	113.04	0.42	0.35
Others				
- Provision for Warranty	147.94	80.50	455.24	288.76
Total	933.80	731.79	751.50	472.14

Provision for warranty relates to sale of engine, the estimated cost of which is accrued at the time of sale.

Particulars	Rs. in Lakhs	
	2026	2025
Balance as at 1st April	369.26	283.43
Add: Provision made during the year	1,198.04	253.23
Less: Utilisation during the year	987.89	187.24
Less: Unwinding of discount and effect of changes in the discount rate	(23.77)	(19.84)
Balance as at 31st March	603.18	369.26

Out of the above:

Classified as Non-Current	147.94	80.50
Classified as Current	455.24	288.76
	603.18	369.26

2.13 Income Taxes

(Refer Note 1.11)

(a) Deferred Tax

Particulars	Rs. in Lakhs	
	2026	2025
Deferred Tax Liabilities		
- On Property, Plant & Equipment (incl. Right of use assets)	(168.22)	(77.04)
- On Financial Assets carried at Fair Value through Profit and Loss	0.84	1.01
Deferred Tax Assets		
- On Employee benefits	269.21	191.71
- On Lease Liabilities	51.56	49.97
Deferred Tax Liabilities / (Assets) - Net	(488.15)	(317.71)

(b) Income Tax recognized in Profit and Loss

Particulars	Rs. in Lakhs	
	2026	2025
Current Tax	6895.63	5756.10
Deferred Tax	(169.16)	(49.87)
Total Income Tax expense	6726.47	5706.23

(c) Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before income tax is summarised below:

Particulars	Rs. in Lakhs	
	2026	2025
Profit before tax	26357.21	22304.60
Income tax expense calculated at 25.17% (2025: 25.17%) incl. Sur & Cess	6633.58	5613.62
Income not considered for tax purposes	(0.84)	(1.01)
Effect of estimated non deductible expenses	99.74	87.13
Others (including permanent differences & reversals)	(6.01)	6.49
Income Tax expense recognized in profit and loss	6726.47	5706.23

2.14 Trade Payables

Particulars	Rs. in Lakhs	
	2026	2025
Trade payable - Micro, Small and Medium enterprises	9500.13	8614.27
Trade payable - Other than Micro, Small and Medium enterprises	14660.39	13014.37
Accruals	665.64	486.52
Total	24826.16	22115.16

Micro, Small and Medium Enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and small enterprises, which are outstanding for more than the stipulated period and other disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below:-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Particulars	Rs. in Lakhs	
	2026	2025
(a) Dues remaining unpaid as at 31st March		
- Principal	—	0.71
- Interest on the above	—	—
(b) Interest paid in terms of Section 16 of the Act along with the amount of payment made to the supplier beyond the appointed date during the year		
- Principal paid beyond the appointed date	104.46	106.42
- Interest paid in terms of Section 16 of the Act	0.22	0.08
(c) Amount of interest due and payable for the period of delay in payments made beyond the appointed date during the year	—	—
(d) Further interest due and payable even in succeeding year, until such date when the interest due as above are actually paid to the small enterprises	—	—
(e) Amount of interest accrued and remaining unpaid as at 31st March	—	—

Ageing for Trade Payables

Outstanding for following periods from the due date of payment						Rs. in Lakhs
Particulars	Not due	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 years	Total
As at 31st March, 2026						
Micro, Small and Medium enterprises	9,500.13	—	—	—	—	9500.13
Others	10,970.47	3,686.73	2.33	0.56	0.30	14660.39
Disputed dues - MSME	—	—	—	—	—	—
Disputed dues - Others	—	—	—	—	—	—
	20,470.60	3,686.73	2.33	0.56	0.30	24160.52
Accruals						665.64
Total						24826.16
As at 31st March, 2025						
Micro, Small and Medium enterprises	8613.56	0.71	—	—	—	8614.27
Others	9890.54	3122.45	0.73	0.56	0.09	13014.37
Disputed dues - MSME	—	—	—	—	—	—
Disputed dues - Others	—	—	—	—	—	—
Total	18504.10	3123.16	0.73	0.56	0.09	21628.64
Accruals						486.52
Total						22115.16

Supplier Finance Arrangement

Some of our suppliers elect to factor some of their receivables from the company with financial institutions. In such cases, we provide suppliers and/or banks with visibility of invoices approved for payment, which helps them receive cash from the bank/ financial institutions before the invoice due date, if they choose to do so. Payment dates and terms for the company do not vary based on whether the supplier chooses to factor their receivable.

Particulars	Rs. in Lakhs	
	As at 31st March 2026	As at 31st March 2025
the carrying amounts of the financial liabilities that are part of a supplier finance arrangement		
Presented within trade payable as "Acceptances"	2249.20	Transition
for which suppliers have already received payment from finance providers	2217.59	exemption
Range of payment due dates		
Trade payables that are part of a supplier finance arrangement	30 - 45 days	Transition
Trade payables that are not part of a supplier finance arrangement	30 - 90 days	exemption

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

2.15 Other Financial Liabilities

	Rs. in Lakhs	
Particulars	2026	2025
Capital Creditors	487.50	279.86
Deposits & Retention Money	48.87	30.99
Unpaid/Unclaimed Dividend*	127.38	139.16
Salary/Wages Payables	1472.79	1150.17
Total	2136.54	1600.18

* There is no amount due for payment to Investor Education and Protection Fund u/s 125 of Companies Act, 2013 as on 31st March, 2026.

2.16 Other Current Liabilities

	Rs. in Lakhs	
Particulars	2026	2025
Advances received from customers	22.50	7.21
Statutory dues	115.03	170.12
Total	137.53	177.33

2.17 Revenue from Operations

(Refer Note 2.34)	Rs. in Lakhs	
Particulars	2026	2025
Revenue from sale of products	199847.69	167391.59
Revenue from rendering of services	–	4.77
Other operating revenue	865.74	792.87
Total	200713.43	168189.23

2.18 Other Income

	Rs. in Lakhs	
Particulars	2026	2025
Interest Income	1636.51	1512.87
Rental income from Investment property	18.21	17.34
Profit on Sale of Financial Instruments	210.05	191.50
Net gain on financial assets measured at FVTPL	3.31	4.03
Profit / (Loss) on disposal of Property, Plant and Equipment	(97.87)	(85.07)
Total	1770.21	1640.67

2.19 Cost of Materials Consumed

	Rs. in Lakhs	
Particulars	2026	2025
Opening stock	5127.09	3926.82
Add: Purchases	156673.68	133074.65
	161800.77	137001.47
Less:		
Closing Stock	4,619.67	5127.09
Total	157181.10	131874.38

2.20 Changes in Inventories of Finished Goods and Work-in-Progress

	Rs. in Lakhs	
Particulars	2026	2025
<u>Inventories at the end of the year:</u>		
Finished Goods	1,117.22	1105.17
Work-in-Progress	159.68	67.94
	1,276.90	1173.11

Inventories at the beginning of the year:

Finished Goods	1105.17	1970.30
Work-in-Progress	67.94	0.00
	1173.11	1970.30
Net (Increase) / Decrease	(103.79)	797.19

2.21 Employee Benefits Expense

(Refer Note 1.8)	Rs. in Lakhs	
Particulars	2026	2025
Salaries and Wages	4157.17	3863.68
Contribution to provident and other funds	256.74	225.07
Employee Stock Compensation	26.43	24.18
Staff welfare expenses	838.30	704.04
Total	5278.64	4816.97

2.22 Finance Cost

	Rs. in Lakhs	
Particulars	2026	2025
Interest Expense	0.23	0.89
Interest - unwinding of discounting on Warranty	23.77	19.84
Interest on lease liability	15.37	12.28
Total	39.37	33.01

2.23 Depreciation, amortisation and impairment expense

	Rs. in Lakhs	
Particulars	2026	2025
(a) Depreciation on Property, Plant and Equipment	2184.20	1984.57
(b) Depreciation on Right-of-use asset	57.13	43.83
(c) Depreciation on Investment Property	0.53	0.53
(d) Amortisation on Intangible Assets	3.54	5.40
Total	2245.40	2034.33

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**2.24 Other Expenses**

	Rs. in Lakhs	
Particulars	2026	2025
Power, Fuel & Water Charges	957.56	787.60
Consumption of Stores & Spares	2064.59	1674.87
Hire & Service Charges	3545.70	2460.02
Rates and Taxes	12.74	10.90
Insurance	64.20	57.81
Repairs and Maintenance		
- Buildings	341.49	140.10
- Machinery	1169.95	825.71
- Others	44.86	69.02
Postage & Telephone	3.97	4.78
Printing & Stationery	20.30	11.93
Travelling & Conveyance Expenses	72.07	87.00
Auditors' Remuneration		
- Statutory Auditor's		
Audit Fee (including quarterly limited reviews)	17.50	17.50
Tax Audit Fee	2.50	2.50
Other Services	2.25	2.25
- Cost Auditor		
Audit Fee	1.40	1.40
CSR Expenses (Refer Note 2.25)	396.29	346.16
Research & Development Expenses	175.74	376.31
Other Marketing Expenses	1187.97	218.51
Miscellaneous Expenses	1064.12	875.05
Total	11145.20	7969.42

2.25 Corporate Social Responsibility Expenditure

	Rs. in Lakhs	
Particulars	2026	2025
1. Amount required to be spent by the company during the year	391.84	341.05
2. Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	—	—
(ii) On purposes other than (i) above	396.29	346.16
3. Shortfall at the end of the year	—	—
4. Total Previous year's shortfall	—	—
5. Reason for shortfall	Not applicable	Not applicable
6. Nature of CSR Activities	Driven by our Core purpose, our CSR vision is to focus our efforts within the constituencies of girls, youth & farmers by innovatively supporting them through programmes designed in the domains of education, health and environment while harnessing the power of technology.	
7. Details of related party transactions in relation to CSR expenditure as per relevant accounting standard	—	—

2.26 Earning per Share

(Refer Note 1.16)

	Rs. in Lakhs	
Particulars	2026	2025
Profit for the year	19630.74	16598.37
Profit for the year for diluted earning per share	19630.74	16598.37
Weighted average number of Ordinary Equity Shares used in Computing basic earning per share	12147866	12147308
Effect of potential Ordinary Equity shares on employee stock options	2678	3016
Weighted average number of Ordinary Equity Shares used in Computing diluted earning per share	12150544	12150324
Basic earning per share (Rs.) (Face Value of Rs. 10 per share)	161.60	136.64
Diluted earning per share (Rs.)	161.56	136.61

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

2.27 Financial Instruments

(Refer Note 1.12)

Capital management

Company's capital management objectives are to:

- ensure the company's ability to continue as a going concern
- provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

For the purposes of the Company's Capital Management, capital includes issued capital and all other equity reserves. Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

	Rs. in Lakhs	
Particulars	2026	2025
Equity Share Capital	1214.99	1214.75
Other Equity Reserves	47677.42	40705.33
Total	48892.41	41920.08

Categories of Financial Assets and Financial Liabilities

As at 31st March, 2026

	Rs. in Lakhs				
Particulars	Amortised Costs	Fair Value through Profit or Loss	Fair Value through OCI	Total Carrying Value	Total Fair Value
Non-Current Assets					
Security Deposits-Unsecured	81.98	—	—	81.98	81.98
Fixed Deposits more than 12 months	2590.00	—	—	2590.00	2590.00
Total Non-Current Financial Assets	2671.98	—	—	2671.98	2671.98
Current Assets					
Investments	—	1926.00	—	1926.00	1926.00
Trade Receivables	20617.99	—	—	20617.99	20617.99
Cash and Cash Equivalents	1725.82	—	—	1725.82	1725.82
Other Bank Balances	10457.38	—	—	10457.38	10457.38
Other Financial Assets	3971.49	—	—	3971.49	3971.49
Total Current Financial Assets	36772.68	1926.00	—	38698.68	38698.68
Total Financial Assets	39444.66	1926.00	—	41370.66	41370.66
Non-Current Liabilities					
Financial liabilities - Lease	144.88	—	—	144.88	144.88
Total Non-Current Financial Liabilities	144.88	—	—	144.88	144.88
Current Liabilities					
Lease Liabilities	59.98	—	—	59.98	59.98
Trade Payables	24826.16	—	—	24826.16	24826.16
Other Financial Liabilities	2136.54	—	—	2136.54	2136.54
Total Current Financial Liabilities	27022.68	—	—	27022.68	27022.68
Total Financial Liabilities	27167.56	—	—	27167.56	27167.56

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

As at 31st March, 2025

Rs. in Lakhs

Particulars	Amortised Costs	Fair Value through Profit or Loss	Fair Value through OCI	Total Carrying Value	Total Fair Value
Non-Current Assets					
Security Deposits-Unsecured	81.98	–	–	81.98	81.98
Fixed Deposits more than 12 months	4570.00	–	–	4570.00	4570.00
Other Corporate Deposits	2000.00	–	–	2000.00	2000.00
Total Non-Current Financial Assets	6651.98	–	–	6651.98	6651.98
Current Assets					
Investments	–	1919.40	–	1919.40	1919.40
Trade Receivables	17722.42	–	–	17722.42	17722.42
Cash and Cash Equivalents	655.59	–	–	655.59	655.59
Other Bank Balances	16774.16	–	–	16774.16	16774.16
Other Financial Assets	726.14	–	–	726.14	726.14
Total Current Financial Assets	35878.31	1919.40	–	37797.71	37797.71
Total Financial Assets	42530.29	1919.40	–	44449.69	44449.69
Non-Current Liabilities					
Financial liabilities - Lease	139.99	–	–	139.99	139.99
Total Non-Current Financial Liabilities	139.99	–	–	139.99	139.99
Current Liabilities					
Lease Liabilities	58.53	–	–	58.53	58.53
Trade Payables	22115.16	–	–	22115.16	22115.16
Other Financial Liabilities	1600.18	–	–	1600.18	1600.18
Total Current Financial Liabilities	23773.87	–	–	23773.87	23773.87
Total Financial Liabilities	23913.86	–	–	23913.86	23913.86

Financial Risk Management Framework

Company's activities expose it to financial risks viz credit risk and liquidity risk.

Credit Risk

Majority of Company's receivables pertain to Mahindra & Mahindra Limited, a holding company. Based on the overall credit worthiness of Receivables, coupled with their past track record, Company expect No / Minimum Risk with regard to its outstanding receivables. Also, there is mechanism in place to periodically track the outstanding amount and assess the same with regard to its realisation. Company expect all the debtors to be realised in full, accordingly no provision has been made in the books of account.

(ii) Maturities of Financial Liabilities

The following tables specifies the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amounts disclosed in the tables have been drawn up based on the earliest date on which the Company can be required to pay. Financial Liabilities includes Trade Payables, Capital Purchases, Unpaid/Unclaimed Dividend etc. which are in the normal course of business having maturity plan of less than 1 year and lease liabilities having maturity more than 1 year.

Rs. in Lakhs

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
31st March, 2026				
Lease Liabilities	59.98	68.37	76.51	–
Trade Payables	24826.16	–	–	–
Other Financial Liabilities	2136.54	–	–	–
Total	27022.68	68.37	76.51	–
31st March, 2025				
Lease Liabilities	58.53	47.08	92.91	–
Trade Payables	22115.16	–	–	–
Other Financial Liabilities	1600.18	–	–	–
Total	23773.87	47.08	92.91	–

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

As at 31st March, 2026, the Company had a working capital of Rs. 29509.04 lakhs including cash and bank balance & bank deposits of Rs. 12055.82 lakhs and investment of Rs. 1926.00 lakhs and other corporate deposits of Rs. 3000.00 Lakhs.

As at 31st March, 2025, the Company had a working capital of Rs. 23416.08 lakhs including cash and bank balance & bank deposits of Rs. 17290.59 lakhs and investment of Rs. 1919.40 lakhs and other corporate deposits of Rs. Nil.

Accordingly, company do not perceive any liquidity risk.

(iii) Financing arrangements

The Company had access to the following borrowing facilities at the end of the reporting period:

Particulars	Rs. in Lakhs	
	2026	2025
Secured Non-Fund Based Letter of Credit facility		
- Expiring within one year	3,900.00	3,900.00
- Expiring beyond one year	—	—

2.28 Fair Value Measurement

The fair values of the Financial Assets and Liabilities are included in the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

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

Level 2 - Other Techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

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

Fair Valuation Techniques and Inputs used - recurring Items

a) Financial Instruments measured at Fair value

Particulars	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)
	2026	2025			
Financial Assets					
				As on Date NAV of the Quoted Fund	
Investments in Mutual Fund	1926.00	1919.40	Level 1		—
Total Financial Assets	1926.00	1919.40			

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

b) Financial Instrument measured at Amortised Cost

As at 31st March, 2026

Rs. in Lakhs

Particulars	Carrying Value	Fair Value	Fair Value		
			Level 1	Level 2	Level 3
Financial Assets					
Non-Current Assets					
Security Deposits-Unsecured	81.98	81.98	—	81.98	—
Fixed Deposits more than 12 months	2590.00	2590.00	—	2590.00	—
Total Non-Current Financial Assets	2671.98	2671.98	—	2671.98	—
Current Assets					
Trade Receivables	20617.99	20617.99	—	20617.99	—
Cash and Cash Equivalents	1725.82	1725.82	—	1725.82	—
Other Bank Balances	10457.38	10457.38	—	10457.38	—
Other Financial Assets	3971.49	3971.49	—	3971.49	—
Total Current Financial Assets	36772.68	36772.68	—	36772.68	—
Total Financial Assets	39444.66	39444.66	—	39444.66	—
Financial Liabilities					
Non-Current Liabilities					
- Lease liabilities	144.88	144.88	—	144.88	—
Total Non-Current Financial Liabilities	144.88	144.88	—	144.88	—
Current Liabilities					
- Lease liabilities	59.98	59.98	—	59.98	—
Trade Payables	24826.16	24826.16	—	24826.16	—
Other Financial Liabilities	2136.54	2136.54	—	2136.54	—
Total Current Financial Liabilities	27022.68	27022.68	—	27022.68	—
Total Financial Liabilities	27167.56	27167.56	—	27167.56	—

As at 31st March, 2025

Rs. in Lakhs

Particulars	Carrying Value	Fair Value	Fair Value		
			Level 1	Level 2	Level 3
Financial Assets					
Non-Current Assets					
Security Deposits-Unsecured	81.98	81.98	—	81.98	—
Fixed Deposits more than 12 months	4570.00	4570.00	—	4,570.00	—
Other Corporate Deposits	2000.00	2000.00	—	2,000.00	—
Total Non-Current Financial Assets	6651.98	6651.98	—	6651.98	—
Current Assets					
Trade Receivables	17722.42	17722.42	—	17722.42	—
Cash and Cash Equivalents	655.59	655.59	—	655.59	—
Other Bank Balances	16774.16	16774.16	—	16774.16	—
Other Financial Assets	726.14	726.14	—	726.14	—
Total Current Financial Assets	35878.31	35878.31	—	35878.31	—
Total Financial Assets	42530.29	42530.29	—	42530.29	—
Financial Liabilities					
Non-Current Liabilities					
- Lease liabilities	139.99	139.99	—	139.99	—
Total Non-Current Financial Liabilities	139.99	139.99	—	139.99	—
Current Liabilities					
- Lease liabilities	58.53	58.53	—	58.53	—
Trade Payables	22115.16	22115.16	—	22115.16	—
Other Financial Liabilities	1600.18	1600.18	—	1600.18	—
Total Current Financial Liabilities	23773.87	23773.87	—	23773.87	—
Total Financial Liabilities	23913.86	23913.86	—	23913.86	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

2.29 Employee benefits

(Refer Note 1.8)

Defined benefit plans – as per Actuarial Valuation on 31st March, 2026

Particulars	Rs. in Lakhs	
	Gratuity - Funded	
	2026	2025
I. Expenses Recognised in the Statement of Profit & Loss Account		
1. Current Service Cost	100.42	69.17
2. Past Service Cost	130.43	—
3. Interest	88.56	92.03
4. Expected Return on plan assets	(86.71)	(90.31)
5. Total Expense	232.70	70.89
II. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	1561.18	1381.25
2. Fair value of plan assets as at 31st March	1324.97	1325.30
3. Surplus/(Deficit)	(236.21)	(55.95)
III. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	1381.25	1318.59
2. Expenses Recognised in Profit and Loss Account		
- Past Service Cost	130.43	—
- Current Service Cost	100.42	69.17
- Interest Expense/ (Income)	88.56	92.03
3. Recognised in Other Comprehensive Income		
Re-measurement gains / (losses)		
- Actuarial Gain/ (Loss) arising from:		
i. Demographic Assumptions	—	—
ii. Financial Assumptions	—	—
iii. Experience Adjustments	102.13	(40.00)
iv. Difference in present value of obligation	(83.70)	32.85
4. Benefit payments	(157.91)	(91.39)
5. Present value of defined benefit obligation at the end of the year	1561.18	1381.25
IV. Change in fair value of assets during the year ended 31st March		
1. Fair value of plan assets at the beginning of the year	1325.30	1269.40
2. Expected return on plan assets	86.71	90.31
3. Recognised in Other Comprehensive Income		
Re-measurement gains / (losses)		
- Actual Return on plan assets in excess of the expected return	13.33	6.15
4. Contributions by employer (including benefit payments recoverable)	57.54	50.83
5. Benefit payments	(157.91)	(91.39)
6. Fair value of plan assets at the end of the year	1324.97	1325.30
V. The Major categories of plan assets		
- Funded with LIC	100.00%	100.00%
VI. Actuarial assumptions		
1. Discount rate	7.69%	6.80%
2. Expected Return	6.80%	7.23%
3. In Service Mortality	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate
4. Turnover Rate	5.00%	5.00%
5. Salary Rise - Officers	9.00%	9.00%
6. Salary Rise - Workers	6.00%	6.00%
7. Remaining Working Life	16.27 Years	14.21 Years

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Changes in assumption	Increase/(Decrease) impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Discount rate	2026	0.50%	(44.32)
	2025	0.50%	(38.04)
Salary growth rate	2026	0.50%	45.88
	2025	0.50%	38.71

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**2.30 Related Party Transactions****Names of the Related Parties****Relationship****Holding Company**

1. Mahindra & Mahindra Limited (M&M)

Holding Company

Subsidiary of M&M

1. Mahindra & Mahindra Financial Services Limited

Subsidiary of M&M

2. Mahindra Logistics Limited

Subsidiary of M&M

3. Mahindra Integrated Business Solutions Private Limited

Subsidiary of M&M

4. Erkunt Traktor Sanayii Anonim Sirketi

Subsidiary of M&M

Associate/Joint Venture of M&M

1. Tech Mahindra Limited

Associate Company

2. Mahindra Summit Agriscience Limited

Joint Venture

Key Management Personnel**Name of KMP****Designation**

Mr. Rajya Vardhan Kanoria

Chairman (Non-Executive Independent Director)

Mr. Rajesh Jejurikar #

Chairman (Non-Executive, Non-Independent Director)

Mr. S. Nagarajan

Non-Executive Independent Director

Mr. Nikhilesh Panchal

Non-Executive Independent Director

Ms. Smita Mankad

Non-Executive Independent Director

Mr. Harish Chavan

Non-Executive, Non-Independent Director

Mr. Puneet Renjhen

Non-Executive, Non-Independent Director

Mr. Gaganjot Singh ^

Non-Executive, Non-Independent Director

Mr. Devjit Sarkar

Whole Time Director & Chief Executive Officer

^appointed / # ceased during the year

Details of transaction between the Company and its related parties are disclosed below:

Rs. in Lakhs

Sr. No.	Nature of Transactions	Holding Co. (M&M)		Subsidiary/ Associates/ JV of M&M Ltd.		KMPs		Total	
		2026	2025	2026	2025	2026	2025	2026	2025
1	Purchases:	2362.38	4047.10	224.45	180.43	—	—	2586.83	4227.53
	Goods	2351.60	4014.89	—	—	—	—	2351.60	4014.89
	Services	10.78	32.21	224.45	180.43	—	—	235.23	212.64
2	Sales:	199281.83	167599.90	—	—	—	—	199281.83	167599.90
	Goods	199281.83	167599.90	—	—	—	—	199281.83	167599.90
3	Deputation of Personnel:								
	From related party	563.58	661.03	—	—	—	—	563.58	661.03
4	Managerial Remuneration	—	—	—	—	169.05	168.62	169.05	168.62
5	Stock Options*	—	—	—	—	—	—	—	—
6	Commission and other benefits to Non-executive/independent director**	—	—	—	—	44.85	49.27	44.85	49.27
7	Dividend Distributed	6616.04	6014.58	—	—	—	—	6616.04	6014.58
8	Other Transactions:								
	Rental Income	17.01	16.20	1.20	1.14	—	—	18.21	17.34
	Other Expenses	441.82	359.91	2.30	7.29	—	—	444.12	367.20
	Reimbursement received from Parties	7.71	8.96	2.30	7.29	—	—	10.01	16.25
	Reimbursement made to Parties	434.11	350.95	—	—	—	—	434.11	350.95
9	Outstandings:								
	Trade and Other Payable	37.44	159.47	11.76	0.40	—	—	49.20	159.87
	Trade and Other Receivable	20617.87	17722.30	0.12	0.12	—	—	20617.99	17722.42

*excludes stock option from Holding Company - Mahindra & Mahindra Limited.

** includes sitting fees and commission paid/payable to Khaitan & Co. during FY 2024-25, in which Mr. Nikhilesh Panchal is a partner. Transactions with related parties are at arm's length.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

2.31 Contingent Liabilities and Commitments

	Rs. in Lakhs	
Particulars	2026	2025
Contingent Liabilities		
Claims against the Company not acknowledged as debt		
- Excise matters in dispute	229.33	220.26
- Sales Tax matters in dispute	—	30.77
- Income Tax matters in dispute*	50.43	50.43
Commitments		
Estimated amount of contracts remaining to be executed on capital	7392.15	702.15

*Assessment of Income Tax is complete upto Assessment Year 2020-21. There is no demand which is disputed in Appeal and not provided for. For earlier Assessment Years, Company have filed appeals / references which involve an estimated liability of Rs. 50.43 Lakhs (31.03.2025 - Rs. 50.43 Lakhs)

2.32 Segment Reporting

The Company is primarily engaged in the business of diesel engines, diesel engine components and spare parts. As the basic nature of these activities are governed by the same set of risk, returns and internal business reporting system, accordingly these have been grouped as single segment in above disclosures as per Ind AS- 108 dealing with "Operating Segment".

2.33 Particulars in respect of goods manufactured:

Class of Goods	Unit of Qty	2026	2025
Production			
Engines	Nos.	202730	168225
Despatches			
Engines	Nos.	202771	168820

2.34 Particulars in respect of Revenue from Operations:

	Rs. in Lakhs	
Class of Goods	2026	2025
Sale of Products		
Engines	196347.03	164081.55
Spares	3500.66	3310.04
Total	199847.69	167391.59
Other operating revenue		
Scrap & Others	865.74	797.64
Total	200713.43	168189.23

2.35 Particulars in respect of Finished Goods:

Class of Goods	Unit of Qty	Opening Balance		Closing Balance	
		Qty.	Rs. in Lakhs	Qty.	Rs. in Lakhs
Engines	Nos.	1091	907.37	1025	863.89
		(1933)	(1643.15)	(1091)	(907.37)
Engine Parts		—	197.80	—	253.33
		—	(327.15)	—	(197.80)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**2.36 Additional Regulatory Information****Ratios**

Particulars	2026	2025	Variance (%)
1. Current Ratio (in times) (Current Assets) / (Current Liabilities)	2.06	1.96	5.10%
2. Debt-Equity Ratio (in times) (Total Debt) / (Total Equity)	N.A.	N.A.	—
3. Debt service coverage Ratio (in times) (Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustment) / (Debt service = Interest and lease payments + Principal repayments)	N.A.	N.A.	—
4. Return on Equity (%) (Net Profit after Taxes) / (Average Shareholder's Equity)	43.23%	42.14%	1.09%
5. Inventory Turnover Ratio (times) (Revenue from operations) / (Average Inventory)	26.21	22.55	16.23%
6. Trade receivables turnover ratio (times) (Revenue from operations) / (Average Trade Receivables)	10.47	11.31	(7.43%)
7. Trade payables turnover ratio (times) (Purchases) / (Average trade payables)	6.68	7.01	(4.71%)
8. Net capital turnover ratio (times) (Revenue from operations) / (Average working capital)	7.58	7.08	7.06%
9. Net profit ratio (%) (Net Profit after Taxes) / (Revenue from operations)	9.78%	9.87%	(0.09%)
10. Return on capital employed (%) (Profit before tax and finance costs) / (Capital employed = Tangible Net worth + Lease liabilities + Deferred tax liabilities)	54.53%	53.69%	0.84%
11. Return on Investments (%) - Quoted Investments (Income generated from Investments) / (Time Weighted Average Investments)	5.64%	6.83%	(1.19%)

There is no significant change of 25% in the above ratios over previous year.

2.37 Dividends

The Board of Directors, in their meeting held on 16th April, 2025, proposed a total dividend of Rs. 104.50/- per equity share and the same was approved by the shareholders at the Annual General Meeting held on 15th July, 2025, this has resulted in a cash outflow of Rs. 12694.10 lakhs during 2025-26.

The Board of Directors, in their meeting held on 13th April, 2026, proposed a total dividend of Rs. 110/- per equity share for the financial year ended on 31st March 2026, subject to the approval of shareholders at the Annual General Meeting and if approved, would result in a cash outflow of approximately Rs. 13364.85 lakhs.

2.38 Recent Accounting Pronouncements**Standard issued but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at the date of authorisation of these financial statements, the Company has not applied the following new amendment to Ind AS that has been issued but is not yet effective:

Amendment to Ind AS 1 Presentation of Financial Statements

Where a covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the lender subsequently (i.e. after the reporting date but before approval of the financial statements) agrees not to demand payment.

The Company does not expect that the adoption of this amendment to have any impact on the financial statements of the Company in future periods.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

2.39 New Labour Codes Laws

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively "new Labour Codes") - consolidating 29 existing labour laws.

In accordance with the new Labour Codes, the Company has currently estimated the incremental impact on retiral benefits to be Rs. 340.51 lakhs. This has been presented under "Exceptional Items" in the financial statement.

The Company continues to monitor developments on the Rules to be notified by regulatory authorities, including clarifications/ additional guidance from authorities and will continue to assess the accounting implications, basis such developments / guidance.

2.40 Other Disclosures

Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act 2013.

- a. Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b. The Company does not have any transactions with companies struck off.
- c. The Company has not revalued its property, plant and equipment or intangible assets or both during the current year.
- d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- f. The Company has not received any fund from any person or entity, 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
- g. The Company has 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 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- h. The Company does not have any borrowings from banks and financial institutions on the basis of security of current assets.
- i. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- j. The Company has complied with the number of layers prescribed under the Companies Act, 2013.

2.41 Previous year's figures have been regrouped, wherever necessary, so as to correspond with those of the current year.

Significant Accounting Policies **1**

Notes on Accounts **2**

As per our report of even date attached

The Notes referred to above form an integral part of these financial statements

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

For and on behalf of the Board

Karthik Srinivasan
Partner
Membership No. 215782

Mahesh Gupta
Chief Financial Officer

Rajya Vardhan Kanoria
Chairman
DIN: 00003792

Rajesh K. Kapila
Company Secretary
M.No. : ACS - 9936

Devjit Sarkar
Whole Time Director & Chief Executive Officer
DIN: 10745850

Jaipur, 13th April, 2026

S.A.S. Nagar (Mohali), 13th April, 2026

INDEPENDENT AUDITORS' REPORT

To The Board of Directors

Carnot Technologies Private Limited

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial statements of **Carnot Technologies Private Limited**, which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the standalone financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2026, its Profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Report on other Legal and Regulation requirements

- As required by the companies (Auditor's Report) Order, 2016, as amended, issued by the Central Government of India in term of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.
- 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.
- The Balance sheet, the Statement of Profit and Loss, and the Cash Flow Statement deal with by this report are in agreement with the books of account.
- In our opinion, the aforesaid IND AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
- 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 are disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- With respect to the other matters to be included in the Auditor's Reporting 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:
 - The Company does not have pending litigation which would impact its financial position.
 - The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company
- The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1st April 2023. The Company has used Tally prime accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and company has enabled the feature and the same has been operated throughout the year for all relevant transactions recorded in the respective software.

For Nayak & Rane
Chartered Accountants
FRN No: 117249W

Suraj P. Nayak
Partner

M No: 049645

UDIN: 26049645PTUQEX1060

Place: Mumbai

Date: 13th April 2026

**“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF
CARNOT TECHNOLOGIES PVT LTD ON THE ACCOUNTS OF THE COMPANY FOR THE
YEAR ENDED 31ST MARCH, 2025.**

- | | |
|--|---|
| <p>(i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and equipment;</p> <p>b) Company is maintaining proper records showing full particulars of intangible assets.</p> <p>c) The Property plant and equipment have been physically verified by the management at regular intervals; as informed to us and no material discrepancies between the books records and the physical Property plant and equipment have been noticed.</p> <p>d) There are no immovable properties in the name of the company during the year under report.</p> <p>e) Company has not revalued its property, plant and equipment and intangible assets during the year.</p> <p>f) No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibitions) Act, 1988.</p> <p>(ii) a) During the year, the Inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. Also, there are no discrepancies of 10% or more in the aggregate of each class of inventory.</p> <p>b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.</p> <p>(iii) The Company has not made any investments in, granted any loans, secured or unsecured guarantees to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable.</p> <p>(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.</p> <p>(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.</p> <p>(vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.</p> <p>(vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has been generally regular subject to certain delay in depositing undisputed statutory dues, including Income-Tax, Service Tax, Goods & Service Tax, CESS and other material statutory dues, as applicable, with the appropriate authorities.</p> <p>b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no statutory dues of Income-Tax, Service Tax, Goods & Service Tax and CESS which have not been deposited on account of any dispute.</p> <p>(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).</p> | <p>(ix) a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.</p> <p>b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.</p> <p>c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.</p> <p>d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.</p> <p>e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.</p> <p>f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.</p> <p>(x) a) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans.</p> <p>b) During the year, the Company has not made any preferential allotment of preference shares.</p> <p>(xi) a) On the basis of the written representations received by us No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.</p> <p>b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.</p> <p>c) We have taken into consideration and noted that there were no whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.</p> <p>(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.</p> <p>(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.</p> <p>(xiv) In our opinion and based on our examination and explanation provided to us depending on the size and nature of the company's business, company is not required to have an internal audit system as per the provisions of section 138 of the Companies Act, 2013 hence provisions of clause 3 (xiv) (a) and (xiv) (b) are not applicable to the company during the year under review. Accordingly, reporting under this clause is not required.</p> <p>(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected</p> |
|--|---|

with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- (xvi) a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the current and immediately preceding financial year.
- (xviii) There has been no resignation of statutory auditor during the year. The provisions of this clause are hence not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability

of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The provisions of CSR are not applicable to the company. Hence provisions of clause 3 (XX) (a) and (b) are not applicable.
- (xxi) The provisions of consolidated financials and consolidated CARO report are not applicable to the company and hence the aforementioned clause is not applicable.

For Nayak & Rane
Chartered Accountants
FRN No: 117249W

Suraj P. Nayak
Partner
M No: 049645
UDIN: 26049645PTUQEX1060

Place: Mumbai
Date: 13th April 2026

“ANNEXURE B” TO INDEPENDENT AUDITOR’S 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 **Carnot technologies Private Limited** as at the year 31st March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls. 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 years 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 31-March-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 issued by the ICAI.

For Nayak & Rane
Chartered Accountants
FRN No: 117249W

Suraj P. Nayak
Partner
M No: 049645
UDIN: 26049645PTUQEX1060

Place: Mumbai
Date: 13th April 2026

BALANCE SHEET AS AT 31ST MARCH 2026

Particulars	Notes	Figures in INR Lakhs	
		As at 31 st March, 2026	As at 31 st March, 2025
I ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment.....	2	13.37	13.76
(b) Right of use Asset	3	21.86	7.06
(c) Intangible assets under development		—	—
(d) Deferred tax Assets (Net)	4	39.49	35.00
(e) Non-current financial assets			
(i) Long-term loans		—	—
(ii) Other non-current financial assets	5	0.20	0.20
(f) Other non-current assets	6	—	—
		<u>74.91</u>	<u>56.02</u>
(2) Current assets			
(a) Inventories.....	7	25.80	22.34
(b) Financial Assets			
(i) Investments	8	215.72	—
(ii) Trade receivables	9	197.57	404.73
(iii) Cash and cash equivalents	10	30.93	38.53
(iv) Other Bank Balances	11	310.00	260.03
(vi) Other current financial assets.....	12	20.95	4.95
(c) Current Tax Assets(Net)	13	239.30	168.00
(d) Other current assets.....	14	43.73	16.29
		<u>1,084.00</u>	<u>914.87</u>
Total Assets.....		<u><u>1,158.92</u></u>	<u><u>970.89</u></u>
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	15	17.06	17.06
(b) Other Equity	16	582.62	461.18
		<u>599.67</u>	<u>478.23</u>
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings		—	—
(b) Provisions.....	17	56.89	48.01
(c) Other Non-current liabilities.....	18	63.27	41.58
		<u>120.16</u>	<u>89.59</u>
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings		—	—
(ii) Lease Liabilities	2	23.53	7.64
(ii) Trade Payables	19	56.44	37.52
(iii) Other Current Financial Liabilities	20	53.06	63.74
(b) Current provisions	21	8.56	4.53
(c) Other current liabilities	22	297.50	289.64
		<u>439.08</u>	<u>403.07</u>
Total Equity and Liabilities		<u><u>1,158.92</u></u>	<u><u>970.89</u></u>

Notes forming part of the financial statements (all amounts in rupees)

For Nayak & Rane
Chartered Accountants
Firm Registration No. 117249W

For and on behalf of the Board of Directors

Suraj P Nayak
Partner
Membership No. 049645

Pushkar Limaye
Director
DIN 07270209

Anusha Kothandaraman
Director
DIN 8679344

Place: Mumbai
Date : 13th April 2026

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

Particulars	Notes	Figures in INR Lakhs	
		For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Revenue from operations	23	1,980.29	2,307.55
Other income.....	24	46.83	21.20
Total income		2,027.12	2,328.75
Expenses			
Consumption of Direct Material.....	25	217.34	309.62
Changes in inventories	26	(3.47)	(8.07)
Employee benefits expense	27	1,069.79	968.99
Finance costs.....	28	3.82	1.77
Depreciation and amortisation expense.....	2	38.20	19.83
Other expenses.....	29	590.47	619.62
Total expenses		1,916.16	1,911.76
Profit/(Loss) before exceptional items and tax		110.96	416.99
Exceptional items		—	—
Profit/(Loss) before tax		110.96	416.99
Tax expense			
(1) Current tax provision.....		—	—
(2) Deferred tax (charged)/credited	3	6.11	4.96
Profit/(Loss) for the period/year		117.08	412.03
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Remeasurement of net defined benefit liability		6.25	10.23
Income tax relating to items not reclassified		(1.62)	(2.66)
Items that will be reclassified subsequently to profit or loss		—	—
Income tax relating to items that will be reclassified		—	—
Total comprehensive income/(expense) for the period/year		121.70	419.60
Earnings per share			
Basic earnings (loss) per share	30	585.08	2,059.11
Diluted earnings (loss) per share	30	349.30	1,229.31
See accompanying notes forming part of financial statements In terms of our report attached			

For Nayak & Rane
Chartered Accountants
Firm Registration No. 117249W

For and on behalf of the Board of Directors

Suraj P Nayak
Partner
Membership No. 049645

Pushkar Limaye
Director
DIN 07270209

Anusha Kothandaraman
Director
DIN 8679344

Place: Mumbai
Date : 13th April 2026

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	Figures in INR Lakhs	
	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Profit before tax	110.96	416.99
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and Impairment of Property, Plant and Equipment	38.20	19.83
Other Comprehensive Income.....	4.62	7.57
Foreign exchange loss	1.73	—
Interest from security deposit.....	(0.93)	(1.22)
Finance Cost	4.26	1.77
Operating profit before working capital changes.....	158.84	444.93
Working capital adjustments:		
(Increase)/decrease in Non current Assets	—	—
(Increase)/decrease in Non Current Financial Assets	—	0.30
(Increase)/decrease in trade receivables.....	207.16	(371.25)
(Increase)/decrease in Inventories.....	(3.47)	(8.07)
(Increase)/decrease in Current Assets	(71.30)	14.08
(Increase)/decrease in Current Financial Assets	(16.00)	5.72
(Increase)/decrease in other current assets.....	(27.44)	5.89
Increase/(decrease) in trade and other payables.....	18.92	12.00
Increase/(decrease) in other current financial liabilities	(10.68)	(34.73)
Increase/(decrease) in other current liabilities.....	7.85	13.46
Increase/(decrease) in Non Current Provisions	8.88	3.59
Increase/(decrease) in Provisions	4.03	1.01
Increase/(decrease) in Non Current liabilities.....	21.69	26.98
Net cash flows from operating activities.....	298.48	113.91
Investing activities		
Net Purchase of property, plant and equipment.....	(8.90)	(1.49)
Net cash flows used in investing activities.....	(8.90)	(1.49)
Financing activities		
Proceeds from Share Capital.....	—	—
Payment of lease liabilities (including Interest on lease liabilities).....	(30.69)	(14.69)
Foreign exchange gain/(loss).....	(1.73)	2.18
Income from Secuirty deposit	0.93	(1.23)
Investment in Mutual Funds	(215.72)	—
Net cash flows from/(used in) financing activities.....	(247.21)	(13.74)
Net increase in cash and cash equivalents	42.37	98.67
Cash and cash equivalents at the beginning of the period/year	298.56	199.89
Cash and cash equivalents at period/year end	340.93	298.56

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached.

For Nayak & Rane
Chartered Accountants
Firm Registration No. 117249W

Suraj P Nayak
Partner
Membership No. 049645

Pushkar Limaye
Director
DIN 07270209

For and on behalf of the Board of Directors

Anusha Kothandaraman
Director
DIN 8679344

Place: Mumbai
Date : 13th April, 2026

STATEMENT OF CHANGES IN EQUITY AS AT 31ST MARCH 2026**A. Equity share capital**

Particulars	Figures in INR Lakhs	
	As at 31 st March 2026	As at 31 st March 2025
Balance at the beginning of the reporting year.....	17.06	17.06
Changes in Equity Share capital during the year.....	—	—
Balance at the end of the reporting year.....	17.06	17.06

B. Other Equity

Particulars	Figures in INR Lakhs		
	Reserve and Surplus		Total
	Share Premium	Retained Earnings	
As at 1 st April 2025	1,383.30	(922.12)	461.18
Profit for the year	—	117.08	117.08
Other Comprehensive Income/Loss.....	—	4.36	4.36
Total Comprehensive Income for the year.....	1,383.30	(800.68)	582.62
Shares issued.....	—	—	—
As at 31st March 2026	1,383.30	(800.68)	582.62
As at 1 st April 2024	1,383.30	(1,341.72)	41.58
Profit for the year	—	412.03	412.03
Other Comprehensive Income/Loss.....	—	7.57	7.57
Total Comprehensive Income for the year.....	1,383.30	(922.12)	461.18
Shares issued.....	—	—	—
As at 31st March 2025	1,383.30	(922.12)	461.18

Remeasurement loss (net) on defined benefit plans Rs. 4.36 lakhs (2025: Loss of Rs. 7.57 lakhs) has been recognised during the year as a part of retained earnings

C. Description of the nature and purpose of Other Equity

- 1. Share Premium:** Share premium reserve is used to record the premium on issue of shares.
- 2. Retained Earnings:** Retained Earnings comprises of accumulated balance of profit/(losses) of current and prior years. The reserve can be utilized or distributed by the Company in accordance with the provisions of the Companies Act, 2013.

See the accompanying notes forming part of financial statements

For Nayak & Rane
Chartered Accountants
Firm Registration No. 117249W

For and on behalf of the Board of Directors

Suraj P Nayak
Partner
Membership No. 049645

Pushkar Limaye
Director
DIN 07270209

Anusha Kothandaraman
Director
DIN 8679344

Place: Mumbai
Date : 13th April, 2026

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

MATERIAL ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH 2026

1 OVERVIEW

1.1 Company overview

CARNOT Technologies Private Limited was incorporated in India as private limited company under the Companies Act, 2013 on 24th August, 2015. The company is engaged in the business of the following:

- I. Service Sector- Technology enabled applications in different fields including automobiles products both in India & Overseas.
- II. Trading Sector- Retail in information technology products and applications

1.2 Basis of Preparation of financial statement

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

The financial statements up to and for the year ended March 31, 2017 were prepared in accordance with accounting standards notified under Companies (Accounting Standards) Rules, 2006, as amended and the relevant provisions of the Act (Previous GAAP).

These are the first Ind AS financial statements of the Company prepared in accordance with Ind AS. Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied for the purpose of transition to Ind AS from previous GAAP.

These financial statements have been prepared on a historical cost and accrual basis.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current non-current classification of assets and liabilities.

1.3 Use of Estimates

The preparation of the financial statements in conformity with IndAS requires the management to make estimates, judgments and assumptions. The estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the financial statements have been disclosed in Note no.1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.4 Material accounting policies

a. Property plant and equipment (including Capital Work-in-Progress)

All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost are stated at cost of acquisition inclusive of all attributable cost of bringing the assets to their working condition, accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure related to an item of property plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

The Company provides depreciation on all assets on written down value basis over its useful life of asset which is in line with Schedule II of Companies Act, 2013.

Gains or losses arising from the retirement or disposal of property plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the property plant and equipment and recognised as income or expense in the Statement of Profit and Loss.

Assets not yet ready for use are recognised as capital work in progress.

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

b. Intangible Assets

Intangible assets are accounted at actual cost incurred less accumulated amortisation and impairment, if any.

Intangible assets i.e. software are amortised on a straight line basis over their estimated useful life of approximately five years, so as to effectively depreciate the assets over the specified useful life.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

On transition to Ind AS, the company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets

c. Impairment of non-financial assets

The carrying amount of the non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal /external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss.

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

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there were no impairment.

d. Investments and financial assets

Classification

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

e. Inventories

The stock of raw materials and components, goods in process, finished goods and stores, spares, property under development etc. are stated at lower of cost or net realisable value (NRV).

In determining the cost of the raw materials and components FIFO method is used. Cost of goods in process and manufactured finished products includes the cost of materials, labour and other manufacturing overhead. Average cost method is used to determine cost of work in progress and finished goods.

Obsolete slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, provision is made for such inventories. (a) Traded goods, raw materials and packing materials: At cost or net realisable value, whichever is lower. (b) Process stock: At cost or estimated realisable value, whichever is lower. (c) Finished goods: At cost or net realisable value, whichever is lower and are inclusive of input tax credit thereon.

f. Revenue Recognition

Revenue is recognised based on fair value of consideration received or receivable and to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover, which represents invoiced value of goods sold is recognized net of goods and service tax, trade and volume discounts or rebates, etc. The following specific recognition criteria must also be met before revenue is recognised:

Supply contracts - Sale of products

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped. Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional. An amount of consideration can vary because of discounts, rebates, incentives etc. which are explicitly stated in the contract or are as per customary business practices.

Contract Balances**- Trade Receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional.

- Contract Liabilities

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

Interest Income

Interest Income is accounted on accrual basis.

Dividend Income

Dividend is recognized when the right to receive the payment is established.

g. Employee Benefits**i. Short term employee benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the services. These benefits include compensated absences such as paid annual leave, bonuses and performance incentives.

ii. Long term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation determined actuarially by using Projected Unit Credit Method at the Balance Sheet date.

iii. Post-employment benefit plan

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/ superannuation. Company's liability towards gratuity are determined by independent actuaries, using project unit credit method. Past services are recognised at the earlier of the plan amendment/curtailment and the recognition of related restructuring costs/termination benefits.

Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. Remeasurements are not reclassified to profit or loss in subsequent period.

The Company's contribution to the Provident Fund is remitted to provident fund authorities and are based on a fixed percentage of the eligible employee's salary and debited to Statement of Profit and Loss.

h. Leases**The Company as a lessee**

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and restoration cost, less any lease incentives received.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. When a lease liability is remeasured, the corresponding adjustment of the lease liability is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

i. Current and Deferred Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

j. Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/ translation of monetary assets and liabilities are recognised in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

k. Provisions and Contingent Liabilities

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

l. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss (excluding other comprehensive income) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding

during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, shares split and reserve share splits (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss (excluding other comprehensive income) for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

m. Cash flow statement

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

n. Critical estimates and judgements

The preparation of Financial Statements in conformity with Ind AS which requires management to make estimates, assumptions and exercise judgement in applying the accounting policies that affect the reported amount of assets, liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amounts of income and expenses during the year.

The Management believes that these estimates are prudent and reasonable and are based upon the Management's best knowledge of current events and actions. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results are known or materialised.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

2. Property Plant & Equipment

Figures in INR Lakhs

Particulars	Gross Block - At Cost					Depreciation/ Amortisation					Net block		
	As at	Additions	Adjustments	Deductions	As at	As at	For the year	Adjustments	Deductions	As at	As at	31 Mar 2025	
	1 April 2025				31 March 2026	1 April 2025				31 March 2026	31 March 2026		
Tangible assets													
Computers	64.26	7.78	—	0.20	71.84	57.78	6.86	—	—	64.64	7.20	6.48	
Furniture and fixtures..	33.46	—	—	—	33.46	28.57	1.26	—	—	29.83	3.63	4.89	
Office Equipments	12.23	0.29	—	—	12.52	10.11	0.86	—	—	10.96	1.56	2.13	
Plant & Machinery	0.08	0.09	—	—	0.17	0.05	0.01	—	—	0.07	0.10	0.02	
Electrical Equipments..	1.68	0.94	—	—	2.62	1.43	0.30	—	—	1.73	0.89	0.25	
Total	111.70	9.10	—	0.20	120.60	97.94	9.29	—	—	107.22	13.37	13.76	

3 Lease

This note provides information for leases where the Company is a lessee. The Company leases various office premises. Rental contracts are typically made for fixed period of 1 year to 5 years, but may have extension options as described in (b) below.

(a) Information about leases for which the Company is a lessee is presented below :

The following is the details of Right-of-use assets

Particulars	Category of ROU Asset	
	Leasehold Premises	Total
Balance as on March 31, 2024.....	—	—
Additions.....	8.82	8.82
Depreciation for the year	(1.76)	(1.76)
Balance as on March 31, 2025.....	7.06	7.06
Additions.....	43.72	—
Depreciation for the year	(28.91)	—
Balance as on March 31, 2026.....	21.86	7.06

The following is the movement in lease liabilities

	As at	As at
	March 31, 2026	March 31, 2025
Lease Liabilities		
Balance at the beginning	7.64	—
Additions.....	43.72	9.30
Accretion of interest.....	2.86	0.16
Payment of lease liabilities (including interest).....	(30.69)	(1.83)
Balance at the end of the year.....	23.53	7.64
Non-Current Lease Liabilities	—	—
Current Lease Liabilities.....	23.53	7.64

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount recognised in Statement of Standalone Profit and Loss

The statement of standalone profit and loss shows the following amounts relating to leases:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expenses (included in Finance cost).....	2.90	1.77
Depreciation charge of right-of-use assets	28.91	7.06
(Gain) on re-assessment of Lease Liability.....	—	—
Short-term leases (included in other expenses).....	—	—
Total Amount recognised in Statement of Profit and Loss.....	31.81	8.82

Total Cash Outflow for leases (excluding short term lease as mentioned above) are as under :

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Total Cash Outflow for leases	(30.69)	(14.69)

4 Deferred tax Assets (Net)

Particulars	Figures in INR Lakhs	
	31st March, 2026	31st March, 2025
Deferred tax asset arising on account of (A)		
Opening DTA	35.00	32.70
Timing difference between book depreciation and depreciation as per Income Tax Act, 1961.....	10.24	3.50
Employees benefit expenses.....	(5.75)	(1.20)
	39.49	35.00
Deferred tax liability arising on account of (B)		
Others.....	—	—
Total	39.49	35.00

Movements in deferred tax assets/(liabilities)

Particulars	Property, Plant & Equipment	Provision for Employee Benefit	Total
At 31st March 2025	23.73	11.27	35.00
(Charged)/Credited			—
-to profit and loss.....	10.24	(4.12)	6.11
-to other comprehensive income.....	—	(1.62)	(1.62)
At 31st March 2026	33.96	5.52	39.49

5 Other non-current financial assets

Particulars	Figures in INR Lakhs	
	31st March 2026	31st March 2025
Deposit with maturity more than 12 months from reporting date	0.20	0.20
Total	0.20	0.20

6 Other non-current assets

Particulars	Figures in INR Lakhs	
	31st March 2026	31st March 2025
(a) Advances other than Capital advances		
Other advances - Deferred notional rent expense	—	—
Total	—	—

7 Inventories

Particulars	Figures in INR Lakhs	
	31st March 2026	31st March 2025
Stock in Trade.....	21.29	22.34
Stock in Transit.....	4.51	—
Total	25.80	22.34

8 Investments

Particulars	Figures in INR Lakhs	
	31st March 2026	31st March 2025
Investment in Equity Funds (At Market Value)	215.72	—
Total	215.72	—

9 Trade receivable

Figures in INR Lakhs

As at 31st March, 2026							
Particulars		Outstanding for following period from due date of payment					Total
		Less Than 6M	6M - 1 Yrs	1-2 Yrs	2-3 Yrs	More than 3 Yrs	
(i)	Undisputed Trade Receivables						
	Considered Good	185.28	3.67	8.57		0.05	197.57
	Considered Doubtful	—	—	—	—	—	—
(ii)	Disputed Trade Receivables						
	Considered Good	—	—	—	—	—	—
	Considered Doubtful	—	—	—	—	—	—
Total		185.28	3.67	8.57	—	0.05	197.57

As at 31st March, 2025						
Outstanding for following period from due date of payment						
Particulars	Less Than 6M	6M - 1 Yrs	1-2 Yrs	2-3 Yrs	More than 3 Yrs	Total
(i) Undisputed Trade Receivables						
Considered Good	378.46	15.61	8.71	0.14	1.81	404.73
Considered Doubtful	—	—	—	—	—	—
(ii) Disputed Trade Receivables						
Considered Good	—	—	—	—	—	—
Considered Doubtful	—	—	—	—	—	—
Total	378.46	15.61	8.71	0.14	1.81	404.73

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

10 Cash and cash equivalents	Figures in INR Lakhs		Particulars	Number of equity shares	Amount in INR Lakhs
	31st March 2026	31st March 2025	Increase/(decrease) during the period.....	—	—
Balances with banks in:			As at 31st March 2026	60,000	6.00
— Current accounts	30.93	38.53	Preference Shares of INR 100 each		
Cash in hand	—	—	As at 01 April 2025	16,300	16.30
Total	30.93	38.53	Increase/(decrease) during the period.....	—	—
			As at 31st March 2026	16,300	16.30
11 Other bank balances	Figures in INR Lakhs		Particulars	Number of equity shares	Amount in INR Lakhs
	31st March 2026	31st March 2025	Equity shares of INR 10 each		
Fixed Deposit with Bank	310.00	260.03	As at 01 April 2024	60,000	6.00
Total	310.00	260.03	Increase/(decrease) during the year.....	—	—
			As at 31st March 2025	60,000	6.00
12 Other current financial assets	Figures in INR Lakhs		Preference Shares of INR 100 each		
	31st March 2026	31st March 2025	As at 01 April 2024	16,300	16.30
Loans & Advances to Employees	0.26	1.60	Increase/(decrease) during the year.....	—	—
Security Deposit	12.42	3.34	As at 31st March 2025	16,300	16.30
Interest receivable	8.26	—			
Total	20.95	4.95	Issued, Subscribed and fully paid up		
				Number of equity shares	Amount in INR Lakhs
13 Current Tax Assets	Figures in INR Lakhs		Particulars		
	31st March 2026	31st March 2025	Equity shares of INR 10 each		
TDS Receivable.....	129.00	127.30	As at 01 April 2025	20,010	2.00
TCS Receivable.....	—	—	Increase/(decrease) during the period.....	—	—
MAT Receivable	110.31	40.70	As at 31st March 2026	20,010	2.00
Total	239.30	168.00	Preference Shares of INR 100 each		
			As at 01 April 2025	15,054	15.05
14 Other current assets	Figures in INR Lakhs		Increase/(decrease) during the period.....	—	—
	31st March 2026	31st March 2025	As at 31st March 2026	15,054	15.05
Advances other than capital advances-			Issued, Subscribed and fully paid up		
a) other advances.....	21.56	4.35		Number of equity shares	Amount in INR Lakhs
Others			Particulars		
Balances with revenue authorities*	7.02	3.42	Equity shares of INR 10 each		
Prepaid expenses.....	15.15	8.52	As at 01 April 2024	20,010	2.00
Total	43.73	16.29	Increase/(decrease) during the period.....	—	—
			As at 31st March 2025	20,010	2.00
15 Equity share capital			Preference Shares of INR 100 each		
Authorised	Number of equity shares	Amount in INR Lakhs	As at 01 April 2024	15,054	15.05
Particulars			Increase/(decrease) during the period.....	—	—
Equity shares of INR 10 each			As at 31st March 2025	15,054	15.05
As at 01 April 2025	60,000	6.00			

- a) Reconciliation of Equity & Preference shares outstanding at the beginning and at the end of the reporting period

Particulars	Number of equity shares	Amount in INR Lakhs
Equity shares of INR 10 each		
As at 01 April 2025	20,010	2.00
Increase/(decrease) during the period.....	—	—
As at 31st March 2026	20,010	2.00
Preference Shares of INR 100 each		
As at 01 April 2025	15,054	15.05
Increase/(decrease) during the period.....	—	—
As at 31st March 2026	15,054	15.05

Particulars	Number of equity shares	Amount in INR Lakhs
Equity shares of INR 10 each		
As at 01 April 2024	20,010	2.00
Increase/(decrease) during the year.....	—	—
As at 31st March 2025	20,010	2.00

Particulars	Number of Preference shares	Amount in INR Lakhs
Preference Shares of INR 100 each		
As at 01 April 2024	15,054	15.05
Increase/(decrease) during the year.....	—	—
As at 31st March 2025	15,054	15.05

b). Terms/rights attached to equity shares / Preference Shares

- 1) The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend.

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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

- 2) 4,480 Compulsary Convertible Participating Preference shares having par value of Rs 100/- each issued at a premium of Rs. 6,581.51/- each in FY 2016-2017 & 6,663 Compulsary Convertible Participating Preference shares having par value of Rs 100/- each issued at a premium of Rs. 8131.81/- each during the financial year 2017-2018.

Each Seed CCCPS may be converted into Equity Shares at any time at the option of the holder of that Seed CCCPS. Subject to compliance with applicable Laws, each Seed CCCPS shall automatically be converted into Equity Shares upon the earlier of (i) one day prior to the expiry of 20 years from the First Closing Date; or (ii) in connection with a IPO (or any subsequent IPO), prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under applicable Laws.

- 3) 2,298 Compulsary Convertible Participating Preference shares having par value of Rs 100/- each issued at a premium of Rs. 12,954.42/- IN FY 2020-21.

Each Seed CCCPS may be converted into Equity Shares at any time at the option of the holder of that Seed CCCPS. Subject to compliance with applicable Laws, each Seed CCCPS shall

automatically be converted into Equity Shares upon the earlier of (i) one day prior to the expiry of 20 years from the First Closing Date; or (ii) in connection with a IPO (or any subsequent IPO), prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under applicable Laws.

- 4) 1613 Compulsary Convertible Participating Preference shares having par value of Rs 100/- each issued at a premium of Rs. 15,391.65/- IN FY 2021-22.

Each Seed CCCPS may be converted into Equity Shares at any time at the option of the holder of that Seed CCCPS. Subject to compliance with applicable Laws, each Seed CCCPS shall automatically be converted into Equity Shares upon the earlier of (i) one day prior to the expiry of 20 years from the First Closing Date; or (ii) in connection with a IPO (or any subsequent IPO), prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under applicable Laws.

c). Shareholders holding more than 5% of the shares in the Company

Particulars	2025-26	2024-25
Equity shares of Rs 10 each, fully paid up		
Rohan Vadgaonkar		
Number	2,260	2,260
% Holding	11.29	11.29
Prathamesh Joshi		
Number	2,313	1,233
% Holding	11.56	6.16
Pushkar Limaye		
Number	3,928	2,115
% Holding	19.63	10.57
Urmil Shah		
Number	—	3,858
% Holding	—	19.28
Mahindra & Mahindra Ltd		
Number	10,544	10,544
% Holding	52.69	52.69

16 Other Equity

Figures in INR Lakhs

Particulars	31st March 2026	31st March 2025
Retained Earnings		
As per last Balance Sheet	(922.12)	(1,341.72)
Increase/(decrease) during the period/year....	117.08	412.03
Other Comprehensive income/loss	4.36	7.57
	(800.68)	(922.12)
Share Premium		
As per last Balance Sheet	1,383.30	1,383.30
Increase/(decrease) during the period/year....	—	—
	1,383.30	1,383.30
Total	582.62	461.18

17 Provisions

Figures in INR Lakhs

Particulars	31st March 2026	31st March 2025
a) Provisions for Employee Benefits- Gratuity	56.89	48.01
b) Other provision	—	—
Total	56.89	48.01

18 Other Non - Current liabilities

Particulars	31st March 2026	31st March 2025
a) Contract Liability	63.27	41.58
Total	63.27	41.58

19 Trade Payables

Figures in INR Lakhs

Particulars	As at 31st March, 2026					Total
	Outstanding for following period from due date of payment					
	Less Than 1 Yr	1-2 Yrs	2-3 Yrs	More than 3 Yrs		
MSME.....	22.11	—	—	—	22.11	
Others.....	34.33	—	—	—	34.33	
Disputed Dues - MSME.....	—	—	—	—	—	
Disputed Dues - Others.....	—	—	—	—	—	
Total	56.44	—	—	—	56.44	

Particulars	As at 31st March, 2025				
	Outstanding for following period from due date of payment				Total
	Less Than 1 Yr	1-2 Yrs	2-3 Yrs	More than 3 Yrs	
MSME.....	—	—	—	—	—
Others.....	35.24	0.37	1.76	0.15	37.52
Disputed Dues - MSME.....	—	—	—	—	—
Disputed Dues - Others.....	—	—	—	—	—
Total	35.24	0.37	1.76	0.15	37.52

20 Other Current Financial Liabilities

Figures in INR Lakhs

Particulars	31st March 2026	31st March 2025
a) Security Deposits	—	2.50
b) Salary Payable	—	10.48
c) Other Liabilities*	53.06	50.76
Total	53.06	63.74

*Other liabilities include expenses payable, reimbursement to employees and contractors payable

21 Current Provisions

Figures in INR Lakhs

Particulars	31st March 2026	31st March 2025
Provision for employee benefits - Gratuity..	8.56	4.53
Total	8.56	4.53

22 Other Current Liabilities

Figures in INR Lakhs

Particulars	31st March 2026	31st March 2025
a) Contract Liability.....	239.74	185.17
b) Other Advances.....	10.90	18.24
c) Statutory dues payable		
- GST & VAT Payable	31.71	71
- TCS Payable	—	—
- TDS Payable	11.23	12.02
- PF Payable.....	3.79	2.80
- Profession Tax Payable.....	—	0.14
- ESIC payable	0.12	0.14
Total	297.50	289.64

23 Revenue from Operations

Figures in INR Lakhs

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
From contract with customers for goods and services		
Sale of products.....	356.40	776.44
Sale of Services.....	1,623.89	1,531.11
Total	1,980.29	2,307.55

Reconciliation between contract price and revenue from contracts with customer

Contract Price.....	1,980.29	2,307.55
Less: Discounts	—	—
Revenue from contracts with customers	1,980.29	2,307.55

24 Other Income

Figures in INR Lakhs

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Interest income from financial assets		
— on bank deposits.....	14.99	1.45
— on security deposits	0.93	1.22
— on others	2.96	—
Foreign Exchange Gain.....	—	2.18
Sundry Balance Written Back.....	1.06	—
Income from Mutual funds.....	5.72	—
Other Receipts.....	21.16	16.35
Total	46.83	21.20

25 Consumption of Direct Material

Figures in INR Lakhs

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Raw Material & Direct Expense.....	217.34	309.62
Total	217.34	309.62

26 Changes in Inventories

Figures in INR Lakhs

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Opening Inventory	22.34	14.27
Less: Closing Inventory	25.80	22.34
Net (increase)/ decrease in inventories..	(3.47)	(8.07)

27 Employee Benefit Expenses

Figures in INR Lakhs

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Salaries, wages and bonus	912.50	831.08
Director's Remuneration	99.92	97.22
Less: Capitalised under Capital WIP	—	—
	<u>1,012.41</u>	<u>928.30</u>
Salary to Interns	—	—
Staff welfare expense	15.21	15.47
Gratuity (Refer Note 32)	19.15	5.29
Employer Contribution-PF, ESIC	23.02	19.93
Total	<u>1,069.79</u>	<u>968.99</u>

28 Finance Cost

Figures in INR Lakhs

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Finance Charges	0.02	—
Lease Interest	3.81	1.77
Total	<u>3.82</u>	<u>1.77</u>

29 Other Expenses

Figures in INR Lakhs

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Audit Fees (Refer Note 32)	4.10	4.35
Professional Fees	18.36	57.99
Sales and after sales support services	—	(3.00)
M to M Subscription Charges	234.01	183.50
Platform Hosting Charges	167.55	230.18
Software Subscription Charges	93.10	59.58
Marketing Expenses	13.60	4.82
Travelling and conveyance	17.92	11.73
Call centre Support services	—	0.54
Hire charges	—	(0.21)
Rent Expenses	0.10	12.28
Recruitment Expenses	7.00	2.84
Telephone & Internet expenses	3.10	6.64
Bad Debts	(4.32)	—
Legal, Design and Consultancy	0.51	1.41
Store Set-up Expenses	—	—
Electricity expenses	5.20	2.06
General Office Expenses	22.62	3.54
Repairs and maintenance	2.48	2.46
Printing & Stationery	2.34	1.66
Courier Charges	0.28	0.28
Interest & Late fees	0.10	9.64

Particulars

Rates and Taxes	0.07	2.76
Bank Charges	0.46	0.36
Foreign Exchange Loss	1.73	—
Prior period expenses	—	18.15
Miscellaneous expenses	0.16	6.09
Total	<u>590.47</u>	<u>619.62</u>

30 Earnings per Share

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
i) Net profit after tax as per statement of profit and loss attributable to equity shareholders	117.08	412.03
ii) Weighted average number of equity shares used as denominator for calculating basic ESPS	20,010	20,010
iii) Weighted average potential equity shares on account of compulsory convertible Preference Shares	13,507	13,507
iv) Total weighted average number of equity shares used as denominator for calculating diluted EPS	33,517	33,517
v) Net profit after tax for diluted EPS	117.08	412.03
vi) Basic earnings per share (Rs.)	585.08	2,059.11
vii) Diluted earnings per share (Rs.)	349.30	1,229.31
viii) Face value per equity share (Rs.)	10	10

31 Foreign Exchange Expenditure

Figures in INR Lakhs

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Software expenses	5.67	26.54
Platform Hosting Charges	28.24	8.73
Hardware purchased	—	—
Marketing Expenses	1.31	1.51
M2M subscription	15.30	15.31
	<u>50.51</u>	<u>52.09</u>

32 Related Party Disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

(A) List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Name of the Related Party	Nature of Relationship
1 Mahindra & Mahindra Ltd	Holding Company
2 Key Managerial Person	
Rohan Vadgaonkar	Director
Pushkar Limaye	Director
Prathamesh Joshi	KMP

	Name of the Related Party	Nature of Relationship
3	Close member of KMP and entities controlled/jointly controlled by Holding Company	
	Juhi Kulkarni	Relative of Director
	Mahindra and Mahindra Financial Services Limited	Subsidiary of Holding Company
	Mahindra Integrated Business Solutions Private Limited	Subsidiary of Holding Company
	Mahindra & Mahindra South Africa (proprietary) Limited	Subsidiary of Holding Company
	Mahindra Summit Agriscience Limited	Subsidiary of Holding Company

(B) Details of related party transactions during the period ended 31 March, 2026 and 31 March, 2025

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Remuneration to Directors		
Pushkar Limaye.....	99.92	97.22
Key Managerial Personnel		
Juhi Kulkarni (Relative of Director).....	68.57	58.30
Prathamesh Joshi.....	62.75	52.58
Transactions during the period		
Sales / service		
Mahindra & Mahindra Ltd (Holding Company)- Sales of Goods and service.....	1,418.99	1,918.47
Mahindra Integrated Business Solutions Private Limited (Fellow Subsidiary)- Service availed	9.75	18.75
Mahindra Summit Agri science Limited (Fellow Subsidiary) Sales of Goods and service.....	—	0.15
Mahindra & Mahindra South Africa (proprietary) Limited.....	12.49	1.46
Total	1,672.47	2,146.93

33 Auditors' Remuneration

Figures in INR Lakhs

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Audit fees.....	4.10	4.10
Tax audit	—	0.25
Total	4.10	4.35

34 Details of Post Employment Benefit Plans

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity on retirement/termination is payable to the employees on his last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

Details of defined benefit plans as per actuarial valuation is given below:

Figures in INR Lakhs

Particulars	31st March 2026	31st March 2025
Gratuity:		
i. Amount recognized in profit and loss		
Current Service Cost.....	10.68	12.20
Past Service Cost.....	4.98	—
loss/(gain) on curtailments and settlement.....	—	—
Net interest cost	3.49	3.33
Total included in 'Employee Benefit Expenses/(Income)'	19.15	15.53
ii. Amount recognized in other comprehensive income		
Remeasurement (gains)/losses:		
a) Actuarial (gains)/losses arising from changes in -		
— financial assumption.....	(2.19)	1.16
— demographic assumptions	(4.06)	(11.39)
— experience adjustments	—	—
b) Return on plan assets, excluding amount included in net interest expense/ (income)	—	—
Amounts recognized in Other Comprehensive (Income)/Expense	(6.25)	(10.23)
iii. Changes in defined benefit plans		
Opening Defined Benefit Obligation..	52.54	47.94
Transfer in/(out) obligation	—	—
Current service cost	10.68	12.20
Interest cost.....	3.49	3.33
Actuarial (gains)/losses arising from changes in -		
— financial assumption.....	(2.19)	1.16
— demographic assumptions	(4.06)	(11.39)
— experience adjustments	4.98	—
Past Service Cost.....	—	—
Loss/(gain) on curtailments	—	(0.69)
Benefits paid	65.45	52.54
Closing Defined Benefit Obligation	65.45	52.54
iv. Changes in plan assets during the year		
Opening value of plan assets	—	—
Transfer in/(out) plan assets.....	—	—
Expenses deducted from assets	—	—
Interest Income	—	—
Return on plan assets excluding amounts included in interest income.....	—	—
Contribution by Employer	—	—
Contribution by Employee	—	—
Benefits Paid	—	—
Closing fair value of plan assets ...	—	—
v. Net defined benefit obligation		
Present Value of Plan Liabilities*	65.45	52.54
Fair Value of Plan Assets	—	—
Deficit / (Surplus) of funded plans	65.45	52.54
Classification:		
Current Liability	8.56	4.53
Non Current Liability.....	56.89	48.01
Total	65.45	52.54

Actuarial Assumptions and Sensitivity

Particulars	Figures in INR Lakhs	
	31st March 2026	31st March 2025
Discount Rate	7.35% p.a	6.95% p.a
Salary Growth Rate	7.00% p.a	7.00% p.a
Withdrawal Rates	Age 25 & Below : 10 % p.a	Age 25 & Below : 10 % p.a
	25 to 35 : 8 % p.a.	25 to 35 : 8 % p.a.
	35 to 45 : 6 % p.a.	35 to 45 : 6 % p.a.
	45 to 55 : 4 % p.a.	45 to 55 : 4 % p.a.
	55 & above : 2 % p.a.	55 & above : 2 % p.a.

Figures in INR Lakhs**Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:**

	31st March 2026	31st March 2025
Increase by 0.5% in Discount Rate	62.87	50.28
Decrease by 0.5% in Discount Rate	68.25	55.01
Increase by 0.5% in Salary Growth Rate	66.44	53.47
Decrease by 0.5% in Salary Growth Rate	64.40	51.75
Increase by 10% in Withdrawal Rates	67.48	54.00
Decrease by 10% in Withdrawal Rates	63.22	50.92

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any

Effect of the plan on the entity's future cash flows

The Company do not have any funding arrangement. They settle the Gratuity on Pay-N-Go basis.

The Gratuity Benefits Scheme is managed on unfunded basis so Expected Contribution is shown as Nil.

35 Capital Management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or preference and/or convertible and/or combination of short term/long term debt as may be appropriate.

The Company determines the amount of capital required on the basis of its product, capital expenditure, operations and strategic investment plans. The same is funded through a combination of capital sources be it either equity and/or preference and/or convertible and/or combination of short term/long term debt as may be appropriate. No change were made in the objective, policies or process during the financial year ended 31st March 2026 and 31st March 2025.

The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio of the Company. The company does not have gearing as it does not have any borrowings for the reporting period.

Net Debt and Equity is given in the table below :

Particular	Figures in INR Lakhs	
	31st March 2026	31st March 2025
Loans and borrowings	—	—
Less : cash and bank balances	340.93	298.56
Net Debts.....	—	—
Total Equity (Equity Share Capital plus Other Equity)	599.67	478.23
Capital gearing ratio	—	—

36 Financial Risk Management

Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors of the Company oversees the management of these risks. The focus of Risk Management is to assess risks, monitor, evaluate and deploy mitigation measures to manage these risks within risk appetite.

36.1 Market Risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial Instrument affected by market risk includes loans and borrowings, deposits and derivative financial instruments.

i) Foreign Currency Risk

The Company is not exposed to foreign exchange risk through its sales and services or purchases from overseas suppliers in any foreign currency.

ii) 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. Company's fixed rate long term borrowings carry fixed interest rate throughout the tenor of the borrowings. Hence the company is not exposed to interest rate risk.

36.2 Credit Risk

Credit risk refers to the risk of default of obligations by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information such as :

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increases in credit risk on other financial instruments of the same borrower
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

36.3 Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies operating cash flows and short term borrowings in the form of buyers credit to meet its needs for funds. The Company has access to a sufficient variety of sources of funding as per requirement. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The table below provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

A For the year ended 31st March 2026

Particular	Figures in INR Lakhs		
	Less than 1 Year	More than 1 Year	Carrying Value
Borrowings (including current maturities)	—	—	—
Other Financial Liabilities	53.06	—	53.06
Trade Payables	56.44	—	56.44

B For the year ended on 31st March 2025

Figures in INR Lakhs

Particular	Less than 1 Year	More than 1 Year	Carrying Value
Borrowings (including current maturities)	—	—	—
Other Financial Liabilities	63.74	—	63.74
Trade Payables	35.24	2.28	37.52

36.4 Offsetting of balances: The Company has not offset financial assets and financial liabilities**37 Financial Instruments****A) The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below:**

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

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs based on unobservable market data.

Particulars	As at 31st March 2026				As at 31st March 2025			
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At Amotised Cost								
Investments	215.72	—	—	215.72	—	—	—	—
Trade Receivables	197.57	—	—	197.57	404.73	—	—	404.73
Cash & Cash Equivalents	30.93	—	—	30.93	38.53	—	—	38.53
Other Bank Balance	310.00	—	—	310.00	260.03	—	—	260.03
Other Financial Assets	21.15	—	—	21.15	5.15	—	—	5.15
Total	775.37	—	—	775.37	708.43	—	—	708.43
Financial Liability								
At Amotised Cost								
Borrowings	—	—	—	—	—	—	—	—
Lease liabilities	23.53	—	—	23.53	7.64	—	—	7.64
Trade Payables	56.44	—	—	56.44	37.52	—	—	37.52
Other Financial Liabilities	53.06	—	—	53.06	63.74	—	—	63.74
Total	133.02	—	—	133.02	108.89	—	—	108.89

B. Measurement of fair value

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

1. Fair value of trade receivable, cash and cash equivalents, other bank balances, trade payables, deposits and other financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
2. The fair values of fixed deposit is approximate at its carrying amount due to interest bearing feature of the instrument.
3. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

39 Ratio

Ratio	Numerator	Denominator	2025-26 Ratio	2024-25 Ratio	% Variance	Reason for Variance
(a) Current Ratio	Current Assets	Current Liabilities	2.47	2.27	9%	Variation due to increase in mutual fund investment and bank balances and decrease in current liabilities in current year as compare to previous year
(b) Debt–Equity Ratio	Debt (Total Borrowings)	Total Equity	—	—	NA	NA

38 Segment Information

The Company operates in 2 operating segment i.e. Product and Services. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue is accounted for based on the transaction price agreed between segments which is primarily market based. Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment.

	31st March 2026	31st March 2025
Revenue from Sale of Product	356	776
Revenue from Sale of Services	1,624	1,531
Total	1,980	2,308

Ratio	Numerator	Denominator	2025-26 Ratio	2024-25 Ratio	% Variance	Reason for Variance
(c) Debt Service Coverage Ratio	Profit for the period/year + Finance cost + Depreciation	Interest on Borrowings	—	—	NA	NA
(d) Return on Equity Ratio	Profit for the period/year	Average Total Equity	0.22	1.53	-86%	Due to decrease in product sales in current year and respective margins decreased.
(e) Inventory turnover ratio	Revenue from operations	Average Inventory	82.27	126.08	-35%	Decrease in inventory turnover ratio, due to decrease in inventory in this year and also decrease in sales
(f) Trade Receivables turnover ratio	Revenue from operations	Average Trade Receivable	6.58	10.53	-38%	Increase in trade receivable ratio, due to increase in trade receivable from last year
(g) Trade payables turnover ratio	Total purchases	Average Trade Payable	4.63	9.82	-53%	Due to decrease in average trade payables in current year
(h) Net capital turnover ratio	Revenue from operations	Average Working Capital = Current Assets - Current Liabilities	3.07	4.51	-32%	Due to decrease in trade receivable in current assets
(i) Net profit ratio	Profit for the period/year	Revenue from operations	0.06	0.18	-67%	Profit reduced due to decrease in Product sales during the year
(j) Return on Capital employed	Profit Before Tax + Finance cost	Equity + Debt (Borrowings) - Cash and Cash Equivalents	42.88%	232.08%	-82%	Due to reduction of profit compared to last year
(k) Return on investment	Profit Before Tax + Finance cost	Total assets	9.57%	42.95%	-78%	Due to decrease in product sales in current year

40 Previous year's figures are regrouped or rearranged wherever necessary to make them comparable with current year's presentation.

41 Other Statutory Information

DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) 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:
 - i. 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
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (e) 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,
- (f) 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

The accompanying notes 1 to 41 are an integral part of the financial statements

For Nayak & Rane
Chartered Accountants
Firm Registration No. 117249W

For and on behalf of the Board of Directors

Suraj P Nayak
Partner
Membership No. 049645

Pushkar Limaye
Director
DIN 07270209

Anusha Kothandaraman
Director
DIN 8679344

Place: Mumbai
Date : 13th April, 2026

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF M.I.T.R.A. AGRO EQUIPMENTS PRIVATE LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Financial Statements of M.I.T.R.A. Agro Equipments Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026 the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("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, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures but does not include the Financial Statements and our Auditors' 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 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.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an 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 the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents 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.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (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 controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 8. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
 - (g) The Company has not paid/provided any remuneration to managerial personnel as defined in the Act. Accordingly, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable to the Company.
 - (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which will impact its financial positions;

- (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, 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-clauses (a) and (b) contain any material misstatement; and
- (v) The Company has not declared/paid/declared and any dividend during the year.
- (vi) Based on our examination which included test checks, the Company has used an 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Chaitanya Vinay Joshi
Partner
Membership No. 131403
UDIN: 26131403RXTZQS1910

Place : Mumbai
Date : April 14, 2026

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on other legal and Regulatory Requirements' section of our report of even date]

- I. (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme for physical verification of its property, plant and equipment, under which such assets are verified by the management in a phased manner designed to cover all items once in every three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. In accordance with the aforesaid programme, the Company has carried out physical verification of its property, plant and equipment during the current financial year 2025-26.
- (c) According to the information and explanations given to us and based on the examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) According to the information and explanations given to us, the inventory comprising of raw materials, work-in-progress, finished goods, stores and spares and stock-in-trade has been physically verified at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records.
- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.
3. According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.
4. According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.
5. According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.
6. The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.
7. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.
- According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of undisputed statutory dues in respect of Goods and Services Tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year 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 on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods

and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at March 31, 2026, which have not been deposited with the appropriate authorities on account of any dispute.

8. According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
9. (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any loans or other borrowings during the year. Accordingly, the reporting under Clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.
- (c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on a short-term basis during the year. Accordingly, the reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiaries, joint ventures or associates. Accordingly, the reporting under Clauses 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the Company.
10. (a) According to the information and explanations given to us, the Company has not raised any moneys 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) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.
11. (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) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xiXb) of the order is not applicable to the Company.
- (c) As represented to us by the management, no whistleblower complaints were received by the Company during the year.
12. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the reporting under Clause 3(xiii) of the Order is not applicable to the Company.
14. In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Act.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the order is not applicable to the Company.
16. (a) According to the information and explanations given to us, 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) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us, 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 Clauses 3(xvi)(c) of the Order is not applicable to the Company.

- (d) Based on the information and explanation given to us and the audit procedures performed by us, we report that the group has five core investment companies.
17. In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.
18. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance

as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

20. According to the information and explanations given to us, the provisions of Section 135 of the Act relating to expenditure on corporate social responsibility are not applicable to the Company for the current financial year. Accordingly, the reporting under Clauses 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

For **B. K. Khare & Co.**

Chartered Accountants

Firm Registration No. 105102W

Chaitanya Vinay Joshi

Partner

Membership No. 131403

UDIN: 26131403RXTZQS1910

Place : Mumbai

Date : April 14, 2026

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of M.I.T.R.A. Agro Equipments Private Limited ("the Company") as of March 31 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to financial statements 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 **B. K. Khare & Co.**
Chartered Accountants
Firm Registration No. 105102W

Chaitanya Vinay Joshi
Partner
Membership No. 131403
UDIN: 26131403RXTZQS1910

Place : Mumbai
Date: April 14, 2026

BALANCE SHEET AS AT 31ST MARCH, 2026

Rs. In thousands			
	Note	As at 31st March 2026	As at 31st March 2025
I ASSETS			
NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2	57,733	67,645
(b) Capital Work-in-Progress	3	42	1,861
(c) Other Intangible Assets	3	22,241	31,279
(d) Intangible Assets Under Development	3	4,407	2,782
(e) Income Tax Assets	4	50,688	10,187
(f) Deferred Tax Assets (Net)	14	4,663	—
(g) Financial Assets			
Other Financial Assets	5	1,48,572	97,394
(h) Other Non Current Assets	4	737	1,322
		2,89,083	2,12,471
CURRENT ASSETS			
(a) Inventories	6	2,41,050	1,39,722
(b) Financial Assets			
(i) Trade Receivables	7	42,187	74,393
(ii) Cash and Cash Equivalents	8	25,668	25,099
(iii) Other Financial Assets	5	1,43,593	35,426
(c) Other Current Assets	4	80,212	34,468
		5,32,711	3,09,108
TOTAL ASSETS		8,21,794	5,21,579
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	9	2,631	2,631
(b) Other Equity		5,08,619	3,52,010
		5,11,250	3,54,641
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Lease Liabilities	14	1,324	9,070
(b) Provisions	12	15,200	9,840
(c) Deferred Tax Liabilities (Net)		—	2,216
		16,524	21,126
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Lease Liabilities	14	7,746	6,595
(ii) Trade Payables			
— Total outstanding dues of micro and small enterprises			
(for details refer note no - 33)	11	48,493	5,767
— Total outstanding dues of creditors other than micro and small enterprises			
(including acceptances)	11	52,774	82,146
(iii) Other Financial Liabilities	13	11,295	1,539
(b) Other Current Liabilities	14	1,23,195	35,953
(c) Provisions	12	50,515	13,812
		2,94,019	1,45,812
TOTAL EQUITY AND LIABILITIES		8,21,794	5,21,579
Summary of material accounting policies	1		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For B K Khare and Co.

Chartered Accountants

Firm Registration Number : 105102W

For and on behalf of the Board of Directors of

M.I.T.R.A. Agro Equipments Private Limited

Chaitanya Vinay Joshi

Partner

Membership Number: 131403

Ami Goda

Director

DIN: 09136149

Kothandaraman Anusha

Director

DIN: 08679344

Place : Mumbai

Date : 14th April, 2026

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

		Rs. In thousands	
Particulars	Note	As at 31st March 2026	As at 31st March 2025
INCOME			
Revenue from operations	15	11,00,252	6,34,665
Other income	16	14,430	7,377
Total Income		11,14,681	6,42,042
EXPENSES			
Cost of materials consumed	17	6,05,671	3,62,499
Changes in inventories of finished goods, stock-in-trade and work-in-progress	18	(11,241)	(4,721)
Employee benefits expense	19	1,93,801	1,38,129
Finance costs	20	1,736	1,166
Depreciation, amortisation & impairment expense	21	27,112	32,773
Other expenses	22	94,130	80,076
		9,11,208	6,09,922
Less : Cost of manufactured products capitalised			
Total expenses		9,11,208	6,09,922
Profit/(Loss) before exceptional items and tax		2,03,473	32,121
Exceptional Items [Refer note 26]		(719)	—
Profit/(Loss) before tax		2,04,192	32,121
Tax expense			
Current tax	23	52,199	7,048
Deferred tax	23	(6,880)	2,216
Income tax paid to previous year		1,523	1,423
Profit/(Loss) for the year		1,57,349	21,433
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial loss on defined benefit plans		(740)	(509)
Total other comprehensive income/ (loss)		(740)	(509)
Total comprehensive income/ (loss) for the year		1,56,609	20,925
Earnings per equity share : (Face Value Rs 10/- per share) (Rupees)			
Basic (Rs. In Amounts)		598.00	81.46
Diluted (Rs. In Amounts)		598.00	81.46
Summary of material Accounting Policies	1		

The accompanying notes form an integral part of the financial statements.

As per our attached report of even date

For B K Khare and Co.

Chartered Accountants

Firm Registration Number : 105102W

For and on behalf of the Board of Directors of

M.I.T.R.A. Agro Equipments Private Limited

Chaitanya Vinay Joshi

Partner

Membership Number: 131403

Ami Goda

Director

DIN: 09136149

Kothandaraman Anusha

Director

DIN: 08679344

Place : Mumbai

Date : 14th April, 2026

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2026

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
A CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/(Loss) before exceptional items and tax	2,03,473	32,121
Adjustments for :		
Depreciation and Amortisation expenses	27,112	32,773
(Gain)/Loss on foreign exchange fluctuations (Net)	1,221	28
Investment and Interest income	(14,187)	(4,341)
Other Income	(242)	(3,036)
Finance costs	1,736	1,166
Provision for Gratuity	3,871	2,700
Operating Profit before Working Capital changes	2,22,984	61,411
Changes in :		
Trade and other receivables	32,206	(2,414)
Inventories	(1,01,328)	(4,521)
Trade and other payables	818	50,969
Others Current Assets	(86,366)	(34,503)
Others Current liabilities	1,40,560	22,012
	(14,109)	31,543
Cash generated from operations	2,08,874	92,954
Income Taxes paid (Net of refunds)	47,798	8,680
NET CASH FROM OPERATING ACTIVITIES	1,61,076	84,274
B CASH FLOW FROM INVESTING ACTIVITIES :		
Payment to acquire property, plant and equipment and other intangible assets	(9,306)	(27,628)
Proceeds from sale of property, plant and equipment and other intangible assets	1,495	4,055
Proceeds from sale of investments	(1,58,639)	(83,077)
Gain/(loss) on sale of fixed asset	87	1,805
Interest/Dividend received	14,187	4,341
NET CASH USED IN INVESTING ACTIVITIES	(1,52,176)	(1,00,505)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Repayments of borrowings	—	—
Repayments of Lease Liability	(6,595)	2,354
Interest, Commitment and Finance Charges paid	(1,736)	(1,166)
NET CASH USED IN FINANCING ACTIVITIES	(8,331)	1,187
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	570	(15,044)
CASH AND CASH EQUIVALENTS:		
Cash and cash equivalents at the beginning of the year	25,099	40,142
Addition/(deletion) on account of transfer of business		
Unrealised Gain/(Loss) on foreign currency Cash and Cash Equivalents		
Cash and cash equivalents at the end of the year (refer note 8)	25,668	25,099

Note: The above Statement of Cash Flows has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows'.

As per our attached report of even date

For B K Khare and Co.

Chartered Accountants

Firm Registration Number : 105102W

For and on behalf of the Board of Directors of

M.I.T.R.A. Agro Equipments Private Limited

Chaitanya Vinay Joshi

Partner

Membership Number: 131403

Ami Goda

Director

DIN: 09136149

Kothandaraman Anusha

Director

DIN: 08679344

Place : Mumbai

Date : 14th April, 2026

STATEMENT OF CHANGES IN EQUITY (SOCE) FOR THE YEAR ENDED 31ST MARCH, 2026**A) Equity Share Capital
Current reporting period**

Rs. In thousands

Balance at the beginning of the current reporting period	Changes in equity share capital during the current year (Additions)	Balance at the end of the current reporting period	Restated balance at the beginning of the current reporting period
2,631	–	2,631	

Previous reporting period

Balance at the beginning of the previous reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period	Restated balance at the beginning of the current reporting period
2,631	–	2,631	

Current reporting period

Rs. In thousands

	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium	Employee Stock Options Outstanding	Retained Earnings		
Balance at the beginning of the current reporting period	3,44,958	0	6,352	700	3,52,010
Changes in accounting policy or prior period errors	–	–	–	–	–
Restated balance at the beginning of the current reporting period	–	–	–	–	–
Exercise of Employee stock option	–	–	–	–	–
Option granted during the period	–	–	–	–	–
Total Comprehensive Income for the current year	–	–	–	–	–
Dividends	–	–	–	–	–
Transfer to retained earnings	–	–	1,57,349	(740)	1,56,609
Any other change (to be specified)	–	–	–	–	–
Balance at the end of the current reporting period	3,44,958	0	1,63,701	(40)	5,08,619

Previous Reporting Period

Rs. In thousands

	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium	Employee Stock Options Outstanding	Retained Earnings		
Balance at the beginning of the current reporting period	3,44,958	0	(15,082)	1,209	3,31,085
Changes in accounting policy or prior period errors	–	–	–	–	–
Restated balance at the beginning of the current reporting period	–	–	–	–	–
Exercise of Employee stock option	–	–	–	–	–
Option granted during the period	–	–	–	–	–
Total Comprehensive Income for the current year	–	–	–	–	–
Dividends	–	–	–	–	–
Transfer to retained earnings	–	–	21,433	(509)	20,925
Any other change (to be specified)	–	–	–	–	–
Balance at the end of the current reporting period	3,44,958	0	6,352	700	3,52,010

Description of the nature and purpose of Other Equity

- i) **Securities Premium Account** : The Securities Premium is created on issue of shares at a premium.
- ii) **Employee Stock Options Outstanding** : The Employee Stock Options Outstanding represents reserve in respect of equity share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

For B K Khare and Co.
Chartered Accountants
Firm Registration Number : 105102W

For and on behalf of the Board of Directors of
M.I.T.R.A. Agro Equipments Private Limited

Chaitanya Vinay Joshi
Partner
Membership Number: 131403

Ami Goda
Director
DIN: 09136149

Kothandaraman Anusha
Director
DIN: 08679344

Place : Mumbai
Date : 14th April, 2026

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

1 Material accounting policies

The financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015.

(a) Basis of preparation, presentation and measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

(b) Measurement of fair values

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In addition, for the financial reporting purposes, 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 fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included with 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.

(c) Use of estimates & judgements

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates on assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, obligations relating to employee defined benefits etc. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known/ materialize.

(d) Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

(e) Property Plant & Equipment

Property Plant & Equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any for use.

Depreciation is provided on straight line basis for property, plant and equipments so as to expense the depreciable amount, i.e. the cost less estimated residual value, over its estimated useful lives. The estimated useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss.

The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013.

(f) Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Software Expenditure:

The expenditure incurred is amortized over five financial years equally commencing from the year in which the expenditure is incurred.

Internally-generated intangible assets – Development expenditure:

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(g) Derecognition of Intangible Assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

Impairment

The carrying amounts of assets are reviewed at each balance sheet date to determine whether there is any indication of impairment based on internal/external factors. Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

(h) Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw Material and bought out components are valued at the lower of cost and net realizable value after providing for obsolescence and

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

other losses, where considered necessary. In determining the cost of purchased materials, First-in-first-out is used.

Cost of manufactured finished goods and work-in-progress are valued on absorption costing basis and includes appropriate proportion of overheads.

Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

(i) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

(j) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as non-current investments.

(k) Financial Instruments

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

(l) Financial Assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Financial assets at Fair value through profit or loss are measured at fair value at the end of each reporting period, with any gains or losses arising on re measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in Other Income.

(m) Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(n) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for rebates and other similar allowances.

Sale of goods

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Sale of services are recognised on rendering of such services.

(o) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding.

(p) GST

Goods & Service Tax payable on finished goods is accounted for upon transfer of goods to the customers. GST recovered is excluded from the sale of products and services. Purchases and Expenses are accounted net of GST when GST is recoverable.

(q) Custom Duty

Custom duty payable on imported goods is accounted for when the goods enter the Indian shores.

(r) Foreign exchange transactions

Transactions in foreign currencies (Other than company's functional currency) are recorded at the exchange rates prevailing on the date of transaction. Monetary items are translated at the year-end rates. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of Monetary items at the end of the year, is recognized as income or expense, as the case maybe.

(s) Employee Benefits

Provident Fund, ESIC and Labour Welfare Fund

The Group's contribution paid / payable during the year to Superannuation Fund, ESIC and Labour Welfare Fund are recognised in profit or loss.

Other Benefits

The undiscounted amount of short-term employee benefit expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

Gratuity

Company's liability towards gratuity are determined by independent actuaries, using the projected unit credit method.

Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. Remeasurements are not reclassified to profit or loss in subsequent period.

Employee Stock Option

The Company accounts for compensation expense under the Employee Stock Option Plan as per the Indian Accounting Standards and as permitted by the Guidance Note on "Accounting for Employee Share-based Payments" issued by The Institute of Chartered Accountants of India. The difference between the fair value and the exercise price of option as at the date of the grant is treated as compensation expenses and charged over the vesting period.

(t) Taxes on Income

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Financial statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

(u) Warranty

Provision for warranty represents present value of management's best estimate of the future outflow of economic benefits that will be required in respect of sale of certain products, the estimated cost of which is accrued at the time of sale. Management estimates the related provision for future warranty claims based on historical warranty claim information and is adjusted regularly to reflect new information.

(v) Segment Reporting

The Company's business activity falls within a primary business segment namely manufacturing of different kinds of agricultural machines and related components.

(w) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties

surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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

Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

(x) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

(y) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at the date of authorisation of these financial statements, the Company has not applied the following new amendment to Ind AS that has been issued but is not yet effective:

Amendment to Ind AS 1 Presentation of Financial Statements

In case of any covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the lender subsequently (i.e. after the reporting date but before approval of the financial statements) agrees not to demand payment. The Company does not expect that the adoption of this amendment to have any impact on the financial statements of the Company in future periods.

2 Property, Plant and Equipment

Particulars	Rs. In thousands					
	Buildings	Plant and Equipment	Office Equipment	Computers	Furniture and Fixtures	Vehicles
(I) Cost						
Balance as at 31st March, 2024	320	42,157	3,048	8,149	5,794	6,757
Additions during the year 2024-25	—	15,202	—	—	—	—
Disposal during the year 2024-25	—	2,600	—	—	—	1,231
Balance as at 31st March, 2025	320	54,759	3,048	8,149	5,794	5,527
Additions during the year 2025-26	—	2,648	225	961	265	—
Disposal during the year 2025-26	—	1,398	—	—	186	—
Balance as at 31st March, 2026	320	56,008	3,273	9,110	5,872	5,527
(II) Accumulated Depreciation						
Balance as at 31st March, 2024	38	8,315	1,757	5,968	2,673	2,155
Depreciation for the year 2024-25	10	2,380	351	1,038	362	671
Depreciation on Deletion 2024-25	—	218	—	—	—	790
Balance as at 31st March, 2025	48	10,477	2,108	7,007	3,035	2,037
Depreciation for the year 2025-26	10	3,380	61	1,085	729	593
Depreciation on Deletion 2025-26	—	196	—	—	50	—
Balance as at 31st March, 2026	58	13,662	2,169	8,092	3,714	2,630
Net Carrying amount (I-II)						
Balance as at 31st March, 2025	272	44,281	940	1,143	2,759	3,490
Balance as at 31st March, 2026	262	42,346	1,104	1,018	2,158	2,897

2.1 Right-of-use Asset

2.1 Right-of-use Asset

	Rs. In thousands			Rs. In thousands			
Particulars	Land & Building	Total	Particulars	Development Expenditure (Internally Generated)	Computer Software	Trade Mark	Total
(I)Cost							
Balance as at 31st March, 2024	–	–	Balance as at 31st March, 2025	29,891	1,382	6	31,279
Additions during the year 2024-25	20,437	20,437					
Disposal during the year 2024-25	–	–	Balance as at 31st March, 2026	19,660	2,575	6	22,241
Balance as at 31st March, 2025	20,437	20,437					
Additions during the year 2025-26	–	–					
Disposal during the year 2025-26	–	–					
Balance as at 31st March, 2026	20,437	20,437					
(II) Accumulated Depreciation							
Balance as at 31st March, 2024	–	–					
Depreciation for the year 2024-25	5,677	5,677					
Depreciation on Deletion 2024-25	–	–					
Balance as at 31st March, 2025	5,677	5,677					
Depreciation for the year 2025-26	6,812	6,812					
Depreciation on Deletion 2025-26	–	–					
Balance as at 31st March, 2026	12,489	12,489					
Net Carrying amount (I-II)		–					
Balance as at 31st March, 2025	14,760	14,760					
Balance as at 31st March, 2026	7,948	7,948					

	Rs. In thousands				
	Amount in CWIP for a period of				
Sr. No. CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1 CWIP – Tangible and Intangible	42	–	–	–	42

3 Other Intangible Assets

Rs. In thousands					Sr. No.	Less than			More than	
Particulars	Development Expenditure (Internally Generated)	Computer Software	Trade Mark	Total	CWIP - Tangible and Intangible	1 year	1-2 years	2-3 years	3 years	Total
Intangible under development ageing schedule as at 31st March, 2026										
Rs. In thousands										
						Amount in IUD for a period of				
Sr. No. Intangible under development						Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1 Intangible under Development - Axle Development								73		73
2 Intangible under Development - BUTTERFLY BOOM SPRAYER 400								177		177
3 Intangible under Development - Bullet 3PL 600 DP75 712 SF								577		577
4 Intangible under Development - Conical Fertilizer Broadcaster								62		62
5 Intangible under Development - Tractor Operated Weed Cutter								526		526
6 Intangible under Development - 3 Speed Gearbox								63		63
7 Intangible under Development - Rotomaster 4.0 V2						903				903
8 Intangible under Development - Low Volume Sprayer						1,038				1,038

Rs. In thousands				
(I) Cost				
Balance as at 31st March, 2024	1,04,511	4,115	30	1,08,656
Additions during the year 2024-25	5,747	–	–	5,747
Deductions during the year	44,065	–	–	44,065
Balance as at 31st March, 2025 (Cost)	66,193	4,115	30	70,339
Additions during the year 2025-26	2,009	1,232	–	3,241
Deductions during the year	4,824	–	–	4,824
Balance as at 31st March, 2026 (Cost)	63,378	5,347	30	68,756
(II) Accumulated amortisation				
Balance as at 31st March, 2024	61,826	2,111	24	63,961
Amortisation expense for the year 2024-25	13,864	623	–	14,487
Deductions during the year	39,388	–	–	39,388
Balance as at 31st March, 2025	36,302	2,734	24	39,060
Amortisation expense for the year 2025-26	10,748	39	–	10,787
Deductions during the year	3,332	–	–	3,332
Balance as at 31st March, 2026	43,718	2,773	24	46,515
Net Carrying amount (I-II)				–

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Sr. No.	Intangible under development	Rs. In thousands				
		Amount in IUD for a period of				Total
		Less than 1 year	1–2 years	2–3 years	More than 3 years	
9	Intangible under Development - Farmfit 2000	141				141
10	Intangible under Development - Blast V5 600	331				331
11	Intangible under Development - Cropmaster Reel+Boom 500 V2	161				161
12	Intangible under Development - Rotomaster 3.5 V2	119				119
13	Intangible under Development - Cropmaster 200 Reel + Wiper	100				100
14	Intangible under Development - Hydraulic Brake Axle	15				15
15	Intangible under Development - 4 Wheel Tractor Trailer 2T	120				120
	Total	2,928	1,479	–	–	4,407

Intangible under development ageing schedule as at 31st March, 2025

Sr. No.	Intangible under development	Rs. In thousands				
		Amount in IUD for a period of				Total
		Less than 1 year	1–2 years	2–3 years	More than 3 years	
1	Sub - Intangible under Development - 3 Way Ball Valve		422			422
2	Tangible under Development - Suction Filter Development	–	353	–	–	353
3	Tangible under Development - Brass Nozzle Development	–	5	–	–	5
4	Tangible under Development - Axle Development	–	29	–	–	29
5	Intangible under Development - BUTTERFLY BOOM SPRAYER 600	–	30	–	–	30
6	Intangible under Development - Bullet 3PL 400 DP75 712 SF	–	226	–	–	226
7	Intangible under Development - BUTTERFLY BOOM SPRAYER 400	–	177	–	–	177
8	Intangible under Development - CROPMASTER 2000 REEL DP75 V2	87	–	–	–	87
9	Tangible under Development - 3 Way Ball Valve Development	136	–	–	–	136
10	Tangible under Development- MITRA PRV V2	72	–	–	–	72
11	Intangible under Development - Bullet 3PL 600 DP75 712 SF	224	–	–	–	224
12	Intangible under Development - Cropmaster 400 Reel + Boom V2 Piston Pump	26	–	–	–	26

Sr. No.	Intangible under development	Rs. In thousands				
		Amount in IUD for a period of				Total
		Less than 1 year	1–2 years	2–3 years	More than 3 years	
13	Intangible under Development - Cropmaster 400 Reel + Boom V2 Diaphragm PUmp	26	–	–	–	26
14	Intangible under Development - CROPMASTER BOOM 600 - DP55 40F TN FC RT RC	25	–	–	–	25
15	Intangible under Development - BUTTERFLY BOOM SPRAYER 500	134	–	–	–	134
16	Intangible under Development - Airotec 600 Alpha	282	–	–	–	282
17	Intangible under Development - Conical Fertilizer Broadcaster	62	–	–	–	62
18	Tangible under Development-Brass Nozzle Development	30	–	–	–	30
19	Intangible under Development - Tractor Operated Weed Cutter	64	–	–	–	64
20	Tangible under Development-3 Speed Gearbox	48	–	–	–	48
21	Intangible under Development - Rotomaster 4.0 V2	265	–	–	–	265
	Total	1,482	1,243	–	–	2,724

4 Other Assets (Non Financial)

Particulars	Rs. In thousands			
	As at 31st March 2026		As at 31st March 2025	
	Current	Non-Current	Current	Non-Current
Balance with government authorities	43,248	–	3,172	–
Prepaid expenses	2,294	737	2,784	1,322
Advances given to Employees	2,018	–	3,635	–
Advance given to suppliers	32,643	–	24,827	–
Others Assets	8	–	51	–
Total Other Assets (Non Financial)	80,212	737	34,468	16,082

4.1 Income Tax Assets

Particulars	Rs. In thousands			
	As at 31st March 2026		As at 31st March 2025	
	Current	Non-Current	Current	Non-Current
Advance Tax	–	47,798	–	8,680
TDS Receivable	–	2,890	–	1,507
TCS Receivable	–	–	–	–
Income Tax Refund Receivable	–	–	–	–
Total Income Tax Assets	–	50,688	–	10,187

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

5 Other Financial Assets

Particulars	As at 31st March 2026		Rs. In thousands As at 31st March 2025	
	Current	Non-Current	Current	Non-Current
Security Deposits*	1,701	1,749	1,330	2,858
Fixed Deposits with Bank #	1,37,893	1,33,957	31,343	92,868
Other Assets**	-	12,865	-	1,668
Advances given to Employees - Salary	4,000	-	2,753	-
Total Other Financial Assets	1,43,593	1,48,572	35,426	97,394

* It consist of Govt. Deposits of Rs.2087 Thousand and Security deposits given against Factory premises of Rs.1363 Thousand.

** Other Assets consist of Interest Accrued on Fixed Deposits

Includes Rs.3420 Thousands (Previous year Rs.3334 Thousands) issued against Bank Gurantees with different state government.

6 Inventories

Particulars	As at 31st March 2026		Rs. In thousands As at 31st March 2025	
	Current	Non-Current	Current	Non-Current
Raw Materials	2,20,058	-	1,29,966	-
Work-in-Progress	1,588	-	6,337	-
Finished Products Produced	19,388	-	3,398	-
Stock-in-Trade	16	-	20	-
Stock in Transit	-	-	-	-
Total Inventories	2,41,050		1,39,722	

Mode of valuation of inventories is : Lower of Cost or Net Realisable Value

7 Trade Receivables

Particulars	As at 31st March 2026		Rs. In thousands As at 31st March 2025	
	Current	Non-Current	Current	Non-Current
Trade Receivables considered good – Secured				
Trade Receivables considered good – Unsecured	42,187	-	74,393	-
Trade Receivables which have significant increase in Credit Risk	-	-	-	-
Trade Receivables – credit impaired	4,491	-	3,220	-
Less: Allowance for Credit Impairment	(4,491)	-	(3,220)	-
Total Trade Receivables	42,187	-	74,393	-

7.1 Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at 31st March, 2026					Total
	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade receivables considered good	37,762	1,374	3,029	23	-	42,187
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	4,491					4,491
Subtotal	42,253	1,374	3,029	23	-	46,678
Less: Allowance for Credit Impairment	(4,491)	-	-	-	-	(4,491)
Total	37,762	1,374	3,029	23	-	42,187

7.2 Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at 31st March, 2025					Total
	Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade receivables considered good	73,268	853	273	-	-	74,393
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	3,220	-	-	-	-	3,220
Subtotal	76,487	853	273	-	-	77,613
Less: Allowance for Credit Impairment	(3,220)	-	-	-	-	(3,220)
Total	73,267	853	273	-	-	74,393

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

8 Cash and Bank Balances

Particulars	Rs. In thousands			
	As at 31st March 2026		As at 31st March 2025	
	Current	Non-Current	Current	Non-Current
Cash and cash equivalents				
Balances with banks				
— In Current Accounts	14,668	—	25,075	—
— Fixed deposits with original maturity less than 3 months	11,000	—	—	—
Cheques, drafts on hand				
Cash in hand	—	—	24	—
Total Cash and Cash Equivalents	25,668		25,099	

9 Equity Share Capital

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
Authorised:		
300,000 (P.Y.: 300,000) Equity Shares of Rs. 10/- each	3,000	3,000
	—	—
	3,000	3,000
Issued and Subscribed and Paid Up :		
263126 Equity Shares of Rs. 10/- each fully paid up.	2,631	2,631
Issued and Subscribed Share Capital	2,631	2,631

9.1 Reconciliation of number of Equity Shares and amount outstanding :

Particulars	Rs. In thousands			
	As at 31st March 2026		As at 31st March 2025	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
Issued and Subscribed :				
Balance as at the beginning of the year	2,63,126	2,631	2,63,126	2,631
ADD : Shares Issued During the Year	—	—	—	—
Balance as at the end of the year	2,63,126	2,631	2,63,126	2,631
Issued and Subscribed Share Capital	2,63,126	2,631	2,63,126	2,631

9.2 Details of Equity Shares held by shareholders of the Company :

Name of the Shareholder	As at 31st March 2026		As at 31st March 2025	
	No. of Shares	% Share-holding	No. of Shares	% Share-holding
Equity Shares				
MAHINDRA AND MAHINDRA LTD	2,63,120	99.99%	2,63,120	99.99%
MAHINDRA AND MAHINDRA LIMITED NARAYAN SHANKAR	1	0.0004%	1	0.0004%
MAHINDRA AND MAHINDRA LIMITED BRIJBALA MOHANLAL BATWAL	1	0.0004%	1	0.0004%
MAHINDRA AND MAHINDRA LIMITED FERROZE HOSHANG BARIA	1	0.0004%	1	0.0004%
MAHINDRA AND MAHINDRA LIMITED ANITA ANANT HALBE	1	0.0004%	1	0.0004%
MAHINDRA AND MAHINDRA LIMITED SUMEET MAHESHWARI	1	0.0004%	1	0.0004%
MAHINDRA AND MAHINDRA LIMITED JIGNESH ASHOK PARIKH	1	0.0004%	1	0.0004%
Name of the Shareholder	No. of Shares	% of Total shares	% of Changes during the year	
MAHINDRA AND MAHINDRA LTD	2,63,120	99.99%		0.00%
MAHINDRA AND MAHINDRA LIMITED NARAYAN SHANKAR	1	0.0004%		0.00%
MAHINDRA AND MAHINDRA LIMITED BRIJBALA MOHANLAL BATWAL	1	0.0004%		0.00%
MAHINDRA AND MAHINDRA LIMITED FERROZE HOSHANG BARIA	1	0.0004%		0.00%
MAHINDRA AND MAHINDRA LIMITED ANITA ANANT HALBE	1	0.0004%		0.00%
MAHINDRA AND MAHINDRA LIMITED SUMEET MAHESHWARI	1	0.0004%		0.00%
MAHINDRA AND MAHINDRA LIMITED JIGNESH ASHOK PARIKH	1	0.0004%		0.00%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

9.3 Earnings Per Share

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
Profit / Loss Attributable to Equity Shareholders	1,57,349	21,433
Number of Equity Shares	2,63,126	2,63,126
Basic Earning Per Share	598	81
Potential Number of Equity Shares	2,63,126	2,63,126
Diluted Earning Per Share (FV Rs 10 per share)	598	81

11 Trade Payable

Particulars	Rs. In thousands			
	As at 31st March 2026		As at 31st March 2025	
	Current	Non-Current	Current	Non-Current
– Total outstanding dues of micro and small enterprises	48,493	–	5,767	–
– Total outstanding dues of creditors other than micro and small enterprises (including acceptances)	52,774	–	82,146	–
Total	1,01,267		87,913	

11.1 Trade payables ageing schedule

Particulars	Rs. In thousands				
	Outstanding for following periods from due date of payment as at 31st March 2026				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	48,493	–	–	–	48,493
(ii) Others	51,518	1,013	109	134	52,774
(iii) Disputed dues – MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–
Total	1,00,011	1,013	109	134	1,01,267

11.2 Trade payables ageing schedule

Particulars	Rs. In thousands				
	Outstanding for following periods from due date of payment as at 31st March 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	5,767	–	–	–	5,767
(ii) Others	80,068	2,079	–	–	82,146
(iii) Disputed dues – MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–
Total	85,834	2,079	–	–	87,913

12 Provisions

Particulars	Rs. In thousands			
	As at 31st March 2026		As at 31st March 2025	
	Current	Non-Current	Current	Non-Current
Provision for Employee Benefits	38,879	15,200	7,548	9,840
Provision for Warranty	11,133	–	6,031	–
Provision for Expenses	503	–	233	–
Total Provisions	50,515	15,200	13,812	9,840

12.1 The movement in provision for warranties is as follows:

Particulars	FY 2025-26
Opening balance	6,031
Provision recognised during the year	12,421
Amount utilised during the year	7,319
Closing balance	11,133

13 Other Financial Liabilities

Particulars	Rs. In thousands			
	As at 31st March 2026		As at 31st March 2025	
	Current	Non-Current	Current	Non-Current
Other Payables:				
Employee related liabilities	6,462	–	1,352	–
Other Liabilities	134	–	187	–
Dealer Incentive	4,700	–	–	–
Total Other Financial Liabilities	11,295		1,539	

14 Other Non Financial Liabilities

Particulars	Rs. In thousands			
	As at 31st March 2026		As at 31st March 2025	
	Current	Non-Current	Current	Non-Current
Payable for capital expenditure	–	–	–	–
Advance received from customers	8,308	–	3,669	–
Other Payables:				
Provision for Income Tax	52,199	–	7,048	–
Statutory dues	5,331	–	4,480	–
Other Non Financial Liabilities	57,356	–	20,755	–
Total Other Non Financial Liabilities	1,23,195		35,953	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

14.1 Lease Liabilities

Particulars	Rs. In thousands			
	As at 31st March 2026		As at 31st March 2025	
	Current	Non-Current	Current	Non-Current
Lease Liability to Landlord	7,746	1,324	6,595	9,070
	<u>7,746</u>	<u>1,324</u>	<u>6,595</u>	<u>9,070</u>

14.2 Deferred Tax (Net)

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
	Non Current	Non Current
Deferred Tax Liabilities	(4,643.29)	(2,216.08)
Deferred Tax Assets	9,306.72	–
Deferred Tax Asset/(Liability)	<u>4,663.43</u>	<u>(2,216.08)</u>

15 Revenue from Operations

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
Sale of products	10,13,115	5,66,069
Sale of Spare Parts	47,473	27,143
Sale of Services	91,825	64,438
Gross Revenue from Sale of Products and Services	<u>11,52,413</u>	<u>6,57,651</u>
Discount on Sales	(53,062)	(23,547)
Scrap sales	900	562
Total Revenue from Operations	<u>11,00,252</u>	<u>6,34,665</u>

16 Other Income

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
Interest Income	14,187	4,341
Other Income	242	3,036
Total Other Income	<u>14,430</u>	<u>7,377</u>

17 Cost of materials consumed

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
Opening stock	1,29,966	1,30,187
Add: Purchases	6,87,398	3,57,507
Add: Duties, Taxes and Freight on Purchases	8,364	4,772
	<u>8,25,729</u>	<u>4,92,465</u>
Less: Closing stock	2,20,058	1,29,966
Total Cost of materials consumed	<u>6,05,671</u>	<u>3,62,499</u>

18 Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
Opening Stock :		
Finished goods produced	3,398	3,888
Work-in-progress	6,337	–
Stock-in-trade	–	1,126
	<u>9,735</u>	<u>5,014</u>
Less: Closing Stock :		
Finished goods Produced	19,388	3,398
Work-in-progress	1,588	6,337
Stock-in-trade	–	–
	<u>20,976</u>	<u>9,735</u>
Net (increase)/decrease in inventory	<u>(11,241)</u>	<u>(4,721)</u>

19 Employee Benefits Expense

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
Salaries and wages, including bonus	1,14,523	1,13,483
Contribution to provident and other funds	5,974	6,782
Gratuity	3,871	2,700
Sales Incentive	59,009	11,969
Staff welfare expenses	9,704	3,195
Total Employee Benefits Expense	<u>1,93,082</u>	<u>1,38,129</u>

20 Finance Cost

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
Interest expense	791	14
Other interest expense - RTU	945	1,152
Total Finance Cost	<u>1,736</u>	<u>1,166</u>

21 Depreciation and Amortisation & Impairment Expense

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
Depreciation on Property, Plant and Equipment	5,859	4,813
Amortisation on Other Intangible Assets	10,787	14,487
Impairment of Intangible asset under development	3,653	6,900
Depreciation on Right of Use Assets (AS 116)	6,812	6,573
Total Depreciation and Amortisation Expense	<u>27,112</u>	<u>32,773</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

22 Other expenses

Particulars	Rs. In thousands	
	As at 31st March 2026	As at 31st March 2025
Stores and spares consumed	1,889	1,174
Bank Charges	248	260
Travelling and conveyance	28,911	33,063
Freight charges	19,861	12,839
Rent	130	583
Power and fuel	1,861	1,356
Repairs and maintenance	2,113	3,767
Insurance	349	494
Rates and taxes	742	871
Communication Cost	2,351	2,153
Professional Fees & Consultation Expenses	939	6,437
Auditors remuneration [Refer note 22(a)]	570	570
Brokerage and commission	14	37
Advertisement Expenses	2,915	3,082
Sales Promotion Expenses	708	1,146
Postage & Courier Expenses	187	165
Printing & Stationery Expenses	96	182
Bad Debts	0	1,371
Provision for Doubtful Debts	1,271	3,218
Hire & Services Charges	12,830	4,079
Packing and Forwarded Expenses	47	72
General Warranty	12,421	3,031
Miscellaneous expenses	2,453	97
Foreign Exchange Gain/losses	1,221	28
Total	94,130	80,076

22(a) Auditor's remuneration

Particulars	Rs. In thousands	
	31st March 2026	31st March 2025
Payment to auditors (Excluding Service Tax/GST)		
Statutory audit	450	450
Audit under Income Tax Act, 1961	75	75
Taxation matters	45	45
Total	570	570

23 Income Tax recognised in profit or loss

Particulars	As at 31st March 2026	As at 31st March 2025
Current Tax:		
In respect of current year	52,199	7,048
In respect of prior years	1,523	1,423
	53,723	8,471
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	(6,880)	2,088
Others (In respect of prior years)		

Particulars	As at 31st March 2026	As at 31st March 2025
	(6,880)	2,088
Total income tax expense	46,843	10,559

24 Capital Management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to provide an adequate Return to shareholders by pricing products which commensurates the level of risk.

The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	As at 31st March 2026	As at 31st March 2025
Equity	5,11,250	3,54,641
Less: Cash and cash equivalents	25,668	25,099
	4,85,582	3,29,543

25 Financial Risk Management Framework

In the course of its business, the Company is exposed to a certain financial risks namely interest risk, currency risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

(a) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Company's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

(b) Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follow

Particulars	Currency	As at 31st March 2026	As at 31st March 2025
	USD	–	0.89
	INR	–	76
Trade Payable	EUR	624	169
	INR	67,439	15,643

the above foreign currency exposures are not hedged by a derivative.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in foreign currency fluctuation in exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities is as under.

Particulars	Currency	Rs. In thousands	
		Change in Rate	Effect on profit/(loss) before tax
As at March 31, 2026	EUR	14.25%	9,612
	USD	0%	-
As at March 31, 2025	EUR	0.37%	58
	USD	2%	1

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

(c) Interest rate risk

Interest rate sensitivity

Considering the fact that the interest component is insignificant, the company do not consider the interest rate as risk at all.

(d) Credit Risk Management

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collaterals, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure are continuously monitored.

Particulars	Rs. In thousands			
	Not due	Less than 6 months past due	More than 6 months past due	Total
As at March 31, 2026				
Expected loss rate	0%	0%	0%	
Gross carrying amount	35,936	6,317	4,425	46,678
Loss allowance provision				(4,491)
As at March 31, 2025				
Expected loss rate	0%	0%	0%	
Gross carrying amount	71,809	4,678	1,126	77,613
Loss allowance provision	-	(3,220)	-	(3,220)

Compared to the size, the credit risk is insignificant and that no significant loss has arisen during these years.

(e) LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and longterm funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up

based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company / Company can be required to pay. The tables include 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 the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Rs. In thousands			
	Less than 1 years	1 year to 3 years	3 years to 5 years	5 years and above
Non-derivative financial Liabilities				
As at March 31, 2026				
Non-interest bearing	19,042	-	-	-
Variable interest rate instruments	-	-	-	-
Fixed interest rate instruments	-	-	-	-
As at March 31, 2025				
Non-interest bearing	15,182	-	-	-
Variable interest rate instruments	-	-	-	-
Fixed interest rate instruments	-	-	-	-

(iii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Rs. In thousands			
	Less than 1 years	1 year to 3 years	3 years to 5 years	5 years and above
Non-derivative financial Assets				
As at March 31, 2026				
Non-interest bearing	39,136	3,051	-	-
Variable interest rate instruments	-	-	-	-
Fixed interest rate instruments	-	-	-	-
Total	39,136	3,051	-	-
As at March 31, 2025				
Non-interest bearing	77,341	273	-	-
Variable interest rate instruments	-	-	-	-
Fixed interest rate instruments	-	-	-	-
Total	1,55,612	6,375	-	-

(f) Fair Value Disclosures

Particulars	Rs. In thousands		
	Fair Value		
	As at March 31, 2026	As at March 31, 2025	Fair Value hierarchy
Financial assets			
a) Investments			
i) Mutual Fund investments	-	-	Level-1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Fair value of financial assets and financial liabilities that are not measured at fair value, are considered to be their Fair Value and are assessed as Level 3 valuation technique and the Carrying amount is the same as the Fair Value.

Particulars	As at :- Level	Rs. In thousands	
		March 31, 2026	March 31, 2025
		Carrying Amount and Fair Value	Carrying Amount and Fair Value
Cash and cash equivalents	Level-1	25,668	25,099
Bank balances	Level-1	-	-
Other Financial Assets			
- Non Derivative Financial Asset	Level-3		
b) Financial liabilities			
Financial liabilities held at amortised cost			
Borrowings	Level-3	-	-
Trade Payables	Level-3	1,01,267	87,913
Other Financial Liabilities			
- Non Derivative Financial Liabilities	Level-3		

26. Employee Benefits

a) Defined Contribution Plan:

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company's contribution to Provident fund aggregating Rs.5,517 thousands (FY 24-25: 6,082 thousands) has been recognised in profit or loss under 'Employee benefits expense'.

b) Defined Benefit Plans:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

c) Liability Risks

a. Asset-Liability Mismatch Risk:

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuations wings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk:

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk:

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

Details of defined benefit plans as per Actuarial Valuation are as below.

Particulars	Rs. In thousands	
	Unfunded Plan as at March 31, Gratuity	
	As at March 31, 2026	As at March 31, 2025
I Change in the present value of defined benefit obligation		
1 Present value of defined benefit obligation at the beginning of year	12,426	11,476
2 Current service cost *	3,152	3,217
3 Interest cost/income	791	744
4 Remeasurements (gains)/ losses		
(I) Actuarial (gains)/ losses arising from changes in demographic assumption	-	(731)
(II) Actuarial (gains)/ losses arising from changes in financial assumption	117	
(III) Actuarial (gains)/ losses arising from changes in experience adjustment	(777)	
5 Past Service cost	719	
6 Benefits paid	(1,229)	(2,281)
7 Liabilities assumed/(settled)		
8 Present value of defined benefit obligation at the end of the year	15,200	12,426

* In accordance with the new Labour Codes, the Company has currently estimated the incremental impact on retiral benefits to be Rs. 719 thousands. This has been presented under "Exceptional items" in the statement of profit and loss account.

Particulars	Rs. In thousands	
	Unfunded Plan as at March 31, Gratuity	
	As at March 31, 2026	As at March 31, 2025
II Change in fair value of plan assets during the year		
1 Fair value of plan assets at the beginning of the year	-	-
2 Interest income	-	-
3 Contribution by employer	-	-
4 Benefits paid	-	-
5 return on plan assets excluding interest income	-	-
6 Fair value of plan assets at the end of the year	-	-
III Net Asset/(Liability) recognised in the Balance Sheet as at		
1 Present value of defined benefit obligation as at 31st March	15,200	12,426
2 Fair value of plan assets as at 31st March	-	-
3 Surplus/(Deficit)	(15,200)	(12,426)
4 Current portion of the above	2,950	2,586

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

5	Non-current portion of the above	12,251	9,840	27	Ratios			
IV	Actuarial assumptions					As at March 31, 2026	As at March 31, 2025	% change
1	Discount rate	6.50%	6.70%					
2	Expected rate of return on plan assets	—	—	(a)	Current Ratio, = Current Assets / Current Liabilities	1.81	2.12	(15%)
3	Attrition rate	25.00%	25.00%					
4	Medical premium inflation			(b)	Debt-Equity Ratio, = (Short Term Debt + Long Term Debt + Other Fixed Payments)/ Share holders Equity	0%	0%	0%
V	Quantitative sensitivity analysis for significant assumption is as below							
1	One percentage point increase in discount rate	14,632	11,968					
2	One percentage point decrease in discount rate	15,815	12,922	(c)	Debt Service Coverage Ratio, = EBITDA / Total Debt Outstanding	—	—	0%
3	One percentage point increase in Salary growth rate	15,648	12,790					
4	One percentage point decrease in Salary growth rate	14,775	12,082					
5	One percentage point increase in attrition rate	15,147	12,386	(d)	Return on Equity Ratio, * = Net Income / Share holders Equity	36%	6.04%	501%
6	One percentage point decrease attrition rate	15,258	12,470					
7	One percentage point increase in medical inflation rate			(e)	Inventory turnover ratio, = Cost of Goods Sold / Average Inventory	3.83	2.79	37%
8	One percentage point decrease in medical inflation rate							
VI	Maturity profile of defined benefit obligation			(f)	Trade Receivables turnover ratio, = Net Credit Sales / Average Accounts Receivable	18.88	8.65	118%
	Year Ending March 31,	Expected Payment	Expected Payment					
1	2027	2,950	2,586	(g)	Trade payables turnover ratio, = Credit Purchases / Average Accounts Payable	6.40	5.79	11%
2	2028	2,441	2,075					
3	2029	2,598	1,999	(h)	Net capital turnover ratio, = Net Sales / Average Total Assets	4.61	3.89	19%
4	2030	2,779	2,161					
5	2031	2,825	2,338	(i)	Net profit ratio, = Net Profit / Net Sales	14%	3%	323%
6	2032 - 2036	10,838	9,809					
		Gratuity		(j)	Return on Capital employed, = Earning before Interest & Tax / (Total Assets - Current Liabilities)	46%	9%	397%
Particulars		As at March 31, 2025	As at March 31, 2024					
VII	Expense recognised in the Statement of Profit and Loss for the year ended			(k)	Return on investment = Net Profit / Cost of Investment	36%	6%	484%
1.	Current service cost	3,152	3,217	Explanation for change in the ratios by more than 25%:				
2.	Interest cost on benefit obligation (Net)	—	—	1	Return on equity ratio: The increase is primarily due to significant growth in profitability during the year. Cost-optimization initiatives implemented during the year contributed to enhanced margins and higher returns.			
3.	Total expenses included in employee benefits expense	3,152	3,217	2	Inventory turnover ratio: The improvement is attributable to higher sales volumes and better inventory management practices during the year			
4.	Past Service Cost	719	—	3	Trade receivables turnover ratio: The increase resulted from improved debtor follow-up and efficient collection mechanisms, leading to faster realization of receivables.			
5.	Net Interest (Income)/Expenses	791	744	4	Net Profit Ratio: The increase is mainly due to higher revenue levels coupled with cost-reduction and operational efficiency measures implemented during the year.			
	Net Periodic Benefit Cost Recognised in the statement of Profit & Loss at end of period	4,663	3,962	5	Return on capital employeeed: The rise is driven by substantial improvement in operating profits due to increased turnover and effective cost control during the year.			
VIII	Recognised in other comprehensive income for the year			6	Return on investment: The increase is primarily due to significant growth in profitability during the year. Cost-optimization initiatives implemented during the year contributed to enhanced margins and higher returns.			
1	Actuarial (gains)/ losses arising from changes in financial assumption	—	—					
2	Actuarial (gains)/ losses arising from changes in experience adjustment	—	—					
3	Return on plan asset	—	—					
4	Recognised in other comprehensive income [(gain)/loss]	740	509					

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

28 Tax expense recognised in P&L

Particulars	Rs. In thousands	
	As at 31st March 2026	31st March 2025
Current tax	52,199	7,048
In respect of prior years	1,523	1,423
Deferred tax	(6,880)	2,216
Total	46,843	10,687

28.2 Deferred Tax Asset/(Liability)

Particulars	Balance as at 01st April 2025	Recognized in Profit and Loss	Recognized in Other Comprehensive Income	Balance as at 31st March 2026
Deferred Tax Assets				
Provision for Employee Benefits	—	5,417	186	5,603
Allowance for Credit Losses	—	1,130	—	1,130
Others	—	2,573	—	2,573
(a)	—	9,307	186	9,307
Deferred Tax Liabilities				
Property, Plant & Equipments & Intangible Assets	2,216	2,427	—	4,643
Others	—	—	—	—
(b)	2,216	2,427	—	4,643
Deferred Tax Asset/(Liabilities)(net) [a-b]	(2,216)	6,880	186	4,663

29 Related Party Disclosures

A) Name of the related party and nature of relationship where control exists:

Name of Related Party	Nature of Relationship
Mahindra & Mahindra Limited	Entity having significant Influence w.e.f.12.02.2018 & Entity has entire control w.e.f. 17.03.2023
Mahindra Integrated Business Solutions Pvt. Ltd.	Fellow Subsidiary
Mahindra Teqo Private Limited	Fellow Subsidiary
Mohit Malhotra	Director (KMP)

B) Related Party Transactions:

Name of Related Party	Nature of Transactions	Rs. In thousands	
		As at 31 st March 2026	As at 31 st March 2025
Mahindra & Mahindra Limited	Purchase of Services by MITRA from M&M Ltd.	7,170	6,328
Mahindra Integrated Business Solutions Pvt. Ltd.	Purchase of Services	312	—
Mahindra Teqo Private Limited	Sales Of Goods, Services & other cost By Mitra	335	—

28.1 Tax reconciliation (for profit and loss)

	As at 31st March 2026	31st March 2025
Profit/(loss) before income tax expense	2,18,278	32,121
Tax at the rate of	25.17%	25.17%
Income tax expense calculated	54,936	2,216
Tax impact of not deductible expenses for tax purpose	6,428	9,305
Tax impact of deduction allowed separately under Income Tax Act, 1961	(9,165)	(4,473)
Income tax expense	52,199	7,048

Name of Related Party	Nature of Transactions	As at 31 st March 2026	As at 31 st March 2025
Mahindra & Mahindra Limited	Sales Of Goods, Services & other cost By MITRA	1,52,704	1,17,933
Mohit Malhotra (Key Management Person)	Directors remuneration	—	1,977
	Reimbursement of expenses	—	—

C) Related Party Balances :

Name of Related Party	Nature of Balance	As at 31 st March 2026	As at 31 st March 2025
Mohit Malhotra (Key Management Person)	Receivable against advance paid for expenses.	—	(5)
Mahindra & Mahindra Limited	Payables	560	484
	Receivable	14,285	24,372
Mahindra Integrated Business Solutions Pvt. Ltd.	Payables	35	33
	Receivable	—	—

Notes:

- 1 Related Party Transactions for the period are at arm's length.
- 2 The amount outstanding is unsecured and will be settled in cash. No guarantee has been given or received. No expense has been recognised in current or prior years for bad and doubtful debts in respect of the amounts owed by the related party.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

30 Contingent liabilities and commitments

1) Contingent Liabilities

Particulars	Rs. In thousands	
	As at 31 st March 2026	As at 31 st March 2025
Claims against the company not acknowledged as debt :		
(i) TDS Liability (as per Traces)	–	50
(ii) Income U/s 148	–	–
(iii) Guarantees	3420	3334

2) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided:

Particulars	Rs. In thousands	
	As at 31 st March 2026	As at 31 st March 2025
Estimated amount of contracts remaining to be executed on capital account & not provided	–	–
Advance paid	–	–
Estimated amount of contracts remaining to be executed on capital account and not provided (Net)	–	–
(ii) Other commitment:	NIL	NIL

31 Segment Reporting

The Company's business activity falls within a single business segment viz. manufacturing of different kinds of agricultural machines and related components. All other activities of the Company revolve around its main business. Hence there are no separate reportable primary segments.

32 Lease

- (I) Following are the changes in the carrying value of right of use assets for the year ended March 31, 2026

Particulars	Rs. In thousands	
	As at 31 st March 2026	As at 31 st March 2025
Balance as at March 31, 2025	14,760	
Additions during the year	–	
Deletions during the year	–	
Depreciation for the year	6,812	
Cessation of lease liability	–	
Balance as at March 31, 2026	7,948	

FY 24-25

Particulars	Rs. In thousands	
	As at 31 st March 2026	As at 31 st March 2025
Balance as at March 31, 2024	11,643	
Additions during the year	20,437	
Deletions during the year	(10,747)	
Depreciation for the year	6,573	
Cessation of lease liability	–	
Balance as at March 31, 2025	14,760	

- (II) The following is the break-up of current and non-current lease liabilities as at March 31, 2026

Particulars	Rs. In thousands	
	As at 31 st March 2026	As at 31 st March 2025
Current lease liabilities	7,746	6,595
Non-current lease liabilities	1,324	9,070
	9,070	15,665

- (III) The following is the movement in lease liabilities during the year ended March 31, 2026.

Particulars	Rs. In thousands	
	As at 31 st March 2026	As at 31 st March 2025
Balance at the Beginning of the year	15,665	13,311
Additions on amalgamation	–	–
Additions during the year	–	20,437
Finance cost accrued during the year	945	1,152
Deletions during the year	–	(12,452)
Payment of lease liabilities	(7,539)	(6,784)
Translation difference	–	–
Balance at the end of the year	9,070	15,665

33 Disclosure required under Section 22 of the Micro, Small and Medium Enterprise Development Act, 2006

Particulars	Rs. In thousands	
	As at 31 st March 2026	As at 31 st March 2025
Amounts remaining unpaid to micro and small suppliers as at the end of the year		
- principal	–	–
- Interest	–	–
The amount of interest (other than interest under section 16) paid along with the amounts of the payment made to the supplier beyond the appointed day.	Nil	Nil

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Particulars	As at 31 st March 2026	As at 31 st March 2025
Interest paid under section 16 to suppliers registered under MSMED Act, beyond the appointed day during the year.	Nil	Nil
The amount of interest due and payable for the year.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when interest dues as above are actually paid.	Nil	Nil

Dues of the Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

34 Events Occuring after the date of balance sheet : No material events have occurred after the balance sheet date and up to the approval of the financial statements.

35 The financial statements were approved for issue by the Board of Directors on 4th April, 2026

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

37 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at the date of authorisation of these financial statements, the Company has not applied the following new amendment to Ind AS that has been issued but is not yet effective:

Amendment to Ind AS 1 Presentation of Financial Statements

In case of any covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the lender subsequently (i.e. after the reporting date but before approval of the financial statements) agrees not to demand payment. The Company does not expect that the adoption of this amendment to have any impact on the financial statements of the Company in future periods.

38 Other Statutory Information

a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

c) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

i) 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

ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

d) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) 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

ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

e) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

f) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

g) The Company has not declared wilful defaulter by any bank or financial institution or lender during the year.

h) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

i) The Company does not have transactions with any struck off entity.

j) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

39 Previous year's figures have been reclassified/regrouped wherever required.

Signatures to Notes 1 to 39

As per our report of even date

For B K Khare and Co.

Chartered Accountants

Firm Registration Number : 105102W

Chaitanya Vinay Joshi

Partner

Membership Number : 131403

For and on behalf of the Board of Directors of

M.I.T.R.A. Agro Equipments Private Limited

Ami Goda

Director

DIN: 09136149

Kothandaraman Anusha

Director

DIN : 08679344

Place : Mumbai

Date : 14th April, 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAHINDRA SOLARIZE PRIVATE LIMITED Report on the Audit of Ind AS Financial Statements

1. Opinion

We have audited the accompanying Ind AS financial statements of **Mahindra Solarize Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of material accounting policies and other explanatory information (hereinafter referred to as 'Ind AS financial statements').

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

2. Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, as prescribed under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provisions of the Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Ind AS financial statements.

3. Information other than the Ind AS financial statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report but does not include the Ind AS financial statements and our auditor's report thereon. The Other information is expected to be made available to us after the date of our auditor's report.

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

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

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

4. Responsibilities of Management and those charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

5. Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on auditing 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 Ind AS financial statements.

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

- i. Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion

on whether the Company has adequate internal financial controls with reference to Ind AS financial statements in place and the operating effectiveness of such controls.

- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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 ability of the Company 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

6. Report on Other Legal and Regulatory Requirements

- i) 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.
- ii) As required by section 143 (3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the Ind AS financial statements.
 - 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.
 - c) The Balance Sheet, Statement of Profit and Loss including Other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with section 133 of the Act read with Rule 3 of Companies (Indian Accounting Standards) Rules 2015.
 - e) On the basis of 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 controls with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the provisions of said section are not applicable to the Company for the year ended March 31, 2026;
- 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would have an impact on its financial position;
 - ii. The Company does not have any long-term contracts including derivative contracts for which there are 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the Note No. 38 to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to

our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. No dividend has been declared or paid during the year by the company in compliance with section 123 of the Companies Act, 2013.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting

software for the period for which the audit trail feature was enabled and operating. Additionally, the audit trail been preserved by the Company as per the statutory requirements for the record retention.

For Mukund M. Chitale & Co.

Chartered Accountants
Firm Regn. No. 106655W

S. M. Chitale
Partner
M. No. 111383

UDIN: 26111383GAXTDH4323
Place: Mumbai,
Date: April 15, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF MAHINDRA SOLARIZE PRIVATE LIMITED ON THE MATTERS SPECIFIED IN PARAGRAPHS 3 AND 4 OF THE COMPANIES (AUDITOR'S REPORT) ORDER, 2020.

Referred to in paragraph [6(i)] under Report on Other Legal and Regulatory Requirements of our report of even date

According to the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-use Assets;
- (B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under this Clause is not applicable.
- (b) According to information and explanations given to us, Property, Plant and Equipment of the Company are being physically verified in every two years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed, during the year no material discrepancies to the extent reconciled with the records available in this respect were noticed on such verifications.
- (c) According to information and explanations given to us, the Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i) (c) of the Order is not applicable.
- (d) The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) during the year.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As per the information and explanations given to us, the inventory has been physically verified by the management at reasonable intervals. According to the information and explanation provided to us coverage and procedure of physical verification of inventories by the management is appropriate. As informed to us, the discrepancies noticed on verification to the extent reconciled with the records available in this respect between the physical stocks and the book records were not material and have been appropriately dealt with.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees during the year, from banks on the basis of security of current assets. The quarterly statements submitted to Bank are in agreement with the books of accounts.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans secured and unsecured, to companies, firms, limited liability partnership or any other parties during the year. Accordingly reporting under clause iii(a) (A and B) of the order are not applicable to the Company.
- (b) According to the information and explanations given to us, and on the basis of our verification of records of the Company, investment made are not prejudicial to the company's interest.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations provided to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, with respect to unsecured loans granted and Investments made.
- (v) As informed, the Company has not accepted any deposits during the year from public within the meaning of the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder and thus the provisions of Clause 3(v) of the Order are not applicable.
- (vi) According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act to the Company.
- (vii) (a) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Employees' State Insurance, Provident Fund, Income Tax, Goods and Service Tax, Cess. There were no undisputed amounts of statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess which were due for more than six months from the date they become payable as at the year end.
- (b) According to the records examined by us and as per the information and explanations given to us, there are no statutory dues outstanding as at March 31, 2026 which have not been deposited on account of disputes.
- (viii) According to the information and explanations given to us, and on the basis of our verification of records of the Company, there are no transactions which are not recorded

in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) (a) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the Company has not defaulted in repayment of dues of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- c) The Company has not taken any term loan during the year. Hence reporting under this clause is not applicable.
- d) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the Company has not utilised funds raised on short term basis for long term purposes.
- (e) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiary, associates or joint ventures, hence reporting under clause ix (e) of the order is not applicable to the Company.
- (f) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence reporting under clause ix (f) of the order is not applicable to the Company.
- (x) (a) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year, hence reporting under clause (x) (a) of order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based upon the audit procedure performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanation given by the management, we report that no fraud by the company and no material fraud on the company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.
- (c) According to the information and explanations given to us, and on the basis of our verification of records of the Company, there were no whistle blower complaints received by the company during the year and up to the date of this report.
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a nidhi Company. Accordingly, provision of clause 3 (xii) (a) to (c) of the order is not applicable.
- (xiii) According to the information and explanation given to us and based on our verification of the records of the Company and on the basis of review and approvals by the Board of Directors, the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the Ind AS financial statements as required by applicable accounting standard.
- (xiv) (a) According to the information and explanations given to us and based on our verification of the records of the Company, the Company is required to conduct Internal audit for the year ended 31 March 2026. We have been informed that the Company has set up the internal audit process and it is being strengthened in accordance with the size of the Company.
- b) We have considered the internal audit reports for the period under audit issued to the Company during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or person connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of Clause 3 (xvi) (a) and (b) of the Order are not applicable to the Company.
- b) The company has not conducted any Non- Banking Financial or Housing Finance activities and hence reporting under clause 3 (xvi)(b) is not applicable to the Company.
- c) In Our opinion and according to the information and explanation given to us, the Company is not 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 explanation given to us by the management, the Group has five CIC as part of the group.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not incurred any cash losses during the current financial year and in the previous financial year.

(xviii) There has been no resignation of the Statutory Auditors of the Company during the year.

(xix) According to the information and explanation given to us and on the basis of financial the ratios, aging and expected dates of realisation of financial assets and payment to financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the board of directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing as at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) The Provision of Section 135 of the Companies Act, 2013 are applicable to the Company as explained in note no. 38.12 of the Ind AS financial statements. However, according to the information and explanations given to us and based on our examination of the records of the Company, there are no unspent amounts towards Corporate Social Responsibilities which are required to be transferred to Fund specified in Schedule VII to the Companies Act or to special account in compliance with the provision of sub-section (6) of section 135 of the Companies Act 2013.

For Mukund M. Chitale & Co.

Chartered Accountants
Firm Regn. No. 106655W

S. M. Chitale

Partner
M. No. 111383

UDIN: 26111383GAXTDH4323

Place: Mumbai,

Date: April 15, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF MAHINDRA SOLARIZE PRIVATE LIMITED

Referred to in paragraph [6(ii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date

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

1. We have audited the internal financial controls with reference to Ind AS Financial Statements of Mahindra Solarize Private Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS Financial Statements 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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 with reference to Ind AS Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 with reference to Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to Ind AS Financial Statements

4. A company's internal financial control with reference to Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

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

Opinion

6. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS Financial Statements and such internal financial controls with reference to Ind AS Financial Statements were operating effectively as at March 31, 2026, based on the internal control with reference to Ind AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to Ind AS Financial Statements issued by the Institute of Chartered Accountants of India.

For Mukund M. Chitale & Co.

Chartered Accountants
Firm Regn. No. 106655W

S. M. Chitale
Partner
M. No. 111383

UDIN: 26111383GAXTDH4323
Place: Mumbai,
Date: April 15, 2026

BALANCE SHEET AS AT 31 MARCH 2026

Particulars	Note No.	(₹ in Lakhs)	
		As at 31 March 2026	As at 31 March 2025
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3	83.44	298.94
(b) Financial Assets			
(i) Investments	4	1,221.00	738.52
(c) Deferred Tax Assets (Net)	5	252.94	215.21
SUB-TOTAL		1,557.38	1,252.67
2 CURRENT ASSETS			
(a) Inventories	6	946.87	2,020.02
(b) Financial Assets			
(i) Investments	4A	2,149.38	2,912.05
(ii) Trade Receivables	7	6,207.43	16,604.95
(iii) Cash and Cash Equivalents	8	969.28	2,062.29
(iv) Other Financial Assets	9	34.45	82.23
(c) Current Tax Assets (Net)	5	82.79	387.47
(d) Other Current Assets	10	951.05	1,877.83
SUB-TOTAL		11,341.25	25,946.84
TOTAL ASSETS		12,898.63	27,199.51
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	11	4,020.52	3,538.52
(b) Other Equity	12	333.62	231.94
SUB-TOTAL		4,354.14	3,770.46
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Lease Liabilities	13	—	107.55
(b) Provisions	14	64.58	91.18
SUB-TOTAL		64.58	198.73
3 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	15	—	7,500.00
(ia) Lease Liabilities	13	78.95	160.26
(ii) Trade Payables:			
(A) Total outstanding dues to Micro, Small & Medium Enterprises	16	22.84	203.32
(B) Total outstanding dues to creditors other than Micro, Small & Medium Enterprises	16	7,395.58	13,859.68
(iii) Other Financial Liability	17	61.33	461.83
(b) Other Current Liabilities	18	69.27	312.46
(c) Provisions	14	851.94	732.77
(d) Current Tax Liabilities (Net)	5	—	—
SUB-TOTAL		8,479.91	23,230.32
TOTAL EQUITY AND LIABILITIES		12,898.63	27,199.51

The accompanying notes 1 to 38 are an integral part of the Financial Statements

As per our report of even date
For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No.: 106655W

S. M. Chitale
Partner
Membership No. 111383

Place: Mumbai
Date: April 15, 2026

For and on behalf of the Board of Directors
Mahindra Solarize Private Limited

Avinash Rao
Director
DIN: 08249182

Ashish Saboo
Chief Financial Officer

Rakesh Khaitan
Director
DIN: 09671089

Ms Dipu Pandey
Company Secretary
Mem. No. : A78018

Bharat Dhumal
Manager

Place: Mumbai
Date: April 15, 2026

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

		(₹ in Lakhs)	
Particulars	Note No.	For the year ended 31 March 2026	For the year ended 31 March 2025
I Revenue from operations	19	35,905.42	55,041.27
II Other Income	20	183.46	104.46
III Total Income (I + II)		36,088.88	55,145.73
IV Expenses			
(a) Cost of materials consumed			
(i) Purchase of stock in trade	21	33,234.86	51,174.73
(ii) Changes in inventories	22	1,073.15	(132.44)
(b) Employee benefit expense	23	813.59	1,515.92
(c) Finance costs	24	222.81	560.47
(d) Depreciation and amortization expense	3A	165.94	185.41
(e) Other expenses	25	486.84	1,193.70
Total Expenses		35,997.19	54,497.79
V Profit/(loss) before exceptional items (III-IV)		91.69	647.94
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		91.69	647.94
VIII Tax Expense	5		
(1) Current tax		49.12	98.80
(2) Deferred tax		(45.03)	(84.36)
(3) Income Tax adjustment for earlier year		7.60	-
Total tax expense		11.69	14.44
IX Profit/(loss) for the year of continuing operation (VII-VIII)		80.00	633.50
X Profit/(loss) from discontinued operations (after tax)		-	-
XI Profit/(loss) for the year (IX+X)		80.00	633.50
XII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		28.97	2.55
(ii) Income tax relating to items (i)a		(7.29)	(0.64)
XIII Total Comprehensive Income for the year (XI+XII)		101.68	635.41
XIV Earnings per equity share (for continuing operation):			
(1) Basic (in Rs.)	26	0.21	1.79
(2) Diluted (in Rs.)	26	0.21	1.79

The accompanying notes 1 to 38 are an integral part of the Financial Statements

As per our report of even date
For **Mukund M. Chitale & Co.**
Chartered Accountants
Firm Registration No.: 106655W

S. M. Chitale
Partner
Membership No. 111383

Place: Mumbai
Date: April 15, 2026

For and on behalf of the Board of Directors
Mahindra Solarize Private Limited

Avinash Rao
Director
DIN: 08249182

Ashish Saboo
Chief Financial Officer

Place: Mumbai
Date: April 15, 2026

Rakesh Khaitan
Director
DIN: 09671089

Ms Dipu Pandey
Company Secretary
Mem. No. : A78018

Bharat Dhumal
Manager

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

	For the year ended 31 March 2026	(₹ in Lakhs) For the year ended 31 March 2025
Particulars		
Cash flows from operating activities		
(Loss) / Profit before tax for the year	91.69	647.94
Adjustments for:		
Finance costs recognised in profit or loss	222.81	560.47
Provision for warranty (net of write back)	130.98	257.26
Interest Income	(34.92)	(44.04)
Profit on sale of Investments	(78.13)	(12.88)
Depreciation expense recognised in Profit & Loss	165.94	185.41
Cash flow from Operating activities before working capital changes	498.37	1,594.16
Movements in working capital:		
(Increase) / Decrease in trade receivables	10,397.52	(7,423.99)
(Increase) / Decrease in inventories	1,073.15	(132.44)
(Increase) / Decrease in other current assets	926.78	(1,407.14)
(Increase) / Decrease in other financial assets	47.78	(2.25)
(Decrease) / Increase in trade payables	(6,644.58)	5,510.50
(Decrease) / Increase in provisions	25.47	82.13
(Decrease) / increase in other current liabilities	(655.61)	224.41
Cash generated from operations	5,668.88	(1,554.62)
Income taxes paid	247.97	(313.06)
Net cash used in operating activities	5,916.85	(1,867.68)
Cash flows from investing activities		
Payments for property, plant and equipment	–	(51.42)
Sale of PPE	18.20	–
Investments in subsidiary	(482.48)	–
Fixed Deposits encashed	–	–
Profit on sale of investment	72.79	12.88
Investment in Mutual fund	762.67	(2,912.05)
Net cash used in investing activities	371.18	(2,950.59)
Cash flows from financing activities		
Proceeds from Issue of share capital	482.00	–
Proceeds from Inter corporate deposit (ICD)	(7,500.00)	7,500.00
Repayment of Inter corporate deposit (ICD)	–	–
Borrowing (repaid) / received	–	(500.00)
Payment towards lease liabilities (net)	(167.93)	(186.44)
Interest paid	(195.11)	(221.29)
Net cash from financing activities	(7,381.04)	6,592.27
Net increase/(decrease) in cash and cash equivalents	(1,093.01)	1,774.00
Cash and cash equivalents at the beginning of the year	2,062.29	288.29
Cash and cash equivalents at the end of the year	969.28	2,062.29

The accompanying notes 1 to 38 are an integral part of the Financial Statements

As per our report of even date
For **Mukund M. Chitale & Co.**

Chartered Accountants
Firm Registration No.: 106655W

S. M. Chitale
Partner
Membership No. 111383

Place: Mumbai
Date: April 15, 2026

For and on behalf of the Board of Directors
Mahindra Solarize Private Limited

Avinash Rao
Director
DIN: 08249182

Ashish Saboo
Chief Financial Officer

Place: Mumbai
Date: April 15, 2026

Rakesh Khaitan
Director
DIN: 09671089

Ms Dipu Pandey
Company Secretary
Mem. No. : A78018

Bharat Dhumal
Manager

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026**(A) Equity Share Capital**

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
<u>Issued, Subscribed And Paid Up Capital</u>		
Balance as at the Beginning of the year	3,538.52	3,538.52
Changes in equity share capital during the year	482.00	—
Balance as at the end of the year	4,020.52	3,538.52

(B) Other Equity

Particulars	(₹ in Lakhs)		
	Retained Earnings	Items of other comprehensive income	Total
Balance as at 1st April, 2025	238.70	(6.76)	231.94
Profit for the year	80.00	—	80.00
Other comprehensive income (net of tax)	—	21.68	21.68
Transfer to retained earnings	—	—	—
Balance as at 31st March, 2026	318.70	14.92	333.62

Particulars	(₹ in Lakhs)		
	Retained Earnings	Items of other comprehensive income	Total
Balance as at 1st April, 2024	(394.80)	(8.67)	(403.47)
Loss for the year	633.50	—	633.50
Other comprehensive income (net of tax)	—	1.91	1.91
Transfer to retained earnings	—	—	—
Balance as at 31st March, 2025	238.70	(6.76)	231.94

As per our report of even date
For Mukund M. Chitale & Co.
Chartered Accountants
Firm Registration No.: 106655W

S. M. Chitale
Partner
Membership No. 111383

Place: Mumbai
Date: April 15, 2026

For and on behalf of the Board of Directors
Mahindra Solarize Private Limited

Avinash Rao
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Ms Dipu Pandey
Company Secretary
Mem. No. : A78018

Bharat Dhumal
Manager

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Company Overview and Material Accounting Policies and Information

1. Company Overview

Mahindra Solarize Private Limited (the 'company') is domiciled in India and is a subsidiary of Mahindra Sustainable Energy Private Limited. The Company has been incorporated under the provisions of the Companies Act, 2013.

The Company is engaged in the business of providing services in the areas of Engineering, Procurement and Construction of power plants in renewable energy, operations and maintenance, analytics, sale of modules and related components and sale of solar water pump. The company is also engaged in sales of engines and related components.

2. Material Accounting Policies and Information

2.1. Basis of Preparation of financial statements

The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs under sections 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2017. The Company has investment in Subsidiary, however in view of the provisions of para 4 of the IND AS 110- Consolidated Financial Statements and Rule 9.1.6 Companies (Accounts) Rules, 2014, Company has not prepared Consolidated Financial Statements.

The financial statements of the Company for the year ended 31 March 2026 were approved for issue in accordance with the resolution of the Board of Directors on 15 April 2026.

2.2. Basis of accounting

The Company maintains its accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair values in accordance with Ind AS. Further, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

2.3. Presentation of Financial Statements

The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

2.4. Current / Non-Current classification

An asset or liability is classified as 'current' when it satisfies any of the following criteria:

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

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

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 above which are in accordance with Schedule III to the Act.

Operating Cycle

Based on the nature of products and services of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.5. Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of material accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in the relevant note.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

A. Judgements in applying material accounting policies

The judgements, apart from those involving estimations (see note below) that the Company has made in the process of applying its material accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

B. Key source of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Property, Plant and Equipment

Determination of the estimated useful lives of Property, Plant and Equipment (PPE) and the assessment as to which components of the cost may be capitalized. Useful lives of items of PPE are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined based on the prevailing market yields of Indian Government Securities as at the Balance Sheet Date for the estimated term of the obligations.

c) Recognition of deferred tax assets

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

d) Recognition and measurement of other provision

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

e) Discounting of long-term financial instruments

All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

2.6. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

2.7. Property, plant and equipment and Depreciation

Property, Plant and Equipment is recognized when it is possible that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company. Advance given towards acquisition of Property, Plant and Equipment outstanding at the reporting date are disclosed as capital advances under Non-Current Assets.

Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognized in the Statement of Profit and Loss in the same period.

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Estimated useful lives as follows:

Office Equipment	3 to 5 years
Computer	3 years
Plant & Machinery	5 years

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

2.8. Intangible Assets

Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition at cost comprising the purchase price and directly attributable costs to prepare the assets for its intended use.

Intangible Assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognized in the Statement of Profit and Loss in the same period.

Intangible assets that have finite lives are amortised over their useful lives by the straight-line method.

2.9. Investments in Subsidiaries, Associates and Joint ventures

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of

impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

2.10. Inventories

Construction material, components, stores and spares are valued at lower of cost or net realisable value. Cost is determined on weighted average method basis and comprise all cost of purchase, duties, taxes and all other costs incurred in bringing the inventory to their present location and condition.

2.11. Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's net selling price or its value in use. 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.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in the statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.12. Financial Instruments

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

Financial Assets

Initial Recognition

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in two broad categories:- i) Financial assets at fair value and ii) Financial assets at amortised cost. Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss [i.e. fair value through profit or loss], or recognised in other comprehensive income [i.e. fair value through other comprehensive income]. A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Impairment of financial asset

The Company applies the expected credit loss (ECL) model for recognizing impairment loss on financial assets with respect to Trade receivable and loans, the Company measures the loss allowance at an amount equal to lifetime expected credit loss.

Financial liabilities

Initial recognition

The company initially recognises borrowings, trade payables and related financial liabilities on the date on which they are originated.

All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities are initially recognised at fair value, net of transaction costs incurred.

Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

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

2.13. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of

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

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

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

2.14. Segment reporting

The Company is having operations primarily in Solar and Engine segments. Segment revenue/income, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities"

2.15. Provisions and Contingencies

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not provided for and are disclosed by way of notes unless the possibility of outflow of resources embodying economic benefits is remote

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

2.16. Revenue recognition

EPC Contract

Revenue from EPC contracts, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity, hence revenue is recognized over the period of time. Determination of revenues under the percentage of completion method necessarily involves making estimates by the management.

Any variations in contract work, claims, incentive payments are included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved.

Sale of Goods

An entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

Interest Income

Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

2.17. Borrowing Cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.18. Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company divided by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company divided by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed to have been converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period.

2.19. Cash Flow statement

Cash flows are reported using the indirect method, whereby profit or loss for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.20. Employee Benefits

Short Term Employment benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post Employment Employee Benefits

Retirement benefits to employees comprise payments to government provident funds, gratuity fund and Employees State Insurance.

Defined Contribution Plans

The Company's contribution to defined contributions plans such as Provident Fund, Employee State Insurance are recognised in the Statement of Profit and Loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective Funds.

Defined Benefit Plans

Gratuity liability is defined benefit obligation. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary, using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Actuarial gains/losses are recognized in the other comprehensive income.

2.21. Income Taxes

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

Minimum alternative tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the year that MAT is permitted to be set off under the Income Tax Act, 1961 (specified year). In the year, in which the MAT credit becomes eligible to be recognized as an asset the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT credit entitlement.

The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified year.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred income tax assets and liabilities are measured using tax rates and tax laws 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. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

2.22. Assets Held for Sale

Non-current assets are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is highly probable.

Assets designated as held for sale are measured at the lower of carrying amount at designation and fair value less costs to sell.

2.23. 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.

For cash and other liquid assets, the fair value is assumed to approximate to book value, given the short-term nature of these instruments. For those items with a stated maturity exceeding twelve months, fair value is calculated using a discounted cash flow methodology.

A fair value measurement of a non-financial asset considers 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.

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 based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Note No. 3 - Property, Plant and Equipment

Particulars	As at	
	31 March 2026	31 March 2025
(a) Property, plant and equipment (owned)	16.33	50.30
(b) Right of use assets.....	67.11	248.64
TOTAL.....	83.44	298.94

(₹ in Lakhs)

Description of Assets	As at							
	Office Equipment	Computer	Plant & Machinery	Total PPE	ROU assets (Building)	ROU assets (Vehicle)	Total ROU assets	Total
I. Gross Carrying Amount								
Balance as at 1 April 2025	4.27	75.03	0.75	80.05	416.04	47.96	464.00	544.05
Additions	—	—	—	—	—	—	—	—
Deductions / adjustments	—	28.66	—	28.66	—	47.96	47.96	76.62
Balance as at 31 March 2026	4.27	46.37	0.75	51.39	416.04	—	416.04	467.43
II. Accumulated Depreciation								
Balance as at 1 April 2025	2.87	26.84	0.04	29.75	201.14	14.22	215.36	245.11
Depreciation expense for the year	0.71	14.91	0.15	15.77	147.79	2.38	150.17	165.94
Eliminated on disposal of assets	—	—	—	—	—	—	—	—
Eliminated on reclassification as held for sale	—	—	—	—	—	—	—	—
Impairment losses recognised in profit or loss	—	—	—	—	—	—	—	—
Reversals of impairment losses recognised in profit or loss	—	—	—	—	—	—	—	—
Deductions / adjustments	(0.01)	(10.45)	—	(10.45)	—	(16.60)	(16.60)	(27.05)
Balance as at 31 March 2026	3.57	31.30	0.19	35.07	348.93	—	348.93	384.00
III. Net carrying amount (I-II)								
Net carrying amount as at 31 March, 2026	0.70	15.07	0.56	16.33	67.11	—	67.11	83.44
I. Gross Carrying Amount								
Balance as at 1 April 2024	4.27	24.36	—	28.63	195.93	23.81	219.74	248.37
Additions	—	50.67	0.75	51.42	220.11	24.15	244.26	295.68
Deductions / adjustments	—	—	—	—	—	—	—	—
Balance as at 31 March 2025	4.27	75.03	0.75	80.05	416.04	47.96	464.00	544.05
II. Accumulated Depreciation								
Balance as at 1 April 2024	0.88	13.38	—	14.26	40.68	4.76	45.44	59.70
Depreciation expense for the year	1.99	13.46	0.04	15.49	160.46	9.46	169.92	185.41
Deductions / adjustments	—	—	—	—	—	—	—	—
Balance as at 31 March 2025	2.87	26.84	0.04	29.75	201.14	14.22	215.36	245.11
III. Net carrying amount (I-II)								
Net carrying amount as at 31 March, 2025	1.40	48.19	0.71	50.30	214.90	33.74	248.64	298.94

(₹ in Lakhs)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Note No. 3A - Depreciation and amortization expense

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Depreciation on Computer	14.91	13.46
Depreciation on Office equipment	0.71	1.99
Depreciation on Plant & Machinery	0.15	0.04
Depreciation on Right of use Assets (Note 29)	150.17	169.92
TOTAL	165.94	185.41

Note No. 4 - Investment

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Investment Measured at amortised cost		
Unquoted fully paid		
Investment in subsidiary company		
Investment in Equity shares of Resurgence Solarize Urja Private Limited	1,221.00	738.52
1,22,10,000 Equity Shares of Rs. 10 each (Previous Year: 73,85,200)		
Total	1,221.00	738.52
Aggregate value of Quoted Investments	–	–
Aggregate Market value of Quoted Investments	–	–
Aggregate book value of Unquoted Investments	1,221.00	738.52
Total	1,221.00	738.52

Note No. 4A - Investment

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Carried at fair value through profit & loss account		
Investments in Mutual Funds (Quoted)	2,149.38	2,912.05
Total	2,149.38	2,912.05
Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Axis Liquid Fund - Regular Growth -Nil Units (PY 14229.306 Units)	–	406.95
Axis Overnight Fund - Regular Growth - 1,51,315.55 units (PY 186022.056 Units)	2,149.38	2,505.11
Total	2,149.38	2,912.05

Note No. 5 - Current Tax and Deferred Tax

(i) Current Tax Liabilities

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Provision for Taxes (Net of advance tax and TDS)	–	–
Total	–	–

(ii) Current Tax Assets

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Advance tax (Net of Provision for Taxes)	82.79	387.47
Total	82.79	387.47

(iii) Income Tax recognised in profit or loss

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Current Tax:		
In respect of current year	49.12	98.80
In respect of previous year	7.60	–
Deferred Tax:		
In respect of current year	(45.03)	(84.36)
Total income tax expense recognised in profit and loss	11.69	14.44

(iv) Income tax recognised in other Comprehensive income

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Remeasurement of defined benefit obligations not reclassified to profit and loss	(7.29)	(0.64)
Total Income tax recognised in other Comprehensive income	(7.29)	(0.64)

(v) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
i) Profit before tax	91.69	647.94
ii) Corporate tax rate as per Income tax Act, 1961	25.17%	25.17%
iii) Tax on accounting profit (iii) = (i) X (ii)	23.08	163.07
iv) Total effect of Tax adjustment	23.08	163.07
v) Adjustments recognised in the current year in relation to the current tax of prior years	7.60	–
vi) Effect of loss carried forward not recognised as deferred tax	–	(152.81)
vii) other items	(18.98)	4.18
viii) Tax expense recognised during the year (viii)=(iv)+(v)+(vi)+(vii)	11.70	14.44

(vi) Movement in deferred tax balances as at 31 March 2026

Particulars	(₹ in Lakhs)			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, plant and equipment and intangible assets: Impact of difference between written down value as per books of account and income tax	(1.15)	(2.35)	–	(3.50)
Mutual fund MTM	(1.71)	0.61	–	(1.10)
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	26.54	9.08	(7.29)	28.33
Provisions	193.92	38.18	–	232.10
Other Items	(2.39)	(0.50)	–	(2.89)
Net deferred tax Assets	215.21	45.02	(7.29)	252.94

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Movement in deferred tax balances as at 31 March 2025

Particulars	(₹ in Lakhs)			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>	-	-	-	-
<u>Tax effect of items constituting deferred tax assets</u>				
Property, plant and equipment and intangible assets: Impact of difference between written down value as per books of account and income tax	(0.25)	(0.90)	-	(1.15)
Mutual Fund MTM	-	(1.71)	-	(1.71)
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	15.81	11.37	(0.64)	26.54
Provisions	114.17	79.75	-	193.92
Other Items	1.77	(4.16)	-	(2.39)
Net deferred tax Assets	131.50	84.36	(0.64)	215.21

Note No. 6 - Inventories

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Project Inventory (Finished Goods)	946.87	2,020.02
Total	946.87	2,020.02

Trade Receivable Ageing Schedule as at 31 March 2026

Particulars	Outstanding for following periods from due date of payment (₹ in Lakhs)						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables — considered good	1,748.32	949.94	874.53	2,070.74	563.90	-	6,207.43
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — Credit Impaired	-	-	-	8.48	0.17	64.02	72.67
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — Credit Impaired	-	-	-	-	-	-	-
Total	1,748.32	949.94	874.53	2,079.22	564.07	64.02	6,280.10

Trade Receivable Ageing Schedule as at 31 March 2025

Particulars	Outstanding for following periods from due date of payment (₹ in Lakhs)						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables — considered good	5,905.35	6,413.27	2,466.47	1,469.70	313.36	36.80	16,604.95
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — Credit Impaired	-	-	-	5.52	46.41	-	51.93
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — Credit Impaired	-	-	-	-	-	-	-
Total	5,905.35	6,413.27	2,466.47	1,475.22	359.77	36.80	16,656.88

Project inventory consists of various materials including solar PV Modules and other related materials required to install Solar power generating system. Inventories are hypothecated as security for the working capital/ cash credit facilities.

Note No. 7 - Trade receivables

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
(a) Trade Receivables considered good - Secured	-	-
(b) Trade Receivables considered good - Unsecured*	6,207.43	16,604.95
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables - credit impaired	72.67	51.93
Total	6,280.11	16,656.88
Less:		
Allowance for Expected Credit Loss	72.67	51.93
Total	6,207.43	16,604.95

* Includes ₹ 69.17 lakhs (P.Y. - ₹ 329.88 lakhs) receivable from related parties

There are no trade receivables due from any director or any officer of the Company, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Note No. 8 - Cash and cash equivalents

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balances with banks	68.81	34.70
Fixed Deposit with Maturity less than 3 months	900.47	2,027.59
Total Cash and Cash Equivalent	969.28	2,062.29

Note No. 9 - Other Financial Assets

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Security deposits	32.07	79.93
Interest receivable	2.38	2.30
Total	34.45	82.23

Note No. 10 - Other Current Assets

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Advances to employees	16.47	10.11
Advances to Suppliers	60.27	104.23
Prepaid Expenses	3.48	11.20
GST Input Credit	409.79	178.68
Others	461.04	1,573.61
Total	951.05	1,877.83

Note No. 11 - Equity Share Capital

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Authorised:		
Equity shares of Rs 10 each with voting rights 4,02,00,000 Equity shares of Rs 10 each (4,20,00,000 Equity shares of Rs 10 each)	4,200.00	4,200.00
	4,200.00	4,200.00

Issued Capital

Equity shares of Rs. 10 each with voting rights 4,02,05,200 Equity shares of Rs 10 each (4,15,20,000 Equity shares of Rs 10 each)	4,020.52	4,152.00
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Subscribed and Fully Paid up:

Equity shares of Rs. 10 each with voting rights 4,02,05,200 Equity shares of Rs 10 each (3,53,85,200 Equity shares of Rs 10 each)	4,020.52	3,538.52
Total Equity Share Capital	4,020.52	3,538.52

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	(₹ in Lakhs)			
	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	(Rs.)	No. of Shares	(Rs.)
At the beginning of the year	3,53,85,200	3,538.52	3,53,85,200	3,538.52
New Shares issued during the year	48,20,000	482	-	-
At the end of the year	4,02,05,200	4,020.52	3,53,85,200	3,538.52

(ii) Details of shares held by the holding company:

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of Shares	(Rs.)	No. of Shares	(Rs.)
Mahindra Sustainable Energy Private Limited (Formerly known as Mahindra Telecom Energy Management Services Private Limited)	4,02,05,200	4,020.52	3,53,85,200	3,538.52

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares held in that class (In Lakhs)	% holding of shares	Number of shares held in that class (In Lakhs)	% holding of shares

Equity shares with voting rights..

Mahindra Sustainable Energy Private Limited (Formerly known as Mahindra Telecom Energy Management Services Private Limited)	4,02,05,200	100%	3,53,85,200	100%
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(iv) Disclosure with respect to Shareholding of Promoters

Shares held by promoters at the end of year		No. of Shares	% of total shares	% Change during the year
Sr No	Promoter name			
1	Mahindra Sustainable Energy Private Limited (Formerly known as Mahindra Telecom Energy Management Services Private Limited)	4,02,05,194	100	Nil
2	Mahindra Sustainable Energy Private Limited (Formerly known as Mahindra Telecom Energy Management Services Private Limited), Jointly with Ms. Brijbala Batwal	1	0	Nil
3	Mahindra Sustainable Energy Private Limited (Formerly known as Mahindra Telecom Energy Management Services Private Limited), Jointly with Mr. Narayan Shankar	1	0	Nil
4	Mahindra Sustainable Energy Private Limited (Formerly known as Mahindra Telecom Energy Management Services Private Limited), Jointly with Mr. Feroze Baria	1	0	Nil
5	Mahindra Sustainable Energy Private Limited (Formerly known as Mahindra Telecom Energy Management Services Private Limited), Jointly with Mr. Jignesh Parikh	1	0	Nil
6	Mahindra Sustainable Energy Private Limited (Formerly known as Mahindra Telecom Energy Management Services Private Limited), Jointly with Mr. Sumeet Maheshwari	1	0	Nil
7	Mahindra Sustainable Energy Private Limited (Formerly known as Mahindra Telecom Energy Management Services Private Limited), Jointly with Ms. Anita Halbe	1	0	Nil
Total		4,02,05,200		

Note No. 12 - Other Equity

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
<u>Other Comprehensive Income</u>		
Beginning of the year	(6.76)	(8.67)
Other comprehensive income (net of tax)	21.68	1.91
Closing Balance	14.92	(6.76)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Retained Earnings		
Beginning of the year.....	238.70	(394.80)
Profit/(Loss) for the year.....	80.00	633.50
Closing Balance.....	318.70	238.70
Total	333.62	231.94

Other Comprehensive Income

Other comprehensive income represents the remeasurements of the defined benefit gratuity plan; comprising of actuarial gains and losses on it's liabilities / assets net of taxes.

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends distributions paid to shareholders and dividend distribution tax thereon.

Note No. 13 - Lease liabilities

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Non-Current		
Lease Liabilities (Note 29).....	—	107.55
Total	—	107.55
Current		
Lease Liabilities (Note 29).....	78.95	160.26
Total	78.95	160.26

Note No. 14 - Provisions

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Non-Current		
Provision for employee benefits-Leave Encashment.....	16.45	51.65
Provision for employee benefits-Gratuity (Note 28).....	48.13	39.53
Total	64.58	91.18
Current		
Provision for employee benefits-Leave Encashment.....	2.47	14.29
Provision For Warranties (Note 14.1).....	849.47	718.49
Total	851.94	732.77

Trade Payable Ageing as at 31 March 2026

Particulars	Outstanding for following periods from date of invoice					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues						
(i) MSME.....	—	22.84	—	—	—	22.84
(ii) Others.....	4,624.53	669.16	2,089.48	8.96	3.46	7,395.58
Disputed dues						
(i) MSME.....	—	—	—	—	—	—
(ii) Others.....	—	—	—	—	—	—
Total	4,624.53	692.00	2,089.48	8.96	3.46	7,418.42

Note No. 14.1 Movement in Warranty provision

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Opening Warranty provision.....	718.49	461.23
Additions during the year (Note 25).....	130.98	257.26
Closing Provision	849.47	718.49

Note No. 15 - Borrowings

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Current		
(A) Secured		
Loans Payable on Demand from Bank*.....	—	—
(B) Unsecured		
From Related Parties**.....	—	7,500.00
Total	—	7,500.00

* First Pari Passu charge on entire current assets of the company present and future with the existing lenders or new lenders if any

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

* The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

**The Company has unsecured short term Intercompany deposit of Rs. Nil in Rs. Lakhs as at 31 March 2026 (31 March 2025 Unsecured Long term: Rs.7500 Lakhs) from related party Mahindra & Mahindra Limited carrying interest rate as T-Bill+175 Bps with maturity of 1 years from disbursement date.

Note No. 16 - Trade Payables

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
(A) Total outstanding dues of micro enterprises and small enterprises.....	22.84	203.32
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises*.....	7,395.58	13,859.68
Total	7,418.42	14,063.00

* Includes ₹ 4501.50 lakhs (P.Y. - ₹ 5865.47 lakhs) payable to related parties

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Trade Payable Ageing as at 31 March 2025

Particulars	Outstanding for following periods from date of invoice					(₹ in Lakhs)
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues						
(i) MSME		202.31	0.83	0.18	—	203.32
(ii) Others		13,842.82	12.96	3.90	—	13,859.68
Disputed dues						
(i) MSME	—	—	—	—	—	—
(ii) Others	—	—	—	—	—	—
Total	—	14,045.13	13.79	4.08	—	14,063.00

Note No. 17 - Other Financial Liability

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Security deposits	26.00	124.00
Salary payable	1.54	3.86
Interest payable	33.79	333.97
Total	61.33	461.83

Note No. 18 - Other current liabilities

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Advances received from customers	6.32	172.55
Statutory dues	62.95	139.91
Total	69.27	312.46

Note No. 19 - Revenue from operations

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Income from sale of Solar Power Generating Systems	14,974.47	40,789.34
Income from sale of products	20,930.95	14,251.93
Total	35,905.42	55,041.27

Note No. 19.1

A. Reconciliation of Contract Assets & Contract Liabilities:

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Contract Assets		
At the beginning of the year	—	—
Less: Billed during the year	35,905.42	55,041.27
Add: Revenue recognised during the year	35,905.42	55,041.27
At the end of the year	—	—
Contract Liability	—	—

B. Reconciliation of revenue as per Ind AS 115:

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue as per contracted prices	35,905.42	55,041.27
Less: Adjustment of revenue pertaining to Revenue from sale	—	—
Revenue from contract with customers	35,905.42	55,041.27

Note No. 20 - Other Income

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest on		
Fixed Deposit	7.54	32.63
Income Tax refund	27.38	11.41
Income on current investment	78.13	12.88
Business Support Service Charges	53.93	40.10
Scrap Sale	—	0.17
Other income	16.48	7.27
Total	183.46	104.46

Note No. 21 - Purchase of stock in trade

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Purchases	33,234.86	51,174.73
Total	33,234.86	51,174.73

Note No. 22 - Change in Inventories

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening stock of Materials	2,020.02	1,887.58
Less: Closing stock of Materials	946.87	2,020.02
Total	1,073.15	(132.44)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Note No. 23 - Employee benefit expense

Particulars	(₹ in Lakhs)		Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2026	For the year ended 31 March 2025		For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries and wages, including bonus and Gratuity Expenses (Note 28)	746.38	1,439.92	Miscellaneous expenses	67.56	149.64
Contribution to provident and other funds	33.08	52.86	Total	486.84	1,193.70
Staff welfare expenses	34.13	23.14			
Total	813.59	1,515.92			

Note No. 24 - Finance Costs

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expense	195.12	519.66
Interest on lease liabilities (Note 29)	15.77	27.04
Interest on MSME	11.92	13.76
Total	222.81	560.47

Note No. 25 - Other expenses

Particulars	(₹ in Lakhs)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Insurance	8.73	87.60
Rent, Rates and taxes	78.05	62.02
Auditors Remuneration (Note 25.1)	4.25	4.00
Repairs and maintenances	0.01	0.90
Advertisement	57.05	232.97
Travelling and Conveyance Expenses	60.02	160.89
Professional and legal expenses	68.32	187.72
Warranty expenses (Note 14.1)	130.98	257.26
IT Expense	11.86	50.70

Note No. 27 - Related Party Transactions

Relationships:

Ultimate Holding
Parent Company

Subsidiary Company
Fellow Subsidiaries

Name:

Mahindra & Mahindra Limited
Mahindra Sustainable Energy Private Limited (Formerly known as Mahindra Telecom Energy Management Services Private Limited)
Resurgence Solarize Urja Private Limited
1. Bristlecone India Ltd.
2. Mahindra Susten Private Limited
3. Tech Mahindra Limited
4. Mahindra Integrated Business Solution Limited
5. Mahindra Teqo Private Limited
6. Mahindra Holidays & Resorts India Ltd.
7. Mahindra & Mahindra Financial Services Ltd.
8. Marvel Solren Private Limited
9. Mahindra Accelo Limited
10. Mahindra Steel Service Centre Limited
11. Mahindra World City (Jaipur) Limited
12. Mahindra Summit Agriscience Limited
13. Mahindra Logistics Limited
1. Sanjay Jain (Director, Upto 19th May 2025)
2. Ashish Saboo (Chief Financial Officer)
3. Parul Soni (CS upto 3rd December, 2025)
4. Dipu Pandey (CS w.e.f. 15th Oct, 2025)

KMP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Relationships:

Name:

5. Deepak Thakur (Additional Director from 19th May 2025 to 31st July 2025)
6. Hemant Sikka (Director, Upto 11th May 2025)
7. Isneh Singh Locher (Director, w.e.f. 13th Jan, 2026)
8. Anusha Kothandaraman (Director Upto 19th May 2025)
9. Isha Dalal (Director Upto 10th Nov 2025)
10. Rakesh Khaitan (director, w,e,f, 26th August, 2025)
11. Avinash Rao (Director, w.e.f. 15th Oct, 2025)
12. Bharat Dhumal (Manager w.e.f. 15th Oct, 2025)

Details of transaction between the Company and its related parties are disclosed below:

(₹ in Lakhs)

Particulars	For the year ended	Ultimate Holding Company	Parent Company	Subsidiary	Fellow Subsidiaries	KMP	Total
<u>Nature of transactions with Related Parties</u>							
<u>Expenses</u>							
Purchase of goods	31/03/2026	20,703.68	—	—	—	—	20,703.68
	31/03/2025	14,587.57	—	—	—	—	14,587.57
Interest expenses	31/03/2026	187.44	—	—	—	—	187.44
	31/03/2025	346.83	—	—	—	—	346.83
Reimbursement to related parties	31/03/2026	457.72	—	—	25.30	—	483.02
	31/03/2025	117.37	—	—	2.45	—	119.82
Purchase of services	31/03/2026	160.54	—	—	161.60	—	322.14
	31/03/2025	1,775.39	—	—	162.97	—	1,938.36
Managerial remuneration	31/03/2026	—	—	—	—	0.73	0.73
	31/03/2025	—	—	—	—	34.62	34.62
<u>Income</u>							
Sale of Goods and services	31/03/2026	1,491.18	—	—	—	—	1,491.18
	31/03/2025	346.43	—	3,145.05	32.04	—	3,523.52
Reimbursement from related parties	31/03/2026	71.24	—	—	—	—	71.24
	31/03/2025	—	—	56.64	0.84	—	57.48
Sale of Fixed Assets	31/03/2026	18.22	—	—	—	—	18.22
	31/03/2025	—	—	—	—	—	—
Services given	31/03/2026	—	—	—	374.32	—	374.32
	31/03/2025	—	—	—	14.60	—	14.60
<u>Asset</u>							
Investment in Equity Shares	31/03/2026	—	—	1,221.00	—	—	1,221.00
	31/03/2025	—	—	738.52	—	—	738.52
Trade receivable including reimbursement receivable	31/03/2026	69.17	—	—	—	—	69.17
	31/03/2025	238.17	—	56.64	35.07	—	329.88
<u>Liability</u>							
Trade payables	31/03/2026	4,459.20	—	—	42.30	—	4,501.50
	31/03/2025	5,840.24	—	—	25.23	—	5,865.47
Unsecured loan	31/03/2026	—	—	—	—	—	—
	31/03/2025	7,500.00	—	—	—	—	7,500.00
Equity Share Capital	31/03/2026	—	4,020.52	—	—	—	4,020.52
	31/03/2025	—	3,538.52	—	—	—	3,538.52
<u>Transaction</u>							
Loan received / (repaid)	31-03-2026	(7,500.00)	—	—	—	—	(7,500.00)
Loan received / (repaid)	31-03-2025	7,500.00	—	—	—	—	7,500.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Note No. 28 - Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund aggregating INR 61.83 lakhs (previous year Rs 52.86 Lakhs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employee has earned in exchange of their service in the current and prior periods and discounted back to the current valuation date to arrive at the present value of the defined benefit obligation. The defined benefit obligation is deducted from the fair value of plan assets, to arrive at the net asset / (liability), which need to be provided for in the books of accounts of the Company. As required by the Ind AS19, the discount rate used to arrive at the present value of the defined benefit obligations is based on the Indian government security yields prevailing as at the balance sheet date that have maturity date equivalent to the tenure of the obligation. The calculation is performed by a qualified actuary using the projected unit credit method. Remeasurements arising from defined benefit plans comprises of actuarial gains and losses on benefit obligations. The Company recognizes these items of remeasurements immediately in other comprehensive income and all the other expenses related to defined benefit plans as employee benefit expenses in their profit and loss account. When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

NATURE OF BENEFITS

The Company operates a defined benefit final salary gratuity plan which is open to new entrants. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

GOVERNANCE OF THE PLAN

The Company is responsible for the overall governance of the plan. Since the plan is Funded, the governance of the plan is limited to employees being paid gratuity as per the terms of the plan.

INHERENT RISKS:

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

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

	31 March 2026	31 March 2025
Discount rate	7.00%	6.85%
Expected rate of salary increase	9.00%	9.00%

Defined benefit plans – as per actuarial valuation on 31st March, 2026

Particulars	(₹ in Lakhs)	
	Funded Plan	Funded Plan
	Gratuity	
	2026	2025
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Opening of defined benefit obligation	118.91	85.93
Service Cost:		
Current Service Cost.....	14.82	15.08

(₹ in Lakhs)

Funded Plan Funded Plan

Gratuity

2026 2025

Particulars	2026	2025
Past service cost and (gains)/losses from settlements	21.81	
Interest on defined benefit obligation.....	6.32	5.67
Remeasurement on the net defined benefit liability		
Actuarial gains and loss arising from changes in financial assumptions	(0.67)	2.99
Actuarial gains and loss arising from changes in demographics..	–	–
Actuarial gains and loss arising from experience adjustments ..	(23.72)	23.74
Benefits paid.....	(74.31)	(15.01)
Liabilities assumed/(settled)	–	0.51
Closing of defined benefit obligation	63.16	118.91

Net (Asset)/Liability recognised in the Balance Sheet

1. Present value of funded defined benefit obligation as at 31 March	63.16	118.91
2. Fair value of plan assets as at 31 March	15.04	79.38
Net funded Obligation	48.11	39.53
Present value of unfunded defined benefit obligation as at 31 March		–
Net defined benefit liability / (asset) recognized in balance sheet	48.11	39.53
Current.....	–	–
Non current.....	48.11	39.53

Reconciliation of Net Liability/Asset

Opening net defined benefit liability / (Asset).....	39.53	25.08
Expense charged to profit & loss account.....	37.58	16.52
Amount recognized outside profit & loss account.....	(28.97)	(2.56)
Employer contributions.....	(0.01)	(0.01)
Impact of liability assumed or (settled)	–	0.51
Closing net defined benefit liability / (asset)	48.13	39.53

Movement in plan assets

Opening fair Value of plan assets.....	79.38	60.86
Employers Contribution.....	0	0.01
Interest on plan assets.....	5.39	4.23
Remeasurements due to.....		
Actuarial return on plan assets less interest on plan assets	4.58	29.29
Benefits Paid	(74.31)	(15.01)
Closing fair value of plan assets	15.04	79.38

Movement of liability

Opening net defined benefit liability / (asset)	39.53	25.08
Expense charged to profit & loss account.....	37.58	16.52
Amount recognized outside profit & loss account.....	(28.97)	(2.56)
Employer contributions.....	(0.01)	(0.01)
Impact of liability assumed or (settled)	–	0.51
Closing net defined benefit liability / (asset)	48.13	39.53

PROFIT & LOSS ACCOUNT EXPENSE

Particulars	Year Ended	
	2026	2025
Current service cost.....	14.82	15.08
Past service cost	21.82	–
Administration expense	–	–
Interest on net defined benefit liability / (asset)	0.93	1.44
(Gains) / losses on settlement	–	–
Total expense charged to profit and loss account	37.58	16.52

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

AMOUNT RECORDED IN OTHER COMPREHENSIVE INCOME

Particulars	Year Ended	
	2026	2025
Opening amount recognized in OCI outside profit and loss account	24.42	26.98
Remeasurements during the period due to:		
Changes in financial assumptions	(0.67)	2.99
Changes in demographic assumptions.....	-	-
Experience adjustment	(23.72)	23.74
Actual return on plan assets less interest on plan assets	(4.58)	(29.29)
Adjustment to recognize the effect of asset ceiling	-	-
Closing amount recognized in OCI outside profit and loss account	(4.55)	24.42

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Basis Discount Rate:

Particulars	Year Ended	
	2026	2025
Defined benefit obligation on increase in 100 bps	58.93	110.68
Impact of increase in 100 bps on DBO	-6.68%	-6.92%
Defined benefit obligation on decrease in 100 bps	67.88	128.22
Impact of decrease in 100 bps on DBO	7.49%	7.84%

Basis Salary Escalation:

Particulars	Year Ended	
	2026	2025
Defined benefit obligation on increase in 100 bps	66.11	126.22
Impact of increase in 100 bps on DBO	4.69%	6.16%
Defined benefit obligation on decrease in 100 bps	59.96	111.94
Impact of decrease in 100 bps on DBO	-5.06%	-5.85%

Maturity profile of defined benefit obligation:

Particulars	2026	2025
Expected benefits for year 1	5.52	11.50
Expected benefits for year 2	5.45	9.91
Expected benefits for year 3	5.44	10.16
Expected benefits for year 4	6.08	9.86
Expected benefits for year 5	5.41	37.06
Expected benefits for year 6	21.51	8.14
Expected benefits for year 7	4.17	16.23
Expected benefits for year 8	2.36	5.99
Expected benefits for year 9	16.68	4.70
Expected benefits for year 10 and above	40.60	104.84

The weighted average duration of the defined benefit obligation as at 31 March 2026 is 7.06 years (31 March 2025 is 7.35 Years)

Note No. 30 - Key Ratios

Particulars	Numerator	Denominator	2025-26	2024-25	Variance	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	1.34	1.12	-20%	Reduction in liabilities
Debt Equity Ratio	Borrowings	Shareholder's Equity	0.00	1.99	100%	Repayment of borrowings during the year
Debt Service Coverage ratio	Earnings before interest, taxes, depreciation and amortisation	Interest & Principal Payment	2.46	2.68	8%	Due to reduction in profits during the year
Return on Equity Ratio	Profit after taxes	Average Shareholder's Equity	1.84%	17.00%	89%	Due to reduction in profits during the year
Inventory turnover ratio	Cost of goods sold	Average Inventory	23.13	26.12	11%	Decrease in cost of material consumed during the year

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Note No. 29 - Disclosures as per Ind AS 116 -Leases

A) The Company has lease contract for car, details of amount recognised in profit and loss:

Amounts recognised in profit and loss	₹ in Lakhs	
	31 March 2026	31 March 2025
Depreciation expense on right-of-use assets (Note 3A)	150.17	169.92
Interest expense on lease liabilities (Note 24)	15.77	27.04
Expense relating to short-term leases		56.99
Total	165.94	253.95

B) The following table set outs maturity analysis of lease liability to be paid after the reporting date:

Maturity Analysis	₹ in Lakhs	
	31 March 2026	31 March 2025
- Less than 1 years.....	78.95	160.26
- 1 years - 3 years	-	107.55
- 3 years - 5 years	-	-
- 5 years and above	-	-

C) The total cash outflow for leases amount to Rs. 167.93 lakhs (Previous year Rs. 186.44 lakhs) during the year.

D) Below are the carrying amount of lease liabilities and the movement during the year:

Particulars	₹ in Lakhs	
	31 March 2026	31 March 2025
Opening.....	267.81	182.94
Additions / deletions (net).....	(36.71)	244.27
Accretion of interest.....	15.77	27.04
Payments	167.93	186.44
Closing	78.95	267.81

E) Below is the breakup of Current and Non current lease liabilities:

Particulars	₹ in Lakhs	
	31 March 2026	31 March 2025
Current lease liabilities (Note 13)	78.95	160.26
Non current lease liabilities (Note 13).....	-	107.55
Total.....	78.95	267.81

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Particulars	Numerator	Denominator	2025-26	2024-25	Variance	Reason for Variance
Trade receivables turnover ratio	Revenue from operations	Average Trade Receivable	0.32	0.23	-38%	Decrease in sales during the period
Trade payables turnover ratio	Purchases and other expenses	Average Trade Payables	0.32	0.22	-45%	Not applicable
Net Capital turnover ratio	Revenue from operations	Total Assets	2.78	2.02	-38%	Not applicable
Net Profit ratio	Profit after taxes	Revenue from operations	0%	1%	81%	Due to profits during the year
Return on capital employed	Earnings before interest and taxes	Average Shareholder's Equity + Borrowings + Lease liabilities	4.03%	16.00%	75%	Due to profit during the year

Note No. 31 - Fair Value Measurement

Fair Value of Financial assets and financial liabilities.

Particulars	(₹ in Lakhs)			
	31 March 2026		31 March 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
<u>Financial assets carried at Amortised Cost</u>				
<u>Non Current Assets</u>				
Investment.....	1,221.00	1,221.00	738.52	738.52
Current Assets				
Investments	2,149.38	2,149.38	2,912.05	2,912.05
Trade Receivables	6,207.43	6,207.43	16,604.95	16,604.95
Cash and cash equivalents.....	969.28	969.28	2,062.29	2,062.29
Other Financial Assets	34.45	34.45	82.23	82.23
Total Assets	10,581.54	10,581.54	22,400.04	22,400.04
Financial liabilities				
<u>Financial liabilities held at amortised cost</u>				
<u>Non-current Liabilities</u>				
– Lease Liabilities	–	–	107.55	107.55
Current				
– Borrowings	–	–	7,500.00	7,717.59
– Lease Liabilities	78.95	78.95	160.26	160.26
– Trade payables	7,418.42	7,418.42	14,063.00	14,063.00
– Other financial Liability.....	61.33	61.33	461.83	461.83
Total Liabilities.....	7,558.71	7,558.71	22,292.64	22,510.23

Note No. 31A - Fair Valuation techniques used to determine fair value

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

The Company has not disclosed the Fair values of cash and cash equivalents, trade payables and other financial assets and liabilities because their carrying amounts are reasonable approximation of fair values.

The fair values of trade receivables and current loans are calculated based on expected credit loss method and discounted cash flow using a current lending rate respectively. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including credit risk. The fair values of non-current loan are approximate at their carrying amount due to interest bearing features of these instruments.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair values of quoted financial instruments are derived from quoted market prices in active markets.

The fair value of investments in unlisted equity shares is determined using a combination of direct sales comparison and income approach

The fair value of the remaining financial instruments is determined using discounted cash flow analysis and/or direct sales comparison approach.

Fair value hierarchy

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

Level 1 : Quoted prices / published NAV [unadjusted] in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value [NAV] is published by mutual fund operators at the balance sheet date.

Level 2 : Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly [that is, as prices] or indirectly [that is, derived from prices]. It includes fair value of the financial instruments that are not traded in an active market [for example, over-the-counter derivatives] is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

Level 3 : Inputs for the asset or liability that are not based on observable market data [that is, unobservable inputs]. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Cash and Cash Equivalents, Other Financial Assets, Long Term and Short Term Borrowings, Trade Payables and Other financial liabilities are shown at amortised cost. The following table provides hierarchy of the fair value measurement of Company's asset and liabilities, grouped into Level 1 [Quoted prices in active markets], Level 2 [Significant observable inputs] and Level 3 [Significant unobservable inputs] as described below:

Particulars	(₹ in Lakhs)		
	31 March 2026		
	Level-1	Level-2	Level-3
Financial assets measured at fair value			
Investments (fair value through profit & loss)....	2,149.38	–	–
Financial assets measured at amortised cost			
Investment.....	–	1,221.00	–
Other Financial Assets.....	–	–	34.45
Total.....	2,149.38	1,221.00	34.45

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

(₹ in Lakhs)			
31 March 2026			
Particulars	Level-1	Level-2	Level-3
Financial liabilities measured at amortised cost			
– Lease Liabilities	–	–	78.95
– Borrowings	–	–	–
– Other financial Liability.....	–	–	61.33
Total.....	–	–	140.28

There were no transfers between level 1 and level 2 during the year

(₹ in Lakhs)			
31 March 2025			
Particulars	Level-1	Level-2	Level-3
Financial assets measured at fair value			
Investments (fair value through profit & loss)....	2,912.05	–	–
Financial assets measured at amortised cost			
Investment.....	–	738.52	–
Other Financial Assets.....	–	–	82.23
Total.....	–	738.52	82.23
Financial liabilities measured at amortised cost			
– Lease Liabilities	–	–	267.81
– Borrowings	–	–	7,717.59
– Other financial Liability.....	–	–	461.83
Total.....	–	–	8,447.23

There were no transfers between level 1 and level 2 during the year.

Financial Risk Management - Objectives and Policies

The Company is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the company under policies approved by the board of directors. This Risk management plan defines how risks associated with the Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties [e.g. Audit committee, Board etc.]. The results of these activities ensure that risk management plan is effective in the long term.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise of three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments. The sensitivity analysis is given relating to the position as at 31 March 2026 and 31 March 2025. The sensitivity analysis excludes the impact

of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. This is based on the financial assets and financial liabilities held as at 31 March 2026 and 31 March 2025.

Foreign exchange risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company regularly reviews and evaluates exchange rate exposure arising from foreign currency transactions. There are no foreign currency receivables and payables outstanding as on 31 March 2026 and 31 March 2025.

Interest rate risk and sensitivity:

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

Commodity price risk:

The Company is exposed to the movement in price of key traded materials in domestic and international markets. The Company has entered into contracts for procurement of material. However the Company is not exposed to significant risk.

Equity price risk:

The Company has decided to fair value its equity instruments through Other Comprehensive Income and carry investment in controlled entities at cost. Therefore neither profit or loss nor equity will be affected by the equity price risk of those instruments. Accordingly, no sensitivity analysis is required.

Credit Risk

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

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on operating cash flows and short term borrowings in the form of working capital loan & Export Packing Credit to meet its needs for funds. Company does not breach any covenants on any of its borrowing facilities. The Company has access to a sufficient variety of sources of funding as per requirement.

Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

Note No. 32 - Capital Management

For the purpose of Company's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total capital [equity plus net debt]. Net debt are noncurrent and current debts as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Total Debt.....	–	7,500.00
Less: Cash and Cash Equivalent.....	969.28	2,062.29
Net Debt	(969.28)	5,437.71
Total Equity [Equity Share Capital plus Other Equity].....	4,354.14	3,770.46
Total Capital [Total Equity plus net debt].....	3,384.85	9,208.17
Gearing ratio	NA	0.41

Note No. 33 - Contingent Liabilities

Particulars	(₹ in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Bank Guarantees.....	3,650.59	6,509.57

Note No. 34 - Sundry Creditors, Other Liabilities and Provisions

Disclosure of sundry creditors under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (the Act). Relevant disclosures as required under the Act are as follows:

B. Segment revenue and results

The following is an analysis of the Company's revenue and results

Particulars	(₹ in Lakhs)					
	For year ended 31 March 2026	Solar For year ended 31 March 2025	For year ended 31 March 2026	Engine For year ended 31 March 2025	For year ended 31 March 2026	Total For year ended 31 March 2025
Revenue from Operations.....	14,986.70	40,789.34	20,918.71	14,251.93	35,905.42	55,041.27
Other income.....	53.93	40.10	–	–	53.93	40.10
Segment Expenses.....	14,555.34	38,875.50	20,539.28	14,022.56	35,094.62	52,898.06
Segment result.....	485.29	1,953.94	379.44	229.37	864.73	2,183.31
Less : Unallocated Expense (net of unallocated income).....	–	–	–	–	550.23	974.90
Less : Finance cost.....	–	–	–	–	222.81	560.47
Profit before tax	–	–	–	–	91.69	647.94
Income taxes.....	–	–	–	–	11.69	14.44
Profit after tax	–	–	–	–	80.00	633.50

Segment revenue reported above represents revenue generated from external customers. There were no intersegment sales.

Segment result represents the profit before interest and tax without allocation of corporate income and expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

C. Segment assets and liabilities

Particulars	Solar		Engine		(₹ in Lakhs) Total	
	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025
Segment assets.....	5,080.76	17,964.89	2,640.27	2,636.88	7,721.03	20,601.77
Unallocable corporate assets.....	–	–	–	–	5,177.60	6,597.74
Total assets.....	5,080.76	17,964.89	2,640.27	2,636.88	12,898.63	27,199.51
Segment liabilities.....	3,841.01	10,490.79	4,513.72	4,855.09	8,354.72	15,345.88
Unallocable corporate liabilities.....	–	–	–	–	189.77	8,083.20
Total liabilities.....	3,841.01	10,490.79	4,513.72	4,855.09	8,544.49	23,429.08

Revenue from type of products and services

The operating segments are primarily based on nature of products and services and hence the Revenue from external customers of each segment is representative of revenue based on products and services.

Note No. 36 - Additional Regulatory Information

36.1 Undisclosed income

There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

36.2 There are no Loans or advances in the nature of loans are granted to promoters, Directors, Key Managerial Personnel and Related Parties that are repayable on demand or without specifying any term or period of repayment.

36.3 Details of Benami Property held

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

36.4 Registration of Charges or Satisfaction with Registrar of Companies (ROC)

All charges or satisfaction are registered with ROC within the statutory period for the financial year ended 31 March 2026 and 31 March 2025. No Charge or satisfactions are yet to be registered with ROC beyond the Statutory period.

36.5 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31 March 2026 and 31 March 2025.

36.6 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year ended 31 March 2026 and 31 March 2025.

36.7 Borrowings from banks or financial institutions on the basis of security of current assets

Monthly statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

36.8 Wilful Defaulter

The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender, as the Company had no borrowings during the financial year ended 31 March 2026 and 31 March 2025.

36.9 Fraud Reporting

The company has not reported any fraud during the year ended 31 March 2026 and 31 March 2025.

36.10 Relationship with Struck off companies

The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

36.11 Compliance with approved Scheme(s) of Arrangements

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

36.12 CSR Expenses

The Provision of Section 135 of the Companies Act, 2013 are applicable to the Company as on reporting date whereas the minimum spend required is nil as per calculation under section 135 of companies act, 2013.

Note No. 37 - The figures for previous year have been regrouped, reclassified and rearranged wherever necessary to make them comparable with that of current year's figures.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026**Note No. 38 - Details of Investments made / Inter corporate Deposits / Loans given or received during the year****A. Details of Investment received from Funding Parties:**

Name of Company	Date of Transaction	Nature of Transaction	Amount (Rs. In Lakhs)
Mahindra Sustainable Energy Private Limited	8/28/2025	Issuance of equity share capital	482.00

B. Details of further investment made by intermediaries to ultimate beneficiary

Name of Company	Date of Transaction	Nature of Transaction	Amount (Rs. In Lakhs)
Resurgence Solarize Urja Private Limited	8/29/2025	Subscription of equity share capital	482.48

C. Details of each funding party / ultimate beneficiary

Name of Company	Relationship as per Co. Act, 2013	Registered Address	Identification No. (CIN)
Mahindra Sustainable Energy Private Limited	Holding Company	Mahindra Towers, G. M. Bhosale Marg, P. K Kurne Chowk, Worli, Mumbai, Mumbai City, Maharashtra, 400018, India	U40100MH2017PTC296621
Resurgence Solarize Urja Private Limited	Subsidiary Company	Mahindra Tower, Pandurang Budhkar Marg, Nr. Doordarshan Kendra, Worli, Mumbai - 400 018	U40106MH2022PTC389552

Signature to Notes on Accounts
For Mukund M. Chitale & Co.

Chartered Accountants
 Firm Registration No.: 106655W

S. M. Chitale
 Partner
 Membership No. 111383

Place: Mumbai
 Date: April 15, 2026

For and on behalf of the Board of Directors
Mahindra Solarize Private Limited

Avinash Rao
 Director
 DIN: 08249182

Ashish Saboo
 Chief Financial Officer

Rakesh Khaitan
 Director
 DIN: 09671089

Ms Dipu Pandey
 Company Secretary
 Mem. No. : A78018

Bharat Dhumal
 Manager

Place: Mumbai
 Date: April 15, 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RESURGENCE SOLARIZE URJA PRIVATE LIMITED

Report on the Audit of Ind AS Financial Statements

1. Opinion

We have audited the accompanying Ind AS financial statements of Resurgence Solarize Urja Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of material accounting policies and other explanatory information (hereinafter referred to as 'Ind AS financial statements').

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

2. Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, as prescribed under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provisions of the Companies Act, 2013 ("the Act") and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Ind AS financial statements.

3. Other Information (Information other than the Ind AS financial statements and Auditor's report thereon)

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Directors Report, but does not include the Ind AS financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

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

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

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

4. Management's responsibility for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

5. Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on auditing 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 Ind AS financial statements.

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

- i. Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control with reference to Ind AS financial statements in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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 ability of the Company 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including

the disclosures, and whether the Ind AS 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.

6. Report on Other Legal and Regulatory Requirements

- (i) 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.
- (ii) As required by section 143 (3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the Ind AS financial statements.
 - 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.
 - c) The Balance Sheet, Statement of Profit and Loss including Other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under section 133 of the Act read with rule 3 of Companies (Indian Accounting Standards) Rules 2015, as amended.
 - e) On the basis of 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 controls with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the provisions of said section are not applicable to the Company for the year ended March 31, 2026;
- 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would have an impact on its financial position;
 - ii. The Company does not have any long-term contracts including derivative contracts for which there are 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. No dividend has been declared or paid during the year by the company in compliance with section 123 of the Companies Act, 2013.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.
- Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail been preserved by the Company as per the statutory requirements for the record retention.

For Mukund M. Chitale & Co.

Chartered Accountants

Firm Regn. No. 106655W

(S. M. Chitale)

Partner

M. No. 111383

UDIN: 26111383FZXQLI7845

Place: Mumbai

Date: April 15, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Annexure A to the Independent Auditor's Report of even date on the Ind AS financial statements of Resurgence Solarize Urja Private Limited on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020.

Referred to in paragraph [6(i)] under Report on Other Legal and Regulatory Requirements of our report of even date

- (i) (a) (A) As per the information and explanations given to us and the records of the Company examined by us, the company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipments.
- (B) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any Intangible assets and accordingly, reporting under Clause 3 (i) (a) (B) is not applicable.
- (b) As per the information and explanations given to us and the records of the Company examined by us, the Property, Plant and Equipments have been physically verified by the management at regular intervals. As per the information and explanations given to us and the records of the Company examined by us, there were no material discrepancies noticed on such verification.
- (c) According to information and explanations given to us, the title deeds of all the immovable properties (other than those where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to information and explanations given to us, the company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) during the year.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As per the information and explanations given to us, the company does not have any inventory during the year. hence, reporting under Clause 3(ii)(a) of the order is not applicable.
- (b) Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence, reporting under this Clause 3(ii)(b) is not applicable.
- (iii) (a) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the Company has not provided loans or advances and guarantees or security to subsidiaries, joint ventures and associates, hence reporting under clause 3(iii)(a)(A and B) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the company has not made any investment and provided guarantees prejudicial to the company's interest, hence reporting under clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations provided to us, the Company has not given any loans and neither made any investments nor provided any guarantees and security as specified in Section 185 and 186 of the Companies Act, 2013 and accordingly provisions of clause (iv) of Order are not applicable.
- (v) As informed, the Company has not accepted any deposits during the year from public within the meaning of the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder and thus the provisions of Clause 3(v) of the Order are not applicable.
- (vi) According to the information and explanations given to us by the management and in our opinion, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the services provided by the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Goods and Service Tax, Cess. There were no undisputed amounts of statutory dues including Income Tax, Goods and Service Tax, Cess which were due for more than six months from the date they become payable as at the year end.
- (b) According to the records examined by us and as per the information and explanations given to us, there are no statutory dues outstanding as at March 31, 2026 which have not been deposited on account of disputes.
- (viii) According to the information and explanations given to us, and on the basis of our verification of records of the Company, there are no transactions which are not recorded

in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) a) According to the information and explanations given to us by the management and in our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- c) The Company has not taken any term loan, hence reporting under clause ix (c) of the order is not applicable.
- d) According to the information and explanations given to us by the management and in our opinion, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix) (d) of the Order is not applicable.
- e) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiary, associates or joint ventures, hence reporting under clause ix (e) of the order is not applicable to the Company.
- f) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence reporting under clause ix (f) of the order is not applicable to the Company.
- (x) (a) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year, hence reporting under clause (x) (a) of order is not applicable.
- (b) According to the information and explanations given to us, and on the basis of our verification of records of the Company, the company has not made any preferential allotment of shares during the year and thus the provisions of this Clause are not applicable.
- (xi) (a) Based on the audit procedure performed for the purpose of reporting the true and fair view of the Ind AS financial statements and according to the information and explanation given by the management, we report that no fraud by the company and no material fraud on the company has been noticed or reported during the year.
- (b) No report under sub section (12) of section 143 of the Companies Act has been filed in the form of ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the central government during the year and up to the date of this audit report.
- (c) According to the information and explanations given to us, and on the basis of our verification of records of the Company, there were no whistle blower complaints received by the company during the year and up to the date of this report.
- (xii) In our opinion and according to the information and explanation given to us, the Company is not a nidhi Company. Accordingly, provision of clause 3 (xii) (a) to (c) of the order is not applicable.
- (xiii) According to the information and explanation given to us and based on our verification of the records of the Company and on the basis of review and approvals by the Board of Directors, the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the Ind AS financial statements as required by applicable accounting standard.
- (xiv) According to the information and explanations given by the management, the provisions of Section 138 of the Act relating to Internal Audit is not applicable to the Company and accordingly, reporting under clause 3(xiv)(a) and 3(xiv) (b) of the Order is not applicable for the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or person connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence reporting under clause 3 (xvi)(a) is not applicable to the Company.
- (b) According to the information and explanations given by the management and in our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, reporting under clause 3 (xvi) (b) of the Order is not applicable.
- (c) According to the information and explanations given by the management and in our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under clause 3 (xvi)(c) is not applicable to the Company.
- (d) According to the information and explanation given to us by the management, the Group has five CIC as part of the group.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not incurred cash losses during the current financial year. However, it had incurred cash losses of Rs. 7,48,619/- in the previous financial year.

(xviii) There has been no resignation of the Statutory Auditors of the Company during the year.

(xix) According to the information and explanation given to us and on the basis of financial the ratios, aging and expected dates of realisation of financial assets and payment to financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the board of directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing as at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any

guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) The Provision of Section 135 of the Companies Act, 2013 are not applicable. hence, reporting under clause (xx) (a) and (b) not applicable to the Company as on reporting date.

For Mukund M. Chitale & Co.

Chartered Accountants

Firm Regn. No. 106655W

(S. M. Chitale)

Partner

M. No. 111383

UDIN: 26111383FZXQLI7845

Place: Mumbai

Date: April 15, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Annexure B to the Independent Auditor's Report of even date on the Ind AS financial statements of Resurgence Solarize Urja Private Limited

Referred to in paragraph [6(ii)(f)] under Report on Other Legal and Regulatory Requirements of our report of even date

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

1. We have audited the internal financial controls with reference to Ind AS Financial Statements of Resurgence Solarize Urja Private Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS Financial Statements 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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 with reference to Ind AS Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS Financial Statements included obtaining an understanding of internal financial controls with reference to Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 with reference to Ind AS Financial Statements.

Meaning of Internal Financial Controls with reference to Ind AS Financial Statements

4. A company's internal financial control with reference to Ind AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS Financial Statements

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

Opinion

6. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS Financial Statements and such internal financial controls with reference to Ind AS Financial Statements were operating effectively as at March 31, 2026, based on the internal control with reference to Ind AS Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India.

For Mukund M. Chitale & Co.

Chartered Accountants

Firm Regn. No. 106655W

(S. M. Chitale)

Partner

M. No. 111383

UDIN: 26111383FZXQLI7845

Place: Mumbai

Date: April 15, 2026

BALANCE SHEET AS AT 31 MARCH 2026

(Amount in Rs. Thousands)

Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, plant and equipment	3	38,603.26	35,820.78
(b) Capital Work-in-Progress.....	4	—	4,27,594.12
(c) Financial Assets.....			
(i) Other Financial Assets	5	10.00	10,010.00
TOTAL NON-CURRENT ASSETS		38,613.26	4,73,424.90
2 CURRENT ASSETS			
(a) Inventories			
(a) Financial Assets.....			
(i) Cash and Cash Equivalents.....	6	1,51,262.90	17,324.14
(ii) Trade Receivables	7	2,275.36	—
(iii) Other Financial Assets	5	72.95	—
(b) Current Tax Assets (Net)	8	—	—
(c) Other Current Assets.....	9	—	22.36
Total Current Assets.....		1,53,611.21	17,346.50
TOTAL ASSETS		1,92,224.47	4,90,771.40
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share capital	10	1,65,000.00	99,800.00
(b) Other Equity.....	11	(819.50)	(3,261.40)
Total Equity.....		1,64,180.50	96,538.60
2 LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings.....	12	—	3,70,000.00
TOTAL NON-CURRENT LIABILITIES.....		—	3,70,000.00
CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Trade Payables:	13	—	—
- Total outstanding dues to Micro, Small and Medium Enterprises..		—	—
- Total outstanding dues to creditors other than Micro, Small and Medium Enterprises		2,693.82	1,100.00
(ii) Other Financial Liabilities	14	—	22,391.76
(b) Other Current Liabilities.....	15	25,086.61	741.04
(c) Current Tax Liabilities (Net)	8	263.54	—
Total Current Liabilities.....		28,043.97	24,232.79
Total Equity and Liabilities		1,92,224.47	4,90,771.40

The accompanying notes 1 to 31 are an integral part of the Financial Statements

As per our Report of even date
For Mukund M. Chitale & Co.
Chartered Accountants
Firm reg. No: 106655W

S. M. Chitale
Partner
Membership No. 111383

For and on behalf of the Board of Directors of
Resurgence Solarize Urja Private Limited

Avinash Rao
Director
DIN: 08249182

Ashish Saboo
Chief Financial Officer

Pramod Kalyanshetti
Director
DIN: 10855393

Dipu Pandey
Company Secretary
Mem. No.: A78018

Bharat Dhupal
Manager

Place: Mumbai
Date: 15 April 2026

Place: Mumbai
Date: 15 April 2026

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

Particulars	Note No.	(Amount in Rs. Thousands)	
		For the year ended 31 March 2026	For the year ended 31 March 2025
I Revenue from operations	16	35,089.22	—
II Other Income	17	20,834.08	—
III Total Income (I + II)		55,923.30	—
IV EXPENSES			
Cost of materials consumed		—	—
Purchase of stock in trade		—	—
Changes in inventories of finished goods, stock in trade and work in progress		—	—
Employee benefit expense		—	—
Finance costs	18	18,093.88	—
Depreciation and amortization expense	3	13,253.98	—
Other expenses	19	21,312.27	748.62
Total Expenses		52,660.13	748.62
V Profit/(Loss) before tax (III - IV)		3,263.17	(748.62)
VI Tax Expense	8		
(1) Current tax		821.27	—
(2) Deferred tax		—	—
Total tax expense		821.27	—
VII Profit/(Loss) for the period (V-VI)		2,441.90	(748.62)
VIII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss		—	—
(ii) Income tax relating to items specified in (i)		—	—
IX Total Comprehensive Income for the year / period (VII+VIII) (Comprising Profit (Loss) and Other Comprehensive Income for the year/period)		2,441.90	(748.62)
X Earnings per equity share (for continuing operation):			
(1) Basic	20	0.18	(0.08)
(2) Diluted	20	0.18	(0.08)

The accompanying notes 1 to 31 are an integral part of the Financial Statements

As per our Report of even date
For Mukund M. Chitale & Co.
Chartered Accountants
Firm reg. No: 106655W

S. M. Chitale
Partner
Membership No. 111383

For and on behalf of the Board of Directors of
Resurgence Solarize Urja Private Limited

Avinash Rao
Director
DIN: 08249182
Ashish Saboo
Chief Financial Officer

Pramod Kalyanshetti
Director
DIN: 10855393
Dipu Pandey
Company Secretary
Mem. No.: A78018
Bharat Dhumal
Manager

Place: Mumbai
Date: 15 April 2026

Place: Mumbai
Date: 15 April 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

Particulars	(Amount in Rs. Thousands)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Cash flows from operating activities		
Profit /(Loss) after tax for the year	2,441.90	(748.62)
Adjustments for:		
Finance costs recognised in Profit or Loss	18,093.88	—
Depreciation expense recognised in Profit or Loss	13,253.98	—
Profit on Sale of Fixed Assets	(20,438.70)	—
Interest on Fixed Deposit	(226.54)	—
Deposit written off	10,000.00	—
Cash flow from operating activities before working capital changes	23,124.52	(748.62)
Movements in working capital:		
(Increase)/Decrease in trade receivables	(2,275.36)	—
(Increase)/Decrease in other current assets	35.30	31,367.22
(Increase)/Decrease in other current financial assets	(72.95)	—
(Increase)/Decrease in non-current Financial Assets	—	—
(Decrease)/Increase in trade payables	1,593.82	1,068.50
(Decrease)/Increase in other financial liabilities	(5,664.40)	(5,700.60)
(Decrease)/increase in other current liabilities	24,609.12	741.03
Cash generated from operations	41,350.05	26,727.53
Income taxes paid.....	—	—
Net cash used in operating activities	41,350.05	26,727.53
Cash flows from investing activities		
Payments for property, plant and equipment	(43,384.99)	(3,77,648.01)
Proceeds from sale of property, plant and equipment	4,83,100.00	—
Net cash used in investing activities	4,39,715.01	(3,77,648.01)
Cash flows from financing activities		
Cash Flow from issue of Equity Share	65,200.00	—
Proceed from borrowings.....	—	3,70,000.00
Repayment of Borrowings	(3,70,000.00)	—
Interest paid	(42,539.89)	(1,858.58)
Interest Received	213.59	—
Net cash from financing activities	(3,47,126.30)	3,68,141.42
Net increase/(decrease) in cash and cash equivalents	1,33,938.76	17,220.94
Cash and cash equivalents at the beginning of the year	17,324.14	103.20
Cash and cash equivalents at the end of the year	1,51,262.90	17,324.14

The accompanying notes 1 to 31 are an integral part of the Financial Statements

As per our Report of even date
For Mukund M. Chitale & Co.
Chartered Accountants
Firm reg. No: 106655W

S. M. Chitale
Partner
Membership No. 111383

Place: Mumbai
Date: 15 April 2026

For and on behalf of the Board of Directors of
Resurgence Solarize Urja Private Limited

Avinash Rao
Director
DIN: 08249182

Ashish Saboo
Chief Financial Officer

Place: Mumbai
Date: 15 April 2026

Pramod Kalyanshetti
Director
DIN: 10855393

Dipu Pandey
Company Secretary
Mem. No.: A78018

Bharat Dhupal
Manager

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2026**A. Equity Share Capital**

Particulars	(Amount in Rs. Thousands)	
	As at 31 March 2026	As at 31 March 2025
<u>Issued, Subscribed And Paid Up Capital</u>		
Balance as at the beginning of the year	99,800.00	99,800.00
Changes in equity share capital during the year.....	65,200.00	—
Balance as at the end of the year	<u>1,65,000.00</u>	<u>99,800.00</u>

B. Other Equity

Particulars	(Amount in Rs. Thousands)	
	Retained Earnings	Total
Balance as at 01 April 2025	(3,261.40)	(3,261.40)
Profit / (Loss) for the year	2,441.90	2,441.90
Balance as at 31 March 2026	(819.50)	(819.49)
Balance as at 01 April 2024	(2,512.78)	(2,512.78)
Profit / (Loss) for the year	(748.62)	(748.62)
Balance as at 31 March 2025	(3,261.40)	(3,261.40)

As per our Report of even date
For Mukund M. Chitale & Co.
Chartered Accountants
Firm reg. No: 106655W

S. M. Chitale
Partner
Membership No. 111383

Place: Mumbai
Date: 15 April 2026

For and on behalf of the Board of Directors of
Resurgence Solarize Urja Private Limited

Avinash Rao
Director
DIN: 08249182
Ashish Saboo
Chief Financial Officer

Place: Mumbai
Date: 15 April 2026

Pramod Kalyanshetti
Director
DIN: 10855393

Dipu Pandey
Company Secretary
Mem. No.: A78018

Bharat Dhumal
Manager

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Company Overview and Material Accounting Policies and Information

1. Company Overview

Resurgence Solarize Urja Private Limited (the 'company') is domiciled in India and is a subsidiary of Mahindra Solarize Private Limited. The Company has been incorporated under the provisions of the Companies Act, 2013 on August 29, 2022.

The Company is engaged in the business of providing services in the areas of Engineering, Procurement and Construction of power plants in renewable energy, operations and maintenance, analytics, energy management services, sale of power and sale of solar water pump.

2. Material Accounting Policies and Information

2.1 Basis of Preparation of financial statements

The Company's financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs under sections 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules 2017.

The financial statements of the Company for the year ended 31 March 2026 were approved for issue in accordance with the resolution of the Board of Directors on 15 April 2026.

2.2 Basis of accounting

The Company maintains its accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair values in accordance with Ind AS. Further, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

2.3 Presentation of Financial Statements

The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

2.4 Current / Non-Current classification

An asset or liability is classified as 'current' when it satisfies any of the following criteria:

- (i) it is expected to be realized or settled, or is intended for sale or consumption in, the company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is expected to be realized or settled within twelve months from the reporting date; or
- (iv) an asset is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months from the reporting date
- (v) in case of liability, the company does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date.

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

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 above which are in accordance with Schedule III to the Act.

Operating Cycle

Based on the nature of products and services of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.5 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of material accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

This note provides an overview of the areas that involved a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in the relevant note.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

A. Judgements in applying material accounting policies

The judgements, apart from those involving estimations (see note below) that the Company has made in the process of applying its material accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

B. Key source of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

a) Property, Plant and Equipment

Determination of the estimated useful lives of Property, Plant and Equipment (PPE) and the assessment as to which components of the cost may be capitalized. Useful lives of items of PPE are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

b) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined based on the prevailing market yields of Indian Government Securities as at the Balance Sheet Date for the estimated term of the obligations.

c) Recognition of deferred tax assets

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

d) Recognition and measurement of other provision

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

e) Discounting of long-term financial instruments

All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

2.6 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

2.7 Property, plant and equipment and Depreciation

Property, Plant and Equipment is recognized when it is possible that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company. Advance given towards acquisition of Property, Plant and Equipment outstanding at the reporting date are disclosed as capital advances under Non-Current Assets.

Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognized in the Statement of Profit and Loss in the same period.

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

2.8 Intangible Assets

Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition at cost comprising the purchase price and directly attributable costs to prepare the assets for its intended use.

Intangible Assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognized in the Statement of Profit and Loss in the same period.

Intangible assets that have finite lives are amortised over their useful lives by the straight-line method.

2.9 Investments in Subsidiaries, Associates and Joint ventures

Investments in Subsidiaries, Associates and Joint Ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

2.10. Inventories

Construction material, components, stores and spares are valued at lower of cost or net realisable value. Cost is determined on first in first out basis and comprise all cost of purchase, duties, taxes and all other costs incurred in bringing the inventory to their present location and condition.

2.11. Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's net selling price or its value in use. 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.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in the statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.12. Financial Instruments

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

Financial Assets

Initial Recognition

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.

Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in two broad categories:- i) Financial assets at fair value and ii) Financial assets at amortised cost. Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss [i.e. fair value through profit or loss], or recognised in other comprehensive income [i.e. fair value through other comprehensive income]. A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Impairment of financial asset

For impairment of financial assets, Company applies expected credit loss (ECL) model. Following financial assets and credit risk exposure are covered within the ECL model:

- Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables including receivables recognised under service concession arrangements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, then the impairment loss is provided based on lifetime ECL.

Financial liabilities

Initial recognition

The company initially recognises borrowings, trade payables and related financial liabilities on the date on which they are originated.

All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument.

Non-derivative financial liabilities are initially recognised at fair value, net of transaction costs incurred.

Subsequent measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

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

2.13. Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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

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

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

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

2.14. Provisions and Contingencies

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not provided for and are disclosed by way of notes unless the possibility of outflow of resources embodying economic benefits is remote

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

2.15. Revenue recognition

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably.

If the outcome of a construction contract can be estimated reliably, contract revenue is recognised in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Otherwise, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

Revenue related to construction or upgrade services provided under a service concession arrangement is recognised based on the stage of completion of the work performed. Operation or service revenue is recognised in the period in which the services are provided by the company.

Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

2.16. Borrowing Cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.17. Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit or loss attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed to have been converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period.

2.18. Cash Flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.19. Employee Benefits

Short Term Employment benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post Employment Employee Benefits

Retirement benefits to employees comprise payments to government provident funds, gratuity fund and Employees State Insurance.

Defined Contribution Plans

The Company's contribution to defined contributions plans such as Provident Fund, Employee State Insurance are recognised in the Statement of Profit and Loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective Funds.

Defined Benefit Plans

Gratuity liability is defined benefit obligation. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary, using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Actuarial gains/losses are recognized in the other comprehensive income.

2.20. Income Taxes

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

Minimum alternative tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the year that MAT is permitted to be set off under the Income Tax Act, 1961 (specified year). In the year, in which the MAT credit becomes eligible to be recognized as an asset the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT credit entitlement.

The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified year.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred income tax assets and liabilities are measured using tax rates and tax laws 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. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. The income tax provision for the interim period is made based on the best estimate of the annual average tax rate expected to be applicable for the full financial year.

2.21. Assets Held for Sale

Non-current assets are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is highly probable.

Assets designated as held for sale are measured at the lower of carrying amount at designation and fair value less costs to sell.

2.22. 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.

For cash and other liquid assets, the fair value is assumed to approximate to book value, given the short-term nature of these instruments. For those items with a stated maturity exceeding twelve months, fair value is calculated using a discounted cash flow methodology.

A fair value measurement of a non-financial asset considers 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.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

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 based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Note No. 3 - Property, Plant and Equipment

Particulars	(Amount in Rs. Thousands)	
	As at 31 March 2026	As at 31 March 2025
(a) Freehold Land	38,603.26	35,820.78
(b) Plant & Machinery	—	—
Total	<u>38,603.26</u>	<u>35,820.78</u>

Description of Assets	(Amount in Rs. Thousands)		
	Freehold Land**	Plant & Machinery*	Total
I. Gross Carrying Amount			
Balance as at 1 April 2025	35,820.78	—	35,820.78
Additions.....	2,782.48	4,75,915.29	4,78,697.77
Deductions / adjustments.....	—	4,75,915.29	4,75,915.29
Balance as at 31 March 2026	<u>38,603.26</u>	<u>—</u>	<u>38,603.26</u>
II. Accumulated Depreciation			
Balance as at 1 April 2025	—	—	—
Depreciation expense for the year...	—	13,253.98	13,253.98
Deductions / adjustments.....	—	13,253.98	13,253.98
Balance as at 31 March 2026	<u>—</u>	<u>—</u>	<u>—</u>
III. Net carrying amount (I-II)			
Net carrying amount as at 31 March, 2026	<u>38,603.26</u>	<u>—</u>	<u>38,603.26</u>

I. Gross Carrying Amount			
Balance as at 1 April 2024	—	—	—
Additions.....	35,820.78	—	35,820.78
Deductions / adjustments.....	—	—	—
Balance as at 31 March 2025	<u>35,820.78</u>	<u>—</u>	<u>35,820.78</u>

II. Accumulated Depreciation			
Balance as at 1 April 2024	—	—	—
Depreciation expense for the year...	—	—	—
Deductions / adjustments.....	—	—	—
Balance as at 31 March 2025	<u>—</u>	<u>—</u>	<u>—</u>

III. Net carrying amount (I-II)			
Net carrying amount as at 31 March 2025.....	<u>35,820.78</u>	<u>—</u>	<u>35,820.78</u>

Note:

*During the Financial Year 2022-23, the Company had started construction of a solar power generation plant which was recognized as Capital Work in Progress till March 31, 2025 at carrying value of Rs. 4,27,594.12 (in thousands). The carrying value included all the costs of construction of the plant along with capitalized

portion of the finance costs which were payable on the specific borrowings. The construction of the said plant was completed and plant commissioned on 27th June 2025 on which it was transferred to the Property, Plant and Equipments.

The Company operated the plant till March 11, 2026 and generated revenue from sale of electricity. On the above date, the plant was transferred to Mahindra & Mahindra Ltd at an agreed consideration of Rs. 4,83,100 (in thousands). The resulting profit on such sale of Rs. 20,438.70 (in thousands) has been included in Note No.17: Other Income

**During the year, freehold land has been given on an operating lease to Mahindra & Mahindra Limited i.e. the ultimate parent company for a lease term of 25 years. The Company has recognized lease rental income of Rs. 168.84 (in thousands) during the year which is included in Note No. 17: Other Income.

Note No. 4 - Capital Work-in-progress (CWIP)

Particulars	(Amount in Rs. Thousands)	
	As at 31 March 2026	As at 31 March 2025
Project work in progress*.....	—	4,27,594.12
Total	<u>—</u>	<u>4,27,594.12</u>

*Interest capitalised during FY 25-26 Rs. 7718.65 (in Thousands) (PY 24-25 Rs. 18585.95 (in Thousands)).

Ageing of CWIP as at 31 March 2026

Particulars	(Amount in Rs. Thousands)				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	—	—	—	—	—

Ageing of CWIP as at 31 March 2025

Particulars	(Amount in Rs. Thousands)				
	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,86,375.76	—	41,218.36	—	4,27,594.12

Note No. 5 - Other Financial Asset

Particulars	(Amount in Rs. Thousands)			
	Non-Current		Current	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Security Deposit	10.00	10,010.00	—	—
Interest receivable	—	—	12.95	—
Other receivable	—	—	60.00	—
Total	<u>10.00</u>	<u>10,010.00</u>	<u>72.95</u>	<u>—</u>

Note No. 6 - Cash and Cash Equivalents

Particulars	(Amount in Rs. Thousands)	
	As at 31 March 2026	As at 31 March 2025
Balances with Banks	11,249.94	17,324.14
Fixed Deposit with Maturity less than 3 months	1,40,012.96	—
Total	<u>1,51,262.90</u>	<u>17,324.14</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Note No. 7 - Trade Receivables

(Amount in Rs. Thousands)			(Amount in Rs. Thousands)		
Particulars	As at 31 March 2026	As at 31 March 2025	Particulars	As at 31 March 2026	As at 31 March 2025
(a) Trade Receivables considered good - Secured	—	—	Less:		
(b) Trade Receivables considered good - Unsecured*	2,275.36	—	Allowance for Expected Credit Loss	—	—
(c) Trade Receivables which have significant increase in Credit Risk	—	—		2,275.36	—
(d) Trade Receivables - credit impaired ..	—	—			
	2,275.36	—			

* Receivable from related parties

There are no trade receivables due from any director or any officer of the Company, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

Trade Receivable Ageing Schedule as at 31 March 2026

(Amount in Rs. Thousands)						
Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables — considered good	2,275.36	—	—	—	—	2,275.36
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	—	—	—	—	—	—
(iii) Undisputed Trade Receivables — Credit Impaired	—	—	—	—	—	—
(iv) Disputed Trade Receivables — considered good	—	—	—	—	—	—
(v) Disputed Trade Receivables — which have significant increase in credit risk	—	—	—	—	—	—
(vi) Disputed Trade Receivables — Credit Impaired	—	—	—	—	—	—
Total	2,275.36	—	—	—	—	2,275.36

Trade Receivable Ageing Schedule as at 31 March 2025

(Amount in Rs. Thousands)						
Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables — considered good	—	—	—	—	—	—
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	—	—	—	—	—	—
(iii) Undisputed Trade Receivables — Credit Impaired	—	—	—	—	—	—
(iv) Disputed Trade Receivables — considered good	—	—	—	—	—	—
(v) Disputed Trade Receivables — which have significant increase in credit risk	—	—	—	—	—	—
(vi) Disputed Trade Receivables — Credit Impaired	—	—	—	—	—	—
Total	—	—	—	—	—	—

Note No. 8 - Current Tax and Deferred Tax

(i) Current Tax Liabilities

(Amount in Rs. Thousands)		
Particulars	As at 31 March 2026	As at 31 March 2025
Provision for Taxes	821.27	—
Total	821.27	—

(ii) Current Tax Assets

(Amount in Rs. Thousands)		
Particulars	As at 31 March 2026	As at 31 March 2025
Advance tax / TDS	557.73	—
Total	557.73	—
Net Current Tax Liabilities	263.54	—

(iii) Income Tax recognised in profit or loss

(Amount in Rs. Thousands)		
Particulars	As at 31 March 2026	As at 31 March 2025
In respect of current year	821.27	—
In respect of previous year	—	—
Deferred Tax:		
In respect of current year	—	—
Total	821.27	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

(iv) Income tax recognised in other comprehensive income

Particulars	(Amount in Rs. Thousands)	
	As at 31 March 2026	As at 31 March 2025
Remeasurement of defined benefit obligations not reclassified to profit and loss	-	-
Total Income tax recognised in other comprehensive income	-	-
Classification of income tax recognised in other comprehensive income	-	-
Income taxes related to items that will not be reclassified to profit or loss	-	-
Total	-	-

(Amount in Rs. Thousands)

Particulars	As at 31 March 2026	As at 31 March 2025
v) Adjustments recognised in the current year in relation to the current tax of prior years	-	-
vi) Effect of loss and unabsorbed depreciation carried forward not recognised as deferred tax	-	-
vii) other items	-	-
viii) Tax expense recognised during the year (viii)=(iv)+(v)+(vi)+(vii)	821.27	-

Note No. 9 - Other Current Assets

(Amount in Rs. Thousands)

(v) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	(Amount in Rs. Thousands)	
	As at 31 March 2026	As at 31 March 2025
i) Profit before tax	3,263.17	-
ii) Corporate tax rate as per Income tax Act, 1961	25.17%	25.17%
iii) Tax on accounting profit (iii) = (i) X (ii)	821.27	-
iv) Total effect of Tax adjustment	821.27	-

Non-Current

Current

Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Advances to Suppliers	-	-	-	22.36
Total	-	-	-	22.36

Note No. 10 - Equity Share Capital

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of Rs. 10 each with voting rights.....	2,00,00,000	2,00,000.00	2,00,00,000	2,00,000.00
Issued Capital:				
Equity shares of Rs. 10 each with voting rights*	1,65,00,000	1,65,000.00	1,49,80,000	1,49,800.00
Subscribed and fully paid:				
Equity shares of Rs. 10 each with voting rights.....	1,65,00,000	1,65,000.00	99,80,000	99,800.00
Total	1,65,00,000	1,65,000.00	99,80,000	99,800.00

*50,00,000 nos. of unsubscribed shares are cancelled during the year and 65,20,000 nos. shares are issued and subscribed during the year.

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	99,80,000	99,800.00	99,80,000	99,800.00
New shares issued during the year.....	65,20,000	65,200.00	-	-
At the end of year	1,65,00,000	1,65,000.00	99,80,000	99,800.00

(ii) Terms/Rights attached to equity shares

The company has only one class of shares referred to as equity shares having par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuring annual general meeting. In the event of liquidation of company the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amount. However no such preferential amounts exist currently. The distribution will be in proportion to number of equity shares held by shareholders.

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March 2026			As at 31 March 2025		
	Number of shares held	% holding in that class of shares	Amount	% holding in that class of shares	Amount	Amount
Equity shares with voting rights						
Mahindra Solarize Private Limited - Holding Company	1,22,10,000	74%	1,22,100.00	73,85,200	74%	73,852.00
Mahindra and Mahindra Limited - Ultimate Holding Company	42,90,000	26%	42,900.00	25,94,800	26%	25,948.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

(iv) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	Number of Shares As at 31 March 2026	Number of Shares As at 31 March 2025
Mahindra and Mahindra Limited	42,90,000	25,94,800
Mahindra Solarize Private Limited	1,22,10,000	73,85,200

(v) Shareholding of Promoters as under:

Shares held by promoters as at 31 March 2026

Promoter name	No. of Shares	% of total shares
Mahindra and Mahindra Limited	42,90,000	26%
Mahindra Solarize Private Limited	1,22,10,000	74%

Shares held by promoters as at 31 March 2025

Promoter name	No. of Shares	% of total shares
Mahindra and Mahindra Limited	25,94,800	26%
Mahindra Solarize Private Limited	7,385,200	74%

Note No. 11 - Other Equity

Particulars	(Amount in Rs. Thousands)	
	As at 31 March 2026	As at 31 March 2025
Retained Earnings		
Beginning of the year	(3,261.40)	(2,512.78)
Add: Profit/Loss for the year	2,441.90	(748.62)
Closing Balance	(819.50)	(3,261.40)
Total	(819.50)	(3,261.40)

Retained Earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends distributions paid to shareholders and dividend distribution tax thereon.

Other Comprehensive Income

Other comprehensive income represents the remeasurements of the defined benefit gratuity plan; comprising of actuarial gains and losses on it's net liabilities / assets, which are subsequently transferred to retained earnings.

Note No. 12- Non Current Borrowings

Particulars	(Amount in Rs. Thousands)	
	As at 31 March 2026	As at 31 March 2025
Unsecured (Carried at amortised cost)		
Inter Corporate Deposit	-	3,70,000.00
Total borrowings	-	3,70,000.00

Note: The Company has unsecured long term Intercompany deposit of Rs. Nil as at March 31, 2026 (March 31, 2025 Unsecured Long term: Rs. 3,70,000 (Rs. Thousands) from related party Mahindra & Mahindra Limited carrying interest rate as T-Bill+200 Bps with maturity of 2 years from disbursement.

Note No. 13 - Trade Payables

Particulars	(Amount in Rs. Thousands)	
	As at 31 March 2026	As at 31 March 2025
Total outstanding dues to Micro, Small & Medium enterprises	-	-
Total outstanding dues to creditors other than Micro, Small & Medium enterprises	2,693.82	1,100.00
Total Trade Payables	2,693.82	1,100.00

Trade Payable Ageing Schedule as at 31 March 2026

Particulars	(Amount in Rs. Thousands)				
	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues					
- MSME	-	-	-	-	-
- Others	2,693.82	-	-	-	2,693.82
Disputed dues					
- MSME	-	-	-	-	-
- Others	-	-	-	-	-
Total	2,693.82	-	-	-	2,693.82

Trade Payable Ageing Schedule as at 31 March 2025

Particulars	(Amount in Rs. Thousands)				
	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues					
- MSME	-	-	-	-	-
- Others	1,100.00	-	-	-	1,100.00
Disputed dues					
- MSME	-	-	-	-	-
- Others	-	-	-	-	-
Total	1,100.00	-	-	-	1,100.00

Note No. 14- Other Financial Liabilities

Particulars	(Amount in Rs. Thousands)	
	As at 31 March 2026	As at 31 March 2025
Capital Creditors	-	-
Other Payable	-	22,391.76
Total	-	22,391.76

Note No. 15- Other Current Liabilities

Particulars	(Amount in Rs. Thousands)	
	As at 31 March 2026	As at 31 March 2025
Statutory Dues	25,086.61	741.04
Total	25,086.61	741.04

Note No. - 16 : Revenue from Operations

Particulars	(Amount in Rs. Thousands)	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from Sale of Power	35,089.22	-
Total	35,089.22	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026**Note No. - 17 : Other Income**

	(Amount in Rs. Thousands)	
	For the year ended	For the year ended
Particulars	31 March 2026	31 March 2025
Interest on Fixed Deposit	226.54	—
Lease Rental	168.84	—
Profit on Sale of Fixed Assets	20,438.70	—
Total	20,834.08	—

Note No. 18 - Finance Cost

	(Amount in Rs. Thousands)	
	For the year ended	For the year ended
Particulars	31 March 2026	31 March 2025
Interest Expense	18,093.88	—
Total	18,093.88	—

Note No. 19- Other Expenses

	(Amount in Rs. Thousands)	
	For the year ended	For the year ended
Particulars	31 March 2026	31 March 2025
Auditors remuneration (Note 19.1)	45.00	35.00
Doubtful Advances Written off	10,022.78	—
Business Support Services	416.24	—
Insurance	813.86	—
Director Sitting Fees	472.00	—
Legal and professional fees	3,447.92	542.02
Miscellaneous expenses	122.11	—
Operation & Maintenance Charges	5,261.23	—
Rent, Rates & Taxes	586.44	121.80
Software & Subscription charges	74.44	49.80
Travelling, Boarding & Lodging Exp.	50.25	—
Total	21,312.27	748.62

Note No. 21 - Related Party Transactions**Name:**

Mahindra & Mahindra Limited
Mahindra Solarize Private Limited
Mahindra Teqo Private Limited
Ashish Saboo (w.e.f. 29th August, 2025)
Akshata Heda (w.e.f. 29th Aug, 2025, upto 31st Jan 2026)
Dipu Pandey (w.e.f. 1st Feb, 2026)
Bharat Dhumal (w.e.f. 20th Feb, 2026)
Sanjay Jain (Upto 24th May 2025)
Ashutosh Vidwans (Upto 24th May 2025)
Isha Dalal (Upto 14th October 2025)
Pramod Kalyanshetti (w.e.f. 23rd May 2025)
Saurabh Mehta (w.e.f. 23rd May 2025)
Avinash Rao (w.e.f. 13th October 2025)
Diwakar Gupta (w.e.f. 13th October 2025)
Anjali Gupta (w.e.f. 13th October 2025)

Relationships:

Ultimate Holding
Parent Company
Fellow Subsidiary
KMP (Chief Financial Officer)
KMP (Company Secretary)
KMP (Company Secretary)
KMP (Manager)
Non-Executive and Non-Independent Director
Non-Executive and Non-Independent Director
Non-Executive and Non-Independent Director
Non-Executive and Non-Independent Director
Non-Executive and Non-Independent Director
Non-Executive and Non-Independent Director
Non-Executive and Independent Director
Non-Executive and Independent Director

Note No. 19.1 - Auditors remuneration

	(Amount in Rs. Thousands)	
	For the year ended	For the year ended
Particulars	31 March 2026	31 March 2025
Audit Fees	35.00	25.00
Fees for taxation matters	10.00	10.00
Total	45.00	35.00

Note No. 20 - Disclosures under Ind AS 33

	(Amount in Rs. Thousands)	
	For the year ended	For the year ended
Particulars	31 March 2026	31 March 2025
For the purpose of calculation of basic and diluted earning per share the following amount are considered		
Profit / (loss) attributable to equity share holder (Rs. in Thousands)	2,441.90	(748.62)
Total	2,441.90	(748.62)
a) Weighted average no of equity share outstanding during the year		
- For basic earning per share	1,38,20,548	99,80,000
- For diluted per share	1,38,20,548	99,80,000
b) Earning per share		
- Basic earning per share [in Rs.]	0.18	(0.08)
- Diluted per share [in Rs.]	0.18	(0.08)
- Face value per share [in Rs.]	10.00	10.00
c) Earning per share		
No of shares used for calculating basic earning per share	1,38,20,548	99,80,000
Add : Potential equity shares	—	—
No of shares used for calculating diluted earning per share	1,38,20,548	99,80,000

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Details of transaction between the Company and its related parties are disclosed below:

(Amount in Rs. Thousands)

Particulars	For the year ended	Ultimate Holding Company	Parent Company	Fellow Subsidiary	KMP	Total
Assets						
Receivable	31-03-2025	–	–	–	–	–
Receivable	31-03-2026	2,275.36	–	–	–	2,275.36
Liabilities						
Equity Share Capital	31-03-2026	42,900.00	1,22,100.00	–	–	1,65,000.00
Equity Share Capital	31-03-2025	25,948.00	73,852.00	–	–	99,800.00
Inter Corporate Deposit	31-03-2026	–	–	–	–	–
Inter Corporate Deposit	31-03-2025	3,70,000.00	–	–	–	3,70,000.00
Interest on ICD	31-03-2026	–	–	–	–	–
Interest on ICD	31-03-2025	16,727.36	–	–	–	16,727.36
Other Payable	31-03-2025	315.47	5,664.40	–	–	5,979.87
Other Payable	31-03-2026	–	–	–	–	–
Transactions during the year						
Managerial Remuneration	31-Mar-26	–	–	–	125.00	125.00
Managerial Remuneration	31-Mar-25	–	–	–	–	–
Independent Director Sitting Fee	31-Mar-25	–	–	–	–	–
Independent Director Sitting Fee	31-Mar-26	–	–	–	400.00	400.00
Issue of share capital	31-Mar-26	16,952.00	48,248.00	–	–	65,200.00
Issue of share capital	31-Mar-25	–	–	–	–	–
Rental Income	31-Mar-26	168.84	–	–	–	168.84
Rental Income	31-Mar-25	–	–	–	–	–
Sale of PPE	31-Mar-26	4,83,100.00	–	–	–	4,83,100.00
Sale of PPE	31-Mar-25	–	–	–	–	–
Sale of Power	31-Mar-26	35,089.22	–	–	–	35,089.22
Sale of Power	31-Mar-25	–	–	–	–	–
Operation & Maintenance Charges	31-Mar-26	–	–	4,458.67	–	4,458.67
Operation & Maintenance Charges	31-Mar-25	–	–	–	–	–
Inter Corporate Deposit taken/(repaid)	31-Mar-26	(3,70,000.00)	–	–	–	(3,70,000.00)
Inter Corporate Deposit taken/(repaid)	31-Mar-25	3,70,000.00	–	–	–	3,70,000.00
Project work in progress	31-Mar-26	–	32,775.00	–	–	32,775.00
Project work in progress	31-Mar-25	–	3,14,505.00	–	–	3,14,505.00
Reimbursement of expenditure	31-Mar-26	352.75	–	–	–	352.75
Reimbursement of expenditure	31-Mar-25	349.69	5,664.40	–	–	6,014.09
Interest on Inter Corporate Deposit	31-Mar-26	25,812.54	–	–	–	25,812.54
Interest on Inter Corporate Deposit	31-Mar-25	18,585.95	–	–	–	18,585.95
Rental Expenses	31-Mar-26	115.92	–	–	–	115.92
Rental Expenses	31-Mar-25	96.60	–	–	–	96.60

Note No. 22 - Fair Value Measurement

Fair value of financial assets and financial liabilities

Particulars	31 March 2026		(Amount in Rs. Thousands) 31 March 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Financial assets carried at Amortised Cost:				
Cash and cash equivalents.....	1,51,262.90	1,51,262.90	17,324.14	17,324.14
Trade Receivable	2,275.36	2,275.36	–	–
Other financial assets	82.95	82.95	10,010.00	10,010.00
Total	1,53,621.21	1,53,621.21	27,334.14	27,334.14
Financial liabilities				
Financial liabilities held at amortised cost:				
Borrowings.....	–	–	3,70,000.00	4,04,309.46
Trade payables.....	2,693.82	2,693.82	1,100.00	1,100.00
Other financial liabilities	–	–	22,391.76	22,391.76
Total	2,693.82	2,693.82	3,93,491.76	4,27,801.22

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Note No. 23 - Fair Valuation techniques used to determine fair value

The Company maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values:

- I) Fair value of cash and cash equivalents, trade payables, borrowings and other financial assets and liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- II) The fair values of trade receivables and current loans are calculated based on expected credit loss method and discounted cash flow using a current lending rate respectively. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including credit risk. The fair values of non-current loan are approximate at their carrying amount due to interest bearing features of these instruments.
- III) The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- IV) Fair values of quoted financial instruments are derived from quoted market prices in active markets.
- V) The fair value of investments in unlisted equity shares is determined using a combination of direct sales comparison and income approach.
- VI) The fair value of the remaining financial instruments is determined using discounted cash flow analysis and/or direct sales comparison approach.

Fair value hierarchy

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

Level 1: Quoted prices / published NAV [unadjusted] in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date and financial instruments like mutual funds for which net assets value [NAV] is published by mutual fund operators at the balance sheet date.

Level 2: Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly [that is, as prices] or indirectly [that is, derived from prices]. It includes fair value of the financial instruments that are not traded in an active market [for example, over-the-counter derivatives] is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data [that is, unobservable inputs]. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Cash and Cash Equivalents, Other Financial Assets, Trade Payables and Other financial liabilities are shown at amortised cost. The following table provides hierarchy of the fair value measurement of Company's asset and liabilities, grouped into Level 1 [Quoted prices in active markets], Level 2 [Significant observable inputs] and Level 3 [Significant unobservable inputs] as described below:

31 March 2026	(Amount in Thousands)		
Particulars	Level-1	Level-2	Level-3
Financial Assets designated at amortised cost:			
Other Financial Assets	-	-	82.95

31 March 2026	(Amount in Thousands)		
Particulars	Level-1	Level-2	Level-3
Financial Liabilities designated at amortised cost:			
Borrowings.....	-	-	-
Trade payables.....	-	-	2,693.82
Other Financial Liabilities..	-	-	-

31 March 2025	(Amount in Thousands)		
Particulars	Level-1	Level-2	Level-3
Financial Assets designated at amortised cost:			
Other Financial Assets	-	-	10,010.00
Financial Liabilities designated at amortised cost:			
Borrowings	-	-	4,04,309.46
Trade payables.....	-	-	1,100.00
Other Financial Liabilities..	-	-	22,391.76

There were no transfers between level 1 and level 2 during the year

Financial Risk Management - Objectives and Policies

The Company is exposed to market risk, credit risk and liquidity risk. Risk management is carried out by the company under policies approved by the board of directors. This Risk management plan defines how risks associated with the Company will be identified, analysed, and managed. It outlines how risk management activities will be performed, recorded, and monitored by the Company. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed, to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk/benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks, and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties [e.g. Audit committee, Board etc.]. The results of these activities ensure that risk management plan is effective in the long term.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise of three types of risk: foreign currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments. The sensitivity analysis is given relating to the position as at 31 March 2026 and 31 March 2025. The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations, provisions and on the non-financial assets and liabilities. The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. This is based on the financial assets and financial liabilities held as at 31 March 2026 and 31 March 2025.

Foreign exchange risk and sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company regularly reviews and evaluates exchange rate exposure arising

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

from foreign currency transactions. There are no foreign currency receivables and payables outstanding as on 31 March 2026 and 31 March 2025.

Interest rate risk and sensitivity:

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.

Commodity price risk:

The Company is exposed to the movement in price of key traded materials in domestic and international markets. The Company has entered into contracts for procurement of material. However the Company is not exposed to significant risk.

Equity price risk:

The Company has decided to fair value its equity instruments through Other Comprehensive Income and carry investment in jointly controlled entities at Cost. Therefore neither profit or loss nor equity will be affected by the equity price risk of those instruments. Accordingly, no sensitivity analysis is required.

Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities [primarily trade receivables] and from its financing activities, including deposits with banks.

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on operating cash flows and short term borrowings to meet its need for funds. Company does not breach any covenants [where applicable] on any of its borrowing facilities. The Company has access to a sufficient variety of sources of funding as per requirement.

Competition and price risk

The Company faces competition from local and foreign competitors. Nevertheless, it believes that it has competitive advantage in terms of high quality products and by continuously upgrading its expertise and range of products to meet the needs of its customers.

Note No. 24 - Capital Management

For the purpose of Company's capital management, capital includes issued capital, all other equity reserves and debts. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is net debt divided by total capital [equity plus net debt]. Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

Particulars	(Amount in Thousands)	
	As at 31 March 2026	As at 31 March 2025
Total Debt.....	–	3,70,000.00
Cash and Cash Equivalent	1,51,262.90	17,324.14
Net Debt.....	(1,51,262.90)	3,52,675.86
Total Equity [Equity Share Capital plus Other Equity] (Rs. in Thousands)	1,64,180.50	96,538.60
Total Capital [Total Equity plus net debt] (Rs. in Thousands)	1,64,180.50	96,538.60
Gearing ratio	–	3.65

Note No. 25- Sundry Creditors, Other Liabilities and Provisions

Disclosure of sundry creditors under current liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" (the Act). There

are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the Balance sheet date. Relevant disclosures as required under the Act are as follows:

Particulars	31 March 2026	31 March 2025
a. i) Principal amount remaining unpaid to supplier under the MSMED Act 2006	–	–
ii) Interest on a) (i) above	–	–
b. i) Amount of Principal paid beyond the appointed Date	–	–
ii) Amount of interest paid beyond the appointed date (as per Section 16 of the said Act)	–	–
c. Amount of Interest due and payable for the year of delay in making payment, but without adding the interest specified under section 16 of the said Act	–	–
d. Amount of Interest accrued and due	–	–
e. Amount of further interest remaining due and payable Even in succeeding years	–	–

Note 26 - Segment Reporting

The Company has only one Operating Segment as per IND-AS 108 "Operating Segment" i.e. Generation of Electricity. Hence, information in accordance with the Ind AS issued by the Institute of Chartered Accountants of India on 'Segment Reporting' is not given.

Note 27- Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at March 31, 2026 is Nil (as at March 31, 2025 is Rs. 41850 in thousand)

Note 28- Additional Regulatory Information required under Schedule III

- i) There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- ii) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- iii) All charges or satisfaction are registered with ROC within the statutory period for the financial year ended 31 March 2026 and 31 March 2025. No Charge or satisfactions are yet to be registered with ROC beyond the Statutory period.
- iv) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31 March 2026 and 31 March 2025.
- v) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year ended 31 March 2026 and 31 March 2025.
- vi) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender, as the Company had no borrowings during the financial year ended 31 March 2026 and 31 March 2025.
- vii) The Company does not have any transaction with struck off companies
- viii) The Company has not given any Loans or Advances in the nature of loans granted 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"
- ix) The company has not reported any fraud during the year/ period ended 31 March 2026 and 31 March 2025.
- x) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- xi) The Provision of Section 135 of the Companies Act, 2013 are not applicable to the Company as on reporting date.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Note No. 29- Disclosure of Ratios

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	Variance	Reason for variance if greater than 25%
Current ratio	Total current assets	Total current liabilities	5.48	0.72	665%	Due to Completion & commissioning of project and also sale of plant to resulting increased current assets.
Debt equity ratio	Total debt	Total equity	–	3.83	383%	Debt repaid during the year
Debt service coverage ratio	Earning for debt service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt Service= Interest +Principal payments	–	–	NA	
Return on equity ratio	Profit for the year less preference dividend	Average total equity	0.02	-0.01	-344%	Sale of power after commissioning of plant and profit on sale of plant subsequently
Inventory turnover ratio	Cost of goods sold	Average value of inventory	–	–	NA	
Trade receivable turnover ratio	Revenue from operation	Average trade receivables	0.03	–	NA	Debtor outstanding for March month power sale invoice
Trade payable turnover ratio	Total net purchases	Average trade payables	–	–	NA	
Net capital turnover ratio	Revenue from operation	Average working capital (i.e. Total current assets less Total current liabilities)	0.56	–	NA	Sale of power after plant commissioning during the year
Net profit ratio	Profit for the year	Revenue from operation	0.07	–	NA	Sale of power after commissioning of plant during the year and profit on sale of plant subsequently
Return on capital employed	Profit before tax and finance cost	Average capital employed	0.07	-0.01	-982%	Sale of power after commissioning of plant during the year and profit on sale of plant subsequently
Return on investment	Income generated from invested funds	Average invested funds in treasury investments	0.00	–	NA	Investment in FDs of surplus fund

Note No. 30: The Company is exploring for diversification of its business and new projects / ventures in near future. Hence the financial statements have been drawn up on going concern basis.

Note No. 31: The figures for previous year have been regrouped, reclassified and rearranged wherever necessary to make them comparable with that of current year's figures.

Signature to Notes to Accounts
For Mukund M. Chitale & Co.
Chartered Accountants
Firm reg. No: 106655W

S. M. Chitale
Partner
Membership No. 111383

Place: Mumbai
Date: 15 April 2026

For and on behalf of the Board of Directors of
Resurgence Solarize Urja Private Limited

Avinash Rao
Director
DIN: 08249182

Ashish Saboo
Chief Financial Officer

Place: Mumbai
Date: 15 April 2026

Pramod Kalyanshetti
Director
DIN: 10855393

Dipu Pandey
Company Secretary
Mem. No.: A78018

Bharat Dhumal
Manager

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

KOTA FARM SERVICES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of KOTA FARM SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a Summary of significant 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 standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its loss and its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor's Response
1	Outstanding Other Financial Liabilities amounting to Rs. 30,52,614 for which adequate supporting details and confirmations are not available.	We examined the underlying ledger balances and available records, discussed the nature and age of these balances with management, evaluated management's assessment regarding continued recognition of the liabilities, and considered the adequacy of disclosures in the financial statements. However, we were unable to obtain sufficient appropriate audit evidence in respect of the aforesaid balances.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 judgements 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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure 'A'", a statement on the matters specified in paragraphs 3 and 4 of the said 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report, are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021.
- (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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 'B'" to this report.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i The Company does not have any pending litigations which would impact its financial position.
 - 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, 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 performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v No dividend has been declared or paid during the year by the company.
 - vi The Company is maintaining the books of accounts manually, the assessment and reporting responsibility under Rule 11(g) is not applicable.
- Place: Mumbai
Date: 17 April 2026

For **H M T S & ASSOCIATES**
Chartered Accountants
Firm Reg. No. 0139847W

MAHESH CHAUHAN
Partner

Membership Number: 115103
UDIN: 26115103QLIEUR9775

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

Re: KOTA FARM SERVICES LIMITED (the "Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) a. (A) As there are no Property, Plant and Equipment, the reporting under clause 3(i)(a)(A) of the Order is not applicable to the Company.
(B) As the company is not having any intangible assets, reporting under clause 3(i)(a)(B) of the Order is not applicable.
- b. As the company does not have any Property, Plant and Equipment, reporting under clause 3(i)(b) of the Order is not applicable.
- c. As the company is not having any immovable properties, reporting under clause 3(i)(c) of the Order is not applicable.
- d. As the company is not having any Property, Plant and Equipment or Intangible assets, reporting under clause 3(i)(d) of the Order is not applicable.
- e. Based on the information and explanation furnished to us, no proceedings have been initiated on the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made there under.
- (ii) a. As there is no inventory held by company at any point of time during the year, the reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- b. During the year, the company has not been sanctioned, any point of time of the year, working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) During the year the Company has not made investments in, provided loans, advances in the nature of loans, stood guarantee or provided security to Companies, Firms, Limited Liability Partnerships or any other parties. Hence, the requirement to report under clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of Sections 185 and 186 of the Companies Act, 2013 attract. Hence, clause 3(iv) of the order is not applicable.
- (v) The Company has not accepted any deposit, within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year hence, the reporting under clause 3(v) of the order is not applicable.
- (vi) In our opinion and according to the information and explanations given to us the maintenance of cost records

pursuant to the Companies (Cost Records and Audit) Rules, 2014 has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the order is not applicable to the Company.

- (vii) a. According to the information and explanations given to us and according to the books and records as produced and examined by us, in respect of statutory dues, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, Cess and other material statutory dues as applicable with the appropriate authorities. As at last day of financial year, there were no amounts payable in respect of the aforesaid statutory dues outstanding for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there were no disputed dues on account of the aforesaid statutory dues as at the year end and hence, reporting under clause 3(vii)(b) is not applicable.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, during the year no tax assessments under the Income-tax Act, 1961 (43 of 1961) have been made.
- (ix) a. According to the books and records of the Company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. According to the information and explanation given to us and on the basis of our audit procedure, We report that the company has not been declared willful defaulter by any bank or financial institution or other lenders.
- c. As the Company has not availed any term loans during the year, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- d. As the Company has not availed any loans on short term basis during the year, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.
- e. On an overall examination of the financial statements of the company, We report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- f. On an overall examination of the financial statements of the company, We report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) a. The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

- b. According to the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) a. To the best of our knowledge and according to the information and explanations given to us and on the basis of examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, no fraud by the Company or on the Company was noticed or reported during the year.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanations given to us including the representation made to us by the management of the Company, no whistle-blower complaints were received by the Company during the year and hence, reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) a. The Company is not a Nidhi company and hence, reporting under clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, the Company has not entered into any transactions with related parties during the year and hence reporting under clause 3(xiii) of the order is not applicable to the Company.
- (xiv) a. The Company is not required to have internal audit system as required under Section 138 of the Companies Act, 2013 and hence, the reporting under clause 3(xiv)(a) and (b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, during the year, Company has not entered into any non-cash transactions with its directors or persons connected with him and accordingly, the reporting 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.
- b. In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. In our opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. According to the information and explanations given by the management, the Group does not have not more than one CIC as part of the Group. Accordingly, the reporting under Clause 3(xvi)(d) is not applicable to the Company.
- (xvii) Based on our examination of books of accounts, the company has incurred cash losses amounting to Rs. 11,800 in the current year and Rs. 11,300 in the immediately preceding financial year. has accumulated loss of Rs. 91,35,914/- (31st March 2025: Rs. 91,24,114). Further, the Company's current liabilities exceed its current assets as at 31 March 2026 by Rs. 30,64,414. In our opinion and according to the information and explanations given to us, the operation of the company is discontinued as it is not commercially viable. Accordingly, the company has ceased to be a going concern.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, it has come to our attention, which causes us to believe that material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We further state that our reporting is based on the facts up to the date of the audit report.
- (xx) a. The provision of section 135 is not applicable to the company. Accordingly, reporting under clause 3(xx)(a) & (b) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **H M T S & ASSOCIATES**
Chartered Accountants
Firm Reg. No. 0139847W

MAHESH CHAUHAN
Partner

Membership Number: 115103
UDIN: 26115103QLIEUR9775

Place: Mumbai
Date: 17 April 2026

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

on the financial statements of Kota Farm Services Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 Re: KOTA FARM SERVICES LIMITED (the "Company")

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Kota Farm Services Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an

understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For H M T S & ASSOCIATES
Chartered Accountants
Firm Reg. No. 0139847W

MAHESH CHAUHAN

Partner

Membership Number: 115103

UDIN: 26115103QLIEUR9775

Place: Mumbai

Date: 17 April 2026

BALANCE SHEET AS AT 31 MARCH, 2026

			Rupees
	Note	As at	As at
	No.	31 March, 2026	31 March, 2025
I ASSETS			
1 NON-CURRENT ASSETS			
Financial Assets - Deposit & advance	1	4,500	4,500
SUB-TOTAL		<u>4,500</u>	<u>4,500</u>
2 CURRENT ASSETS			
(a) Financial Assets			
(i) Trade Receivables	2	-	-
(ii) Cash and Cash Equivalents		-	-
SUB-TOTAL		<u>-</u>	<u>-</u>
TOTAL ASSETS		<u><u>4,500</u></u>	<u><u>4,500</u></u>
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	3	60,76,000	60,76,000
(b) Other Equity		(91,35,914)	(91,24,114)
SUB-TOTAL		<u>(30,59,914)</u>	<u>(30,48,114)</u>
2 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Other Financial Liabilities		30,64,414	30,52,614
SUB-TOTAL		<u>30,64,414</u>	<u>30,52,614</u>
TOTAL		<u><u>4,500</u></u>	<u><u>4,500</u></u>

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For H M T S & Associates

Chartered Accountants

Firm's Registration No: 0139847W

Mahesh Chauhan

Partner

Membership No: 115103

Mumbai, Date: 17 April 2026

For and on behalf of the Board of Directors

For Kota Farm Services Limited

Rajeev Goyal

Director

DIN: 03139184

Feroze Baria

Director

DIN: 03315262

Mumbai, Date: 17 April 2026

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

Particulars	Note No.	Rupees	
		Year Ended 31 March 2026	Year Ended 31 March 2025
Continuing Operations			
I Other Income		—	—
II Total Revenue (I + II)		—	—
III EXPENSES			
Other Expenses	5	11,800	10,620
IV Profit/(loss) before tax (II-III)		(11,800)	(10,620)
V Tax Expense		—	(680.00)
VI (Loss) / Profit after tax (IV - V)		(11,800)	(11,300)
VII Other comprehensive income		—	—
VIII Total comprehensive income for the period		(11,800)	(11,300)
IX Earnings per equity share:			
Basic	6	(0.02)	(0.02)

See accompanying notes forming part of the Financial Statements

In terms of our report attached
For H M T S & Associates
Chartered Accountants
Firm's Registration No: 0139847W

Mahesh Chauhan
Partner
Membership No: 115103

Mumbai, Date: 17 April 2026

For and on behalf of the Board of Directors
For Kota Farm Services Limited

Rajeev Goyal
Director
DIN: 03139184

Feroze Baria
Director
DIN: 03315262

Mumbai, Date: 17 April 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

	Rupees	
	Year Ended 31 March 2026	Year Ended 31 March 2025
Cash flows from operating activities:		
Profit before tax for the year	(11,800)	(11,300)
Adjustments for:		
Sundry balances written back	—	—
	(11,800)	(11,300)
Movements in working capital:		
Increase / (Decrease) in trade and other payables	11,800	11,980
	11,800	11,980
Cash generated from operations	—	680
Income taxes paid	—	(680.00)
Net cash used in by operating activities	—	—
Cash flows from investing activities	—	—
Cash flows from financing activities	—	—
Net increase in cash and cash equivalents	—	—
Cash and cash equivalents at the beginning of the year	—	—
Cash and cash equivalents at the end of the year	—	—
See accompanying notes forming part of the Financial Statements		

In terms of our report attached

For H M T S & Associates

Chartered Accountants

Firm's Registration No: 0139847W

Mahesh Chauhan

Partner

Membership No: 115103

Mumbai, Date: 17 April 2026

For and on behalf of the Board of Directors

For Kota Farm Services Limited

Rajeev Goyal

Director

DIN: 03139184

Feroze Baria

Director

DIN: 03315262

Mumbai, Date: 17 April 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2026

	Rupees
Equity share capital	
As at 31 March 2024	60,76,000
Changes in equity share capital during the year	—
As at 31 March 2025	60,76,000
Changes in equity share capital during the year	—
As at 31 March 2026	60,76,000

		Rupees
Other Equity		
	Retained Earnings	Other Comprehensive Income
	Total	
As at 1 April 2024	(91,12,814)	—
Profit / (Loss) for the period	(11,300)	—
Other Comprehensive Income / (Loss)	—	—
Total Comprehensive Income for the year	(11,300)	—
As at 1 April 2025	(91,24,114)	—
Profit / (Loss) for the period	(11,800)	—
Other Comprehensive Income / (Loss)	—	—
Total Comprehensive Income for the year	(11,800)	—
As at 31 March 2026	(91,35,914)	—

See accompanying notes forming part of the Financial Statements

In terms of our report attached
For H M T S & Associates
Chartered Accountants
Firm's Registration No: 0139847W

Mahesh Chauhan
Partner
Membership No: 115103

Mumbai, Date: 17 April 2026

For and on behalf of the Board of Directors
For Kota Farm Services Limited

Rajeev Goyal
Director
DIN: 03139184

Feroze Baria
Director
DIN: 03315262

Mumbai, Date: 17 April 2026

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

1. Corporate Information

Kota Farm services limited ("the company") a Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 1956.

The company is engaged in the business of Agri inputs products and Food businesses.

2. Significant accounting policies

2.1 Statement of compliance

The separate financial statements of the Company have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016. The Company adopted IND AS from 1st April, 2016.

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

2.2 Basis of preparation and presentation

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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 (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within 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.

2.3 Revenue recognition

The division has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to receive in exchange for those products or services.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

Sale of goods

Revenue from the sale of goods is recognised upon transfer of control of promised products to customers in an amount that reflects the consideration expected to receive in exchange for those products, at which time all the following conditions are satisfied:

- the Division has transferred to the buyer the control of promised products to customers;
- the Division has identified the contract with customer and performance obligation in the contract.
- the transaction price can be measured reliably;
- it is expected that the consideration associated with the transaction will flow to the Division; and revenue is recognised when the division satisfy the performance obligation.

2.4 Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. 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 through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

2.5 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.5.1 Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

2.5.2 Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

2.5.4 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.6 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

2.7 Financial instruments

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

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

2.7.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.7.2 Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.7.3 Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is

generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2.7.4 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised and the proceeds received are recognised as a collateralised borrowing.

2.7.5 Financial liabilities and equity instruments

2.7.5.1 Classification as debt or equity

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.7.5.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

All financial liabilities are subsequently measured at amortised cost or at FVTPL.

2.7.5.3 Financial liabilities at FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

2.8 Going Concern

During the year ended March 2025, the Company has incurred loss after tax of Rs. 11,300 (Profit after tax: 31 March 2024: Rs. 58,545) and has accumulated loss of Rs. 30,48,114 (31 March 2024: Rs. 30,36,814). Further, the Company's current liabilities exceed its current assets as at 31 March 2025 by Rs. Lakhs. In our opinion and according to the information and explanations given to us, the operation of the company is discontinued as it is not commercially viable. Accordingly, the company has ceased to be a going concern.

2.9 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with IND AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

2.9.1 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Allowances for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

2.10 Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1st, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information included in an entity's financial statements, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company does not expect this amendment to have any significant impact in its financial statements."

2.11. Earnings per share

Basic EPS is computed by dividing the Profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year.

Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares except where the results would be anti-dilutive.

2.12. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating investing and financing activities of the Company are segregated based on the available information.

2.13. Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value and are subsequently measured at amortised cost.

Note No. 1 - Financial Assets - Deposit & advance

Particulars	Rupees	
	As at	As at
	31 March 2026	31 March 2025
	Non-Current	Non-Current
Deposits & Advance		
Secured, considered good	4,500	4,500
Unsecured, considered Doubtful	6,99,113	6,99,113
Less: Allowance for Credit Losses	(6,99,113)	(6,99,113)
Total	4,500	4,500

Note No. 2 - Current assets - Trade receivables

Particulars	Rupees	
	As at	As at
	31 March 2026	31 March 2025
Trade receivables		
(a) Unsecured, considered doubtful	19,83,671	19,83,671
Less: Allowance for Credit Losses	(19,83,671)	(19,83,671)
Total	-	-

Note No. 3 - Equity Share Capital

Particulars	Rupees			
	As at		As at	
	31 March 2026		31 March 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of Rs. 10 each with voting rights	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Issued, Subscribed and Partly Paid:				
Equity shares of Rs. 10 each with voting rights	6,07,600	60,76,000	6,07,600	60,76,000
Total	6,07,600	60,76,000	6,07,600	60,76,000

Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends "if any" in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting "if any". In the event of liquidation of the Company, the holders of equity shares will be entitled to the receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

(i) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March 2026			As at 31 March 2025		
	Number of shares held	Amount of shares held	% holding in that class of shares	Number of shares held	Amount of shares held	% holding in that class of shares
Equity shares with voting rights						
Mahindra & Mahindra Limited	2,73,420	27,34,200	45.00%	2,73,420	27,34,200	45.00%
Mr. Dilip Kumar Sukhadia	2,97,600	29,76,000	48.98%	2,97,600	29,76,000	48.98%
Mahindra & Mahindra Contech Limited	36,580	3,65,800	6.02%	36,580	3,65,800	6.02%

(ii) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	Opening Balance	Fresh Issue	Closing Balance
(a) Equity Shares with Voting rights			
Year Ended 31 March 2026			
No. of Shares	6,07,600	—	6,07,600
Amount	60,76,000	—	60,76,000
As at 31 March 2025			
No. of Shares	6,07,600	—	6,07,600
Amount	60,76,000	—	60,76,000

(iii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:-

Particulars	No. of Shares Equity Shares with Voting rights
As at 31 March 2026	
Mahindra & Mahindra Limited	2,73,420
Mahindra & Mahindra Contech Limited	36,580
Total	3,10,000
As at 31 March 2025	
Mahindra & Mahindra Limited	2,73,420
Mahindra & Mahindra Contech Limited	36,580
Total	3,10,000

(iv) Details of shares held by Promoters

As At 31 March 2026

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1. Equity Shares	Mahindra & Mahindra Limited	2,73,420	—	2,73,420	45.00%	0.00%
Total		2,73,420	—	2,73,420		

As At 31 March 2025

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
1. Equity Shares	Mahindra & Mahindra Limited	2,73,420	—	2,73,420	45.00%	0.00%
Total		2,73,420	—	2,73,420		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 4 - Other financial liability

Particulars	As at 31 March 2026	Rupees As at 31 March 2025
	Current	Current
Other financial liability	30,64,414	30,52,614
	<u>30,64,414</u>	<u>30,52,614</u>

Note No. 5 - Other Expenses

Particulars	Year Ended 31 March 2026	Rupees Year Ended 31 March 2025
(a) As Auditors -Auditors remuneration and out-of-pocket expenses	11,800	10,620
(b) Other Charges	—	—
Total Other Expenses	<u>11,800</u>	<u>10,620</u>

Note No.6- Earnings per Share

Note	Particulars	For the Year Ended 31 March 2026	Rupees For the year Ended 31 March 2025
		Per Share	Per Share
	Basic Earnings per share	<u>(0.02)</u>	<u>(0.02)</u>

In terms of our report attached

For H M T S & Associates

Chartered Accountants

Firm's Registration No: 0139847W

Mahesh Chauhan

Partner

Membership No: 115103

Mumbai, Date: 17 April 2026

For and on behalf of the Board of Directors

For Kota Farm Services Limited

Rajeev Goyal

Director

DIN: 03139184

Feroze Baria

Director

DIN: 03315262

Mumbai, Date: 17 April 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAHINDRA AGRI SOLUTIONS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the financial statements of Mahindra Agri Solutions Limited (the "Company") which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

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

BASIS FOR OPINION

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

MANAGEMENT'S AND BOARD OF DIRECTORS RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and

fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 1 April 2026, 7 April 2026, 8 April 2026, 10 April 2026 and 14 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

- f. the reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its financial statements - Refer Note 41 to the financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 43 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 43 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, we did not come across any instance of the audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sushma Jaglan
Partner

Place: Mumbai
Date: 21 April 2026

Membership No. 137783
ICAI UDIN: 26137783RSHUSI9732

Annexure A to the Independent Auditor's Report on the Financial Statements of Mahindra Agri Solutions Limited for the year ended 31 March 2026

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in three years. In accordance with this programme, property, plant and equipment were verified during the previous years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records

of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted unsecured loans to companies during the year. The Company has not granted secured or unsecured loans to firms, limited liability partnership or any other parties during the year. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in other parties, in respect of which the requisite information is as below. The Company has not made any investments in companies, firms or limited liability partnership.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided unsecured loans to companies. as below:

Particulars	Loans (Rs. in Lakhs)
Aggregate amount during the year Joint venture*	720
Balance outstanding as at balance sheet date Joint venture*	720

*As per the Companies Act, 2013

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the loans granted during the year are not prejudicial to the interest of the Company. According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not provided any guarantees or security during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of Section 185 of the Act apply and hence not commented upon. The Company has complied with the provisions of Section 186 of the Act, with respect to investments made. Provisions of Section 186 of the Act, is not applicable with respect to loan given. The Company has not provided guarantee or security during the year.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-Tax, Duty of Customs or Cessor other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As informed to us, there were no dues related to Employees State Insurance.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 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 on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other

statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in Lakhs)	Amount paid under dispute (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
West Bengal Sales Tax and Value Added Tax	Central Sales Tax	16.76	2.73	2016-17	Joint Commissioner Commercial Taxes, Kolkata South Circle
Gujarat Sales Tax and Value Added Tax	Value Added Tax	34.59	3.94	2016-17 2017-18	Assistant Commissioner of State Tax, Unit- 13, Ahmedabad
Gujarat Sales Tax and Value Added Tax	Central Sales Tax	99.00	11.92	2016-17 2017-18	Assistant Commissioner of State Tax, Unit- 13, Ahmedabad
Madhya Pradesh Commercial Tax	Value Added Tax	10.93	2.75	2017-18	Madhya Pradesh Commercial Tax Appellate Board
Madhya Pradesh Commercial Tax	Central Sales Tax	5.54	1.40	2017-18	Madhya Pradesh Commercial Tax Appellate Board
Central Goods & Service tax, 2017	GST, Interest & penalty	11.79	0.59	2019-20	GST Commissioner Appeal, Punjab
Central Goods & Service tax, 2017	GST, Interest & penalty	1.07	0.05	2018-19	GST Commissioner Appeal, Uttarakhand
Service Tax 2012	Service Tax	9.84	0.86	FY 15-16 FY 16-17, FY 17-18	Customs, Excise & Service tax Appellate Tribunal, Gujarat
Income Tax Act 1961	Income Tax	35.66	0.07	FY 2014-15	Commissioner of Income tax appeal

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been

declared a wilful defaulter by any bank or financial institution or government or government authority.

- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has taken funds from following entities and persons on account of or to meet the obligations of its joint venture (as defined under the Act) as per details below:

Nature of fund taken	Name of lender	Amount involved (Rs. Lakhs)	Name of the relevant joint venture	Relationship	Nature of transaction for which funds utilised	Remarks, if any
Inter Corporate Deposit	Mahindra & Mahindra Limited	720	Mahindra Summit Agriscience Limited	Joint venture	Working capital and repayment of existing bank loans	—

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Establishment of vigil mechanism is not mandated for the Company. As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 5 CICs as part of the Group.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the

assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company.

Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sushma Jaglan
Partner
Membership No.: 137783
ICAI UDIN: 26137783RSHUSI9732

Place: Mumbai
Date: 21 April 2026

Annexure B to the Independent Auditor's Report on the financial statements of Mahindra Agri Solutions Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra Agri Solutions Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with

reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Sushma Jaglan
Partner
Place: Mumbai
Date: 21 April 2026
Membership No. 137783
ICAI UDIN: 26137783RSHUSI9732

BALANCE SHEET AS AT 31 MARCH 2026

(Currency : Indian rupees in lakhs)

	Note No.	As at 31 March 2026	As at 31 March 2025
I ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	4	2,890.88	3,056.49
(b) Capital work in-progress	4	7.27	7.97
(c) Other intangible assets.....	5A	131.98	183.63
(d) Intangible assets under development.....	5B	506.84	483.90
(e) Financial assets			
(i) Investments.....	6	5,716.92	5,716.92
(ii) Other financial assets.....	7	61.52	21.59
(f) Deferred tax assets (net).....	8	—	—
(g) Other tax assets (net).....	9	67.62	32.68
(h) Other non-current assets	10	151.35	6.05
TOTAL NON-CURRENT ASSETS		9,534.38	9,509.23
CURRENT ASSETS			
(a) Inventories.....	11	7,832.78	4,772.93
(b) Financial assets			
(i) Trade receivables	12	11,157.08	8,530.07
(ii) Cash and cash equivalents.....	13 A	13.21	0.83
(iii) Bank balances other than cash and cash equivalents	13 B	102.28	132.60
(iv) Other financial assets.....	7	278.97	284.66
(v) Loans.....	14	720.00	—
(c) Other current assets.....	10	2,501.21	3,934.36
TOTAL CURRENT ASSETS		22,605.53	17,655.45
TOTAL ASSETS.....		32,139.91	27,164.68
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	15	12,864.81	12,864.81
(b) Other equity	16	(6,640.68)	(8,722.85)
TOTAL EQUITY		6,224.13	4,141.96
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(a) Financial liabilities.....			
(i) Borrowings.....	17A	4,380.14	4,093.59
(ii) Lease liabilities.....		422.64	472.68
(b) Provisions	18	532.23	328.03
TOTAL NON-CURRENT LIABILITIES.....		5,335.01	4,894.30
3 CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings.....	17B	1,833.66	2,737.03
(ii) Lease liabilities.....		190.59	142.17
(iii) Trade payables.....	19		
a) Total outstanding dues of micro enterprises and small enterprises and		426.98	221.13
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		12,707.75	9,546.94
(iv) Other financial liabilities	20	441.73	301.87
(b) Other tax liabilities	9	40.23	40.23
(c) Other current liabilities.....	21	4,067.29	4,422.95
(d) Provisions.....	18	872.54	716.10
TOTAL CURRENT LIABILITIES		20,580.77	18,128.42
TOTAL EQUITY AND LIABILITIES		32,139.91	27,164.68

The accompanying notes 1 to 43 forms integral part of the financial statements

In terms of our report attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No : 101248W/W-100022

Sushma Jaglan

Partner

Membership No: 137783

Mumbai

Date: 21 April 2026

For and on behalf of Board of Directors

Mahindra Agri Solutions Limited

CIN - U01400MH2000PLC125781

Ami Goda

Director

DIN:09136149

Mumbai

21 April 2026

Aayushi Dalke

Company Secretary

Membership No.: 79470

Mumbai

Date: 21 April 2026

Ramesh Ramachandran

Managing Director and Chief Executive Officer

DIN: 09562621

Mumbai

21 April 2026

Dileep Singh

Chief Financial Officer

Membership No.: 098586

Mumbai

Date: 21 April 2026

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

(Currency : Indian rupees in lakhs)

	Note No.	Year ended 31 March 2026	Year ended 31 March 2025
I Income			
Revenue from operations	22	37,112.69	32,716.99
Other income	23	216.24	115.25
Total Income (I)		37,328.93	32,832.24
II Expenses			
Purchases of stock-in-trade	24 A	25,616.40	20,016.26
Changes in inventories of stock-in-trade and packing material	24 B	(3,059.85)	(302.28)
Employee benefits expense	25	3,319.63	2,928.69
Finance costs	26	559.97	631.22
Depreciation and amortisation expense	27	458.05	460.25
Other expenses	28	8,331.44	8,528.73
Total Expenses (II)		35,225.64	32,262.87
III Profit before tax for the year (I-II)		2,103.29	569.37
IV Tax expense			
Current tax	29	—	—
Deferred tax	8	—	—
Total tax expense		—	—
V Profit for the year		2,103.29	569.37
VI Other comprehensive income			
Items that will not be reclassified to profit or loss			
(a) Remeasurement of the employee defined benefit plans	30	(26.50)	8.63
(b) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	33	5.38	(0.63)
Income tax relating to items that will not be reclassified to profit or loss	29	—	—
Total other comprehensive income (net of taxes)		(21.12)	8.00
VII Total comprehensive income for the year (V-VI)		2,082.17	577.37
Earnings per equity share: (Face value of Rs 10 each) Basic and diluted (In Rs.)	31	1.68	0.46

The accompanying notes 1 to 43 forms integral part of the financial statements

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Sushma Jaglan
Partner
Membership No: 137783

Mumbai
Date: 21 April 2026

For and on behalf of Board of Directors
Mahindra Agri Solutions Limited
CIN - U01400MH2000PLC125781

Ami Goda
Director
DIN:09136149
Mumbai
21 April 2026
Aayushi Dalke
Company Secretary
Membership No.: 79470
Mumbai
Date: 21 April 2026

Ramesh Ramachandran
Managing Director and Chief Executive Officer
DIN: 09562621
Mumbai
21 April 2026
Dileep Singh
Chief Financial Officer
Membership No.: 098586
Mumbai
Date: 21 April 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

(Currency : Indian rupees in lakhs)

	Year ended 31 March 2026	Year ended 31 March 2025
Cash flows from operating activities		
Profit before tax for the year	2,103.29	569.37
Adjustments for:		
Finance costs	559.97	631.22
Interest income	(13.24)	(10.05)
Provision for allowances for expected credit loss.....	30.25	44.29
Depreciation and amortisation expense	458.05	460.25
Unrealised net foreign exchange losses	–	30.28
Liabilities no longer required written back.....	(50.95)	(94.46)
Net gain on sale of mutual funds	(11.11)	(2.18)
Intangible asset under development written off	94.60	–
Loss on account of asset written off	47.92	3.87
Gain on disposal of Property, plant and equipment (net).....	–	(5.54)
	3,218.78	1,627.05
Movements in working capital:		
(Increase) in trade and other receivables	(2,657.26)	(2,183.73)
(Increase) in inventories.....	(3,059.85)	(256.17)
Decrease / (increase) in other assets	1,296.08	(563.86)
Increase in trade and other payables.....	3,472.51	2,959.91
	(948.52)	(43.85)
Cash generated from operations	2,270.26	1,583.20
Income taxes refund (net)	(34.94)	2.16
Net cash generated from operating activities	2,235.32	1,585.36
Cash flows from investing activities		
Interest received	10.74	7.55
Payment to acquire non-current investments - Joint Venture	–	(1,800.00)
Placement of fixed deposits.....	–	(3,950.00)
Proceeds from maturity of fixed deposits.....	–	4,400.76
Purchase of current investment.....	(6,470.00)	(1,200.00)
Proceeds from disposal of current investment.....	6,481.11	1,202.18
Inter-corporate deposit given to related party	(720.00)	–
Proceeds from sale of property, plant and equipment	0.02	21.61
Payments for purchase of property, plant and equipment (including intangible assets and intangible assets under development).....	(248.85)	(194.20)
Net cash used in investing activities	(946.98)	(1,512.10)
Cash flows from financing activities		
Repayments of long-term borrowings	–	(663.89)
Proceeds from short-term borrowings	1,096.63	3,419.62
Repayments of short-term borrowings	(500.00)	(3,778.66)
Proceeds from short-term intercorporate deposit	2,000.00	5,500.00
Repayment of short-term intercorporate deposit	(3,500.00)	(6,000.00)
Proceeds from issues of equity share	–	3,667.42

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026 (CONT...)

(Currency : Indian rupees in lakhs)

	Year ended 31 March 2026	Year ended 31 March 2025
Proceeds from long-term intercorporate deposit.....	—	(1,800.00)
Payments for principal portion of lease liability.....	(156.36)	(124.03)
Payments for interest portion of lease liability	(70.55)	(65.39)
Interest paid.....	(145.69)	(293.83)
Net cash flow used in financing activities.....	(1,275.97)	(138.76)
Net increase/(decrease) in cash and cash equivalents	12.37	(65.50)
Cash and cash equivalents at the beginning of the year.....	0.83	66.33
Cash and cash equivalents at the end of the year (refer note 13A).....	13.21	0.83

Notes :

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (Ind AS) 7 - "Statement of Cash Flows"
- The Company has a lien on its fixed deposits aggregating Rs 140.72 lakhs (31 March 2025: Rs 131.67 lakhs) against the bank guarantees / performance guarantees issued by the Company in favour of various customers.
- Components of cash and cash equivalents**

	As at 31 March 2026	As at 31 March 2025
Balance with banks		
- In current accounts	13.21	0.83
	13.21	0.83

- IND AS 7 Cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The required disclosure is made below:

The movement of borrowings as per Ind AS 7 is as follows:

	31 March 2026	31 March 2025
Opening balances		
Long-term borrowings.....	4,093.59	5,625.78
Short-term borrowings	2,737.03	4,259.96
Movements		
Long-term borrowings.....	286.55	(1,532.20)
Short-term borrowings	(903.37)	(1,522.93)
Closing balances		
Long-term borrowings.....	4,380.14	4,093.59
Short-term borrowings	1,833.66	2,737.03

The accompanying notes 1 to 43 forms integral part of financial statements

In terms of our report attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No : 101248W/W-100022

Sushma Jaglan

Partner

Membership No: 137783

Mumbai

Date: 21 April 2026

For and on behalf of Board of Directors

Mahindra Agri Solutions Limited

CIN - U01400MH2000PLC125781

Ami Goda

Director

DIN:09136149

Mumbai

21 April 2026

Aayushi Dalke

Company Secretary

Membership No.: 79470

Mumbai

Date: 21 April 2026

Ramesh Ramachandran

Managing Director and Chief Executive Officer

DIN: 09562621

Mumbai

21 April 2026

Dileep Singh

Chief Financial Officer

Membership No.: 098586

Mumbai

Date: 21 April 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

(Currency : Indian rupees in lakhs)

(a) Equity share capital**For the year ended 31 March 2026**

Particulars	No. of shares	Amount
At 1 April 2025	128,648,127	12,864.81
Changes in Equity Share Capital due to prior period errors	—	—
Balance at 1 April 2025	128,648,127	12,864.81
Issue of share capital	—	—
At 31 March 2026	128,648,127	12,864.81

For the year ended 31 March 2025

Particulars	No. of shares	Amount
At 1 April 2024	112,053,430	11,205.34
Changes in Equity Share Capital due to prior period errors	—	—
Balance at 1 April 2024	112,053,430	11,205.34
Issue of share capital	16,594,697	1,659.47
At 31 March 2025	128,648,127	12,864.81

(b) Other equity

Particulars	Reserves and Surplus					Other comprehensive income	Total other equity
	Equity component of Optionally convertible redeemable preference shares	Securities premium	Capital reserve for bargain purchase business combination	Employee stock option outstanding	Retained earnings	Effective portion of cash flow hedges	
As at 31 March 2024	2,134.45	29,551.02	(9,100.45)	852.91	(34,761.11)	15.01	(11,308.17)
Profit for the year	—	—	—	—	569.37	—	569.37
Other comprehensive income/(loss)	—	—	—	—	8.63	(0.63)	8.00
Total comprehensive income for the year	—	—	—	—	578.00	(0.63)	577.37
Security premium on right issue	—	2,007.95	—	—	—	—	2,007.95
As at 31 March 2025	2,134.45	31,558.97	(9,100.45)	852.91	(34,183.11)	14.38	(8,722.85)
Profit for the year	—	—	—	—	2,103.29	—	2,103.29
Other comprehensive income/(loss)	—	—	—	—	(26.50)	5.38	(21.12)
Total comprehensive income for the year	—	—	—	—	2,076.79	5.38	2,082.17
As at 31 March 2026	2,134.45	31,558.97	(9,100.45)	852.91	(32,106.32)	19.76	(6,640.68)

Refer note 16 for nature and purpose

The accompanying notes 1 to 43 forms integral part of the financial statements

In terms of our report attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No : 101248W/W-100022

Sushma Jaglan

Partner

Membership No: 137783

Mumbai

Date: 21 April 2026

For and on behalf of Board of Directors

Mahindra Agri Solutions Limited

CIN - U01400MH2000PLC125781

Ami Goda

Director

DIN:09136149

Mumbai

21 April 2026

Aayushi Dalke

Company Secretary

Membership No.: 79470

Mumbai

Date: 21 April 2026

Ramesh Ramachandran

Managing Director and Chief Executive Officer

DIN: 09562621

Mumbai

21 April 2026

Dileep Singh

Chief Financial Officer

Membership No.: 098586

Mumbai

Date: 21 April 2026

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

(Currency : Indian rupees in lakhs)

1. Corporate information

Mahindra Agri Solutions Limited ("the Company") a Public Limited Company domiciled in India and incorporated on 11 April 2000 under the provisions of the Companies Act, 1956 (CIN : U01400MH2000PLC125781).

The Company is engaged in the business of Agri inputs products and Food businesses. Seeds and Fruits Export etc. businesses are in operations during the year.

The Company is the subsidiary of Mahindra and Mahindra Limited.

The financial statements for the year ended 31 March 2026 were approved by the Board of Directors and authorised for issue on 21 April 2026.

2. Statement of compliance and basis of preparation and presentation

2.1 Basis of preparation and presentation

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

All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the Balance Sheet date.

2.2 Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Rs. lakhs, unless otherwise indicated.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period. Historical cost is based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.5 Measurement of fair value

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.6 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

i. Critical Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Discount rate used to determine the carrying amount of the Company's employee defined benefit obligation

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

ii. Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Useful lives of property, plant and equipment

As described in Note 3.5, the Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. During the current financial year, the management has reassessed the useful lives of certain property, plant and equipment and the impact of the change is not material for the year. There were no changes in residual values of the property, plant and equipment.

Impairment of investments

The Company assesses impairment of investments in subsidiaries and joint ventures which are recorded at cost. At the time when there are any indications that such investments have suffered a loss, if any, is recognised in the Statement of profit and loss. The recoverable amount requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate.

Allowances for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

(Currency : Indian rupees in lakhs)

Liability for sales return

In making judgment for liability for sales return, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 115 and in particular, whether the Company had transferred to the buyer the significant risk and rewards of ownership of the goods. Following the detailed quantification of the Company's liability towards sales return, the management is satisfied that significant risk and rewards have been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate liability for sales return. Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Defined benefit plans (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service.

Allowances for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

3. Material accounting policies

3.1 Revenue recognition

The Company has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to receive in exchange for those products or services.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The accounting policies for specific revenues streams of the Company is summarised below:

Sale of goods:

Revenue from the sale of goods is recognised upon transfer of control of promised products to customers in an amount that reflects the consideration expected to receive in exchange for those products, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the control of promised products to customers;
- The Company has identified the contract with customer and performance obligation in the contract.
- The transaction price can be measured reliably;
- It is expected that the consideration associated with the transaction will flow to the Company; and revenue is recognised when the company satisfy the performance obligation

The Company recognizes revenue from sales transactions where goods are billed to the customer but held at the Company's facilities until delivery at the customer's request. These arrangements are subject to the following criteria:

- The customer has a legitimate business reason for requesting that the goods be held, such as delayed infrastructure setup or a delay in receiving the goods.
- The customer has accepted the goods and is responsible for any potential loss, damage, or deterioration while the goods are held.
- The Company has a separate identification system to ensure that the goods are specifically for the customer and cannot be redirected or used for another purpose.
- The Company has a demonstrable commitment to hold the goods on behalf of the customer and deliver them when requested.

3.1 Revenue recognition

For the year ended 31 March 2025, the Company had 7 such bill and hold arrangements, recognizing revenue of Rs 184.76 lakhs based on these criteria," however for the year ended 31 March 2026 revenue recognised with bill and hold arrangements is Rs Nil.

Export benefits

Export benefits for sale of goods are accounted for in the year of export based on eligibility and accrual basis, when there is no uncertainty in receiving the same.

Insurance Claims

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection

3.2 Interest income

Interest income from financial assets is recognised when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. 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 through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Revenue Recognition Mutual fund and interest income Mutual fund income is accounted as and when the right to receive such income

(Currency : Indian rupees in lakhs)

arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

3.3 Employee benefits

The Company's contribution paid / payable during the year to Superannuation Fund, ESIC and Labour Welfare Fund are recognised in profit or loss.

Provident fund

Contributions to Provident Fund are made to a Trust administered by the Company/Regional Provident Fund Commissioners and are charged to profit or loss as incurred. The Company is liable for the contribution and any shortfall in interest between the amount of interest realised by the investments and the interest payable to members at the rate declared by the Government of India in respect of the Trust administered by the Company.

Post-employment benefit plans

Defined Contribution plans:

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

Defined benefit plans

The Company operates a defined benefit plan – gratuity fund.

The liability recognised in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability. The net interest income / (expense) on the net defined benefit liability or asset is recognised in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost

Short-term employee benefit

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

Employee stock option scheme

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value

determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

3.4 Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

3.5 Property, plant and equipment

Property, plant and equipment (other than bearer plant) held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment if any.

Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Bearer Plant cost includes cost of plant and land preparation upto the planting. Bearer plant are stated in the Balance sheet at cost less accumulated depreciation and accumulated impairment losses.

(Currency : Indian rupees in lakhs)

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is calculated on Straight Line method over the estimated useful life of all assets. These lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset classes based on the Company's expected usage pattern supported by technical assessment:

- (a) Certain items of Plant and Equipment – 1 to 15 years
- (b) Buildings – 15 years
- (c) Vehicles – 5 years
- (d) Bearer Plant – 3 Years

3.6 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets under development

The Company expenses costs incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as intangible asset.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Computer software	3 years, 10 years
Non-compete fees	5 years
Trademarks	10 years
Technical knowhow	10 years

3.7 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual

asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

3.8 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges.

Work-in-progress and finished goods include appropriate proportion of overheads.

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

Stores, spares and tools other than obsolete and slow moving items are carried at cost. Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

3.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

3.10 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments.

All other investments are classified as long-term investments.

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of profit and loss.

Cost of investments include acquisition charges such as brokerage, fees and duties.

3.11 Government grants

Government grants related to property, plant and equipment's are recognised and presented by deducting the grant from the carrying amount of the assets at fair value when there is reasonable assurance that they will be received, and the Company will comply with the conditions associated with the grant.

3.12 Financial instruments

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

(Currency : Indian rupees in lakhs)

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

Classification and subsequent measurement

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on their respective classification.

On initial recognition, a financial asset is classified as - measured at :

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets unless designated as effective hedge instruments which are accounted as per hedge accounting requirements discussed below.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment expenses are recognised in profit or loss. Any gain and loss on derecognition is also recognised in profit or loss.

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

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves.

The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments as at FVTOCI as the Company believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss. Dividend income received on such equity investments are recognised in profit or loss.

Equity investments that are not designated to be measured at FVTOCI are designated to be measured at FVTPL. Subsequent changes in fair value are recognised in profit or loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised and the proceeds received are recognised as a collateralised borrowing.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments

The Company enters into derivative financial instruments, primarily foreign exchange forward contracts to manage its exposure to foreign exchange. Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognised at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under hedging reserve. The

(Currency : Indian rupees in lakhs)

gain or loss relating to the ineffective portion is recognised immediately in the profit or loss.

Financial instruments and cash deposits: Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with approved mutual fund or banks and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company on an annual basis, and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

3.13 Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the functional currency using exchange rates prevailing at the date when the fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer policy on Derivative Financial Instruments).

3.14 Earnings per share

Basic EPS is computed by dividing the Profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year.

Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares except where the results would be anti-dilutive.

3.15 Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary nature.

The costs of the Company are broadly categorised in employee benefit expenses, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses majorly include fees to external consultants, cost running its facilities, travel expenses, cost of hardware and software bought for reselling, communication costs and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, bank charges, freight and octroi etc.

Finance costs

The Company's finance costs include:

- (i) Interest expense on borrowings and overdrafts
- (ii) Interest expense on inter corporate deposits

Interest expense is recognised using effective interest method based on interest rates specified/ implicit in the transactions.

3.16 Research and development expenses

Research expenditure is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Tangible assets used in research and development are capitalised.

3.17 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving disposal of an investment, the investment that will be disposed of is classified as held for sale when the criteria described above are met.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

3.18 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating investing and financing activities of the Company are segregated based on the available information.

3.19 Leases

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

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

Company as a lessee:

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus

(Currency : Indian rupees in lakhs)

any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property and equipment' and lease liabilities in the statement of financial position.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease.

3.20 Borrowing costs

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All the other borrowing costs are recognised in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

3.21 Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Managing Director and CEO of the Company.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

3.22 Accounting of Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value

using an appropriate current market based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

3.23 Cash and cash equivalents

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

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.

3.24 "Recent pronouncements"

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to :

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively.

(Currency : Indian rupees in lakhs)

4. Property, plant and equipment and Capital work in-progress

Carrying Amount of:	As at 31 March 2026	As at 31 March 2025
Freehold land.....	501.46	501.46
Building.....	1,169.46	1,224.74
Plant and equipment.....	489.18	506.05
Computer equipment.....	20.18	24.09
Office equipment.....	4.55	9.06
Furniture and fixtures.....	72.99	78.20
Vehicles.....	40.94	92.86
Bearer plant.....	35.45	44.63
Right to use of assets- Vehicle.....	527.71	527.13
Right to use of assets- Building.....	28.96	48.27
Capital work-in-progress.....	7.27	7.97
Total	2,898.15	3,064.46

Description of assets	Freehold land	Buildings	Plant and equipment	Computer equipment	Office equipment	Furniture and fixtures	Vehicles	Bearer plant	Right to use of Assets- Vehicle	Right to use of Assets- Building	Capital work-in- progress	Total
I. Cost												
(a) Balance as at 1 April 2024	501.46	1,602.47	1,012.19	158.32	70.84	233.06	552.21	96.63	475.35	94.93	–	4,797.48
Additions	–	–	43.00	3.29	1.55	1.86	–	–	211.68	–	7.97	269.35
Disposals	–	–	–	–	(2.41)	–	(85.00)	–	–	–	–	(87.41)
(b) Balance as at 31 March 2025	501.46	1,602.47	1,055.19	161.61	69.98	234.92	467.21	96.63	687.03	94.93	7.97	4,979.42
Additions	–	–	48.86	15.75	0.17	15.63	–	–	167.52	–	7.27	255.20
Capitalisation during the year	–	–	–	–	–	–	–	–	–	–	(7.97)	(7.97)
Disposals	–	–	–	–	(0.08)	–	(6.08)	–	(15.67)	–	–	(21.83)
(c) Balance as at 31 March 2026	501.46	1,602.47	1,104.05	177.36	70.07	250.55	461.13	96.63	838.88	94.93	7.27	5,204.82
II. Accumulated depreciation and impairment												
(d) Balance as at 1 April 2024	–	322.44	487.31	112.92	57.69	137.17	368.29	42.82	42.47	27.36	–	1,598.45
Depreciation expense for the year	–	55.29	61.83	24.61	5.54	19.56	71.22	9.18	117.43	19.30	–	383.98
Disposals	–	–	–	–	(2.31)	–	(65.16)	–	–	–	–	(67.47)
(e) Balance as at 31 March 2025	–	377.73	549.14	137.52	60.92	156.72	374.35	52.00	159.90	46.66	–	1,914.96
Depreciation expense for the year	–	55.27	65.73	19.66	4.65	20.85	51.62	9.18	154.90	19.31	–	401.17
Disposals	–	–	–	–	(0.05)	–	(5.78)	–	(3.63)	–	–	(9.46)
(f) Balance as at 31 March 2026	–	433.01	614.87	157.18	65.52	177.56	420.19	61.19	311.17	65.97	–	2,306.67
III. Net carrying amount												
31 March 2026 (c)-(f)	501.46	1,169.46	489.18	20.18	4.55	72.99	40.94	35.45	527.71	28.96	7.27	2,898.15
IV. Net carrying amount												
31 March 2025 (b)-(e)	501.46	1,224.74	506.05	24.09	9.06	78.20	92.86	44.63	527.13	48.27	7.97	3,064.46

Capital Work In Progress Ageing Schedule

As at 31 March 2026	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7.27	–	–	–	7.27
Projects temporarily suspended	–	–	–	–	–
Total	7.27	–	–	–	7.27

As at 31 March 2025	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7.97	–	–	–	7.97
Projects temporarily suspended	–	–	–	–	–
Total	7.97	–	–	–	7.97

There are no projects whose completion is overdue or has exceeded its cost compared to its originally planned budget.

(Currency : Indian rupees in lakhs)

5A. Other intangible assets

Carrying amount of:-	As at 31 March 2026	As at 31 March 2025
Computer software	14.14	18.84
Non compete fees	—	—
Intangible development	98.56	138.51
Trademarks	0.01	0.01
Technical knowhow	19.27	26.27
Total	131.98	183.63

Description of assets	Computer software	Non compete fees	Intangible development	Trademarks	Technical knowhow	Total
Intangible Assets						
I. Cost						
(a) Balance as at 1 April 2024	95.79	32.00	478.27	70.87	326.88	1,003.81
Additions through internal development	—	—	85.21	—	—	85.21
Deduction / Adjustments during the year	—	—	—	—	—	—
(b) Balance as at 31 March 2025	95.78	32.00	563.48	70.87	326.88	1,089.02
Additions through internal development	—	—	52.84	—	—	52.84
Deduction / Adjustments during the year	—	—	(80.44)	—	—	(80.44)
(c) Balance as at 31 March 2026	95.78	32.00	535.88	70.87	326.88	1,061.42
II. Accumulated amortisation and impairment						
(d) Balance as at 1 April 2024	68.46	32.00	370.89	69.41	288.36	829.12
Amortisation expense for the year	8.48	—	54.09	1.45	12.25	76.26
Deduction / Adjustments during the year	—	—	—	—	—	—
(e) Balance as at 31 March 2025	76.94	32.00	424.98	70.86	300.61	905.39
Amortisation expense for the year	4.70	—	45.18	—	7.00	56.87
Deduction / Adjustments during the year	—	—	(32.83)	—	—	(32.83)
(f) Balance as at 31 March 2026	81.64	32.00	437.32	70.86	307.61	929.43
III. Net carrying amount 31 March 2026 (c)-(f)	14.14	—	98.56	0.01	19.27	131.98
IV. Net carrying amount 31 March 2025 (b)-(e)	18.84	—	138.51	0.01	26.27	183.63

5B. Intangible assets under development

Carrying amount of :-	As at 31 March 2026	As at 31 March 2025
Intangible assets under development	483.90	432.59
Additions through internal development	170.38	191.11
Capitalised during the year	(52.84)	(85.21)
Deletions / Adjustments during the year	(94.60)	(54.59)
Total	506.84	483.90

Note : During the year 2025-26 the Company has written off Intangible asset under development amounting to Rs 94.60 lakhs (FY 24-25 : Rs 54.59 lakhs)

(Currency : Indian rupees in lakhs)

Intangible assets under development Ageing Schedule
As at 31 March 2026

	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	22.94	51.31	80.85	351.74	506.84
Projects temporarily suspended	—	—	—	—	—
Total	22.94	51.31	80.85	351.74	506.84

As at 31 March 2025

	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	51.31	192.66	239.93	—	483.90
Projects temporarily suspended	—	—	—	—	—
Total	51.31	192.66	239.93	—	483.90

There are no projects whose completion is overdue or has exceeded its cost compared to its originally planned budget.

6. Investments

Particulars	Face value Per share (Rs)	As at 31 March 2026		As at 31 March 2025	
		Nos	Amount Non-current	Nos	Amount Non-current
At Cost					
A. In Subsidiary companies					
Equity shares- fully paid (Unquoted)					
Mahindra Fruits Private limited (formerly known as Mahindra Greenyard Private Limited)	10	12,330,000	815.80	12,330,000	815.80
Mahindra HZPC Private Limited	10	29,759,125	2,975.91	29,759,125	2,975.91
B. In Joint venture company					
Equity shares- fully paid (Unquoted)					
Mahindra Summit Agriscience Limited	10	112,866,000	11,286.60	11,28,66,000	11,286.60
C. Fair value through other comprehensive income - FVTOCI					
Unquoted Investments (fully paid)					
Investments in Equity shares					
Equity shares of Rs. 10 each of Vayugrid Marketplace Services Private Limited	10	2,121,000	58.75	2,121,000	58.75
D. Fair value through profit and loss - FVTPL					
Unquoted Investments (fully paid)					
Investments in Equity shares					
Equity shares of Rs. 10 each of White Spread Foods Private Limited	10	680,000	68.00	680,000	68.00
E. Less: Aggregate amount of impairment in value of investments			(9,488.14)		(9,488.14)
TOTAL INVESTMENTS (A) + (B) + (C) + (D) - (E)			5,716.92		5,716.92
Total impairment loss on value of investments (refer note (i) below)			9,488.14		9,488.14

Note : (i) : Summary of total impairment loss on value of investments

Particulars	As at 31 March 2026	As at 31 March 2025
Mahindra Fruits Private limited	815.80	815.80
Mahindra Summit Agriscience Limited	7,192.00	7,192.00
Mahindra HZPC Private Limited	1,353.59	1,353.59
Vayugrid Marketplace Services Private Limited	58.75	58.75
White Spread Foods Private Limited	68.00	68.00
	9,488.14	9,488.14

The mode of Impairment loss on value of investments has been stated in note 3.12

(Currency : Indian rupees in lakhs)

7. Other financial assets

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-current	Current	Non-current
Financial assets at amortised cost :				
Security deposits	30.48	20.88	36.10	19.38
Export incentive receivable	154.07	—	173.58	—
Interest accrued on bank deposits	2.04	—	4.79	—
Interest accrued on inter corporate deposit	5.25	—	—	—
Earmarked bank deposits with maturity more than 12 months #	1.49	40.64	—	2.21
Other receivables*	67.68	—	40.44	—
Insurance claim receivable	—	—	17.16	—
Derivative financial instruments designated and effective as hedging instruments carried at fair value	17.96	—	12.59	—
Total	278.97	61.52	284.66	21.59

There is a lien marked on deposits with bank in favour of HDFC for an amount aggregating Rs 42.13 lakhs (31 March, 2025: Rs 2.21 lakhs) against government authorities.

*Other receivables mainly includes receivables for other recoverable expenses from related parties (refer note 35).

8. Deferred tax assets

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax assets	71.71	100.40
Deferred tax liabilities	(71.71)	(100.40)
Deferred tax assets (net)	—	—
Deferred tax assets (net) #	—	—

31 March 2026

Particulars	Net balance 1 April 2025	Recognised in profit or loss	Recognised in OCI	Net #	Deferred tax asset	Deferred tax liability
<u>Tax effect of items constituting deferred tax assets</u>						
Employee benefits	72.87	(17.47)	—	55.40	55.40	—
Income tax relating to defined benefit plans that will not be reclassified to profit or loss	12.46	—	(6.67)	5.79	5.79	—
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	11.87	—	(1.35)	10.52	10.52	—
<u>Tax effect of items constituting deferred tax liabilities</u>						
Right to use of assets	3.20	(17.43)	—	(14.23)	—	(14.23)
Difference between WDV as per books and income tax	(100.40)	42.92	—	(57.48)	—	(57.48)
Deferred tax assets (net)	—	8.02	(8.02)	—	71.71	(71.71)

31 March 2025

Particulars	Net balance 1 April 2024	Recognised in profit or loss	Recognised in OCI	Net #	Deferred tax asset	Deferred tax liability
<u>Tax effect of items constituting deferred tax assets</u>						
Employee benefits	39.16	33.71	—	72.87	72.87	—
Income tax relating to defined benefit plans that will not be reclassified to profit or loss	10.29	—	2.17	12.46	12.46	—
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	12.05	—	(0.18)	11.87	11.87	—
Right to use of assets	2.45	0.75	—	3.20	3.20	—
<u>Tax effect of items constituting deferred tax liabilities</u>						
Difference between WDV as per books and income tax	(63.95)	(36.45)	—	(100.40)	—	(100.40)
Deferred tax assets (net)	—	(2.00)	2.00	—	100.40	(100.40)

(Currency : Indian rupees in lakhs)

Amounts on which deferred tax asset has not been created and related expiry period

Deferred tax assets have not been recognised in respect of following items, because it is not probable that future taxable profit will be available against which the Company can use the benefit therefrom.

Particulars	As at 31 March 2026	As at 31 March 2025
Deductible Temporary differences	3,826.57	1,031.24
Unused tax losses (revenue in nature) Expiry period upto five years	8,859.27	13,678.08
Unused tax losses (capital in nature) Expiry period upto five years	1,437.00	114.85
Unused tax losses (revenue in nature) Expiry period more than five years	—	296.19
Unused tax losses (capital in nature) Expiry period more than five years	—	1,335.45
Unused Depreciation losses (no expiry date)	8,560.36	8,560.36
Total	22,683.20	25,016.17

The unrecognised tax losses brought forward expire as follows

Financial year	As at 31 March 2026	As at 31 March 2025
1 2025-2026	—	5,115.00
2 2026-2027	4,493.87	4,493.87
3 2027-2028	2,486.45	2,486.45
4 2028-2029	1,508.62	1,508.62
5 2029-2030	74.14	74.14
6 2030-2031	296.19	296.19
Total	8,859.27	13,974.27

Unrecognised deferred tax assets

Deferred tax assets (DTA) have not been recognised, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Deferred tax assets for the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

9. Other tax assets / (liabilities) (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Non-current tax assets		
TDS receivables	67.62	32.68
Total	67.62	32.68
Current tax liabilities		
Provision for tax	40.23	40.23
Total	40.23	40.23
Other tax assets / (liabilities) (net)	27.39	(7.55)

10. Other current and Non-current assets

Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
	Current	Non-current	Current	Non-current
Advances other than capital advances				
(i) Balances with government authorities (other than income taxes)	524.95	151.35	739.50	6.05
(ii) Advances to employees				
Considered good	52.43	—	51.50	—
(iii) Advances to vendors				
Considered good	1,468.24	—	2,770.12	—
(iv) Prepaid expenses	114.71	—	105.24	—
(v) Expected returns from customers (refer note 18)	340.88	—	268.00	—
Total	2,501.21	151.35	3,934.36	6.05

11. Inventories (at lower of cost and net realisable value)

Particulars	As at 31 March 2026	As at 31 March 2025
Stock-in-trade (refer below note 3)	4,636.83	2,718.36
Stock-in-transit (Finished goods)	2,364.58	1,503.25
Stock-in-transit (Traded goods)	148.12	39.55
Packing Materials	683.25	511.77
Total	7,832.78	4,772.93

Notes:

- The cost of inventories recognised as an expense during the year was Rs 22,556.54 lakhs (31 March 2025: Rs 19,713.98 lakhs)
- The carrying amount of inventories pledged as security for working capital loan from bank is secured by first paripassu charge on inventories (including Stock-in-trade, Packing Materials and Stock-in-transit), book debts and all other current assets (refer note 17B).
- It includes inter-unit transfer of stock amounting to Rs 83.13 lakhs (31 March 2025: Rs 18.28 lakhs).
- The mode of valuation of inventories has been stated in note 3.8

(Currency : Indian rupees in lakhs)

12. Trade receivables

	As at 31 March 2026	As at 31 March 2025
(a) Particulars		
Considered good - Secured	—	—
Considered good - Unsecured	11,157.08	8,530.07
Significant increase in credit risk	—	—
Credit impaired	960.54	930.29
Less :- Allowance for expected credit losses	(960.54)	(930.29)
Total	11,157.08	8,530.07

Trade receivables Ageing Schedule

As at 31 March 2026

As at 31 March 2026	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	8,298.45	2,771.85	67.11	19.67	–	–	11,157.08
Undisputed Trade Receivables – which have significant increase in credit risk	21.79	13.75	27.24	51.95	48.51	372.87	536.12
Undisputed Trade Receivables – credit impaired	(21.79)	(13.75)	(27.24)	(51.95)	(48.51)	(372.87)	(536.12)
Disputed Trade Receivables – considered good							
Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	424.42	424.42
Disputed Trade Receivables – credit impaired	–	–	–	–	–	(424.42)	(424.42)
Total	8,298.45	2,771.85	67.11	19.67	0.00	–	11,157.08

As at 31 March 2025

As at 31 March 2025	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	1,383.13	7,041.23	100.87	4.45	0.39	–	8,530.07
Undisputed Trade Receivables – which have significant increase in credit risk	10.87	13.13	40.28	60.11	72.75	308.73	505.87
Undisputed Trade Receivables – credit impaired	(10.87)	(13.13)	(40.28)	(60.11)	(72.75)	(308.73)	(505.87)
Disputed Trade Receivables – considered good							–
Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	424.42	424.42
Disputed Trade Receivables – credit impaired	–	–	–	–	–	(424.42)	(424.42)
	1,383.13	7,041.23	100.87	4.45	0.39	–	8,530.07

Notes:

1 Of the above, trade receivables from:

Particulars	As at 31 March 2026	As at 31 March 2025
– Related parties	–	–
– Others	11,157.08	8,530.07
	<u>11,157.08</u>	<u>8,530.07</u>

3 The Company does not normally enforce interest on overdue debts. However, interest on overdue debts is charged on discretionary basis in respect of certain business / parties.

4 The carrying amount of inventories pledged as security for working capital loan from bank is secured by first paripassu charge on inventories (including Stock-in-trade, Packing Materials and Stock-in-transit), book debts and all other current assets (refer note 17B).

5 Movement in the expected credit loss allowance

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	930.29	886.00
Add: provision made during the year	30.25	44.29
Less: balances written off during the year	—	—
Balance at the end of the year	960.54	930.29

2 The Average credit period on sale of goods is as under :

- Agri Input businesses - Seeds 90 days each

- Food businesses - Fruits Export - As per agreement with Consignment agent / Customers. Grapes Domestic - 15 days;

(Currency : Indian rupees in lakhs)

13 A. Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Cash and bank balance		
Balances with banks		
– In current accounts	13.21	0.83
Total	13.21	0.83

13 B. Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Other bank balances		
(a) Earmarked balances with bank:		
Fixed deposits with original maturity less than 3 months	99.30	129.87
Fixed deposits with original maturity greater than 3 months but less 12 months	2.98	2.73
Total	102.28	132.60

Note:

There is a lien marked on deposits with bank in favour of HDFC Bank Limited for an amount aggregating Rs 2.98 lakhs (31 March 2025: Rs 2.73 lakhs) against government authorities.

14. Loans

Particulars	As at 31 March 2026	As at 31 March 2025
Loans		
Inter- corporate deposit given to related parties		
Unsecured, considered good	720.00	–
Unsecured, doubtful	–	–
Less : Credit impaired	–	–
Total	720.00	–

The inter corporate deposit is given to Mahindra Summit Agriscience Limited @8.7% pa for a period of 12 months (31 March 2025 : Nil) for the purpose of working capital.

15. Equity share capital

Equity share capital	Amount
As at 31 March 2024	11,205.34
Changes in equity share capital during the year	1,659.47
As at 31 March 2025	12,864.81
Changes in equity share capital during the year	–
As at 31 March 2026	12,864.81

Particulars	As at 31 March 2026 No. of shares	Amount	As at 31 March 2025 No. of shares	Amount
Authorised share capital:				
Equity shares of Rs. 10 each with voting rights	24,99,98,000	24,999.80	24,99,98,000	24,999.80
6% Optionally Convertible Redeemable Preference Shares of Rs. 46 each	10,870,000	5,000.20	10,870,000	5,000.20
	26,08,68,000	30,000.00	26,08,68,000	30,000.00
Issued, subscribed and paid up capital comprises:				
Equity shares of Rs. 10 each with voting rights	12,86,48,127	12,864.81	12,86,48,127	12,864.81
Total	12,86,48,127	12,864.81	12,86,48,127	12,864.81

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Opening balance	Rights issue	Preferential allotment	Closing balance
Equity Shares with Voting rights				
As at 31 March 2026				
No. of Shares	12,86,48,127	–	–	12,86,48,127
Amount	12,864.81	–	–	12,864.81
As at 31 March 2025				
No. of Shares	11,20,53,430	1,65,94,697	–	12,86,48,127
Amount	11,205.34	1,659.47	–	12,864.81
Particulars	Opening balance	Rights issue	Preferential allotment	Closing balance
6% Optionally Convertible Redeemable Preference Shares with voting rights				
As at 31 March 2026				
No. of Shares	1,07,54,230	–	–	1,07,54,230
Amount	4,946.95	–	–	4,946.95
As at 31 March 2025				
No. of Shares	1,07,54,230	–	–	1,07,54,230
Amount	4,946.95	–	–	4,946.95

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

During the year, the Company had raised fund through right issue of equity shares 16,594,697 of Rs.10 each to existing equity shareholders in their shareholding ratio.

Terms of Optionally Convertible Redeemable Preference Shares (OCRPS)

Conversion:- The conversion ratio shall be 1 equity share for every 1 OCRPS held by the shareholders in the Company. The minimum holding period will be 6 months. The conversion shall be at the discretion of the Option Holder at any time after the minimum holding period.

Redemption:- The maturity of the OCRPs shall be 20 years from the date of allotment. The OCRPS shall be redeemed at face value at maturity.

Transferability:- OCRPS shall be transferrable, subject to the prior consent of the Company.

Dividend:- The holders of the OCRPS shall carry a cumulative dividend at the fixed rate of 6% per year, out of the profits of the company and the payment of such dividend shall have priority over any dividend rights of the equity shares.

Voting and other rights:- (i) The preference shares shall carry rights as per the provision of Section 47(2) of the Companies Act, 2013. (ii) The Preference shares shall have priority with respect to payment of dividend and repayment of capital vis-a-vis equity shares. (iii) The Preference shareholder shall not have the right of participation in surplus assets and profits, on winding up of the company, which may remain after the entire capital has been repaid.

(Currency : Indian rupees in lakhs)

c) Details of shares held by the Holding Company

Particulars	Equity shares	Preference shares
As at 31 March 2026		
Mahindra & Mahindra Limited	12,74,42,966	1,06,96,170
Total	12,74,42,966	1,06,96,170
As at 31 March 2025		
Mahindra & Mahindra Limited	12,74,42,966	1,06,96,170
Total	12,74,42,966	1,06,96,170

d) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mahindra & Mahindra Limited	12,74,42,966	99.06%	12,74,42,966	99.06%
6% Optionally Convertible Redeemable Preference Shares				
Mahindra & Mahindra Limited	1,06,96,170	99.46%	1,06,96,170	99.46%

e) Details of shares held by Promoters
As At 31 March 2026

Class of shares	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change in share holding pattern during the year	% change in shares during the year
1. Equity Shares	Mahindra & Mahindra Limited	12,74,42,966	—	12,74,42,966	99.06%	0.00%	0.00%
2. Optionally Convertible Cumulative Redeemable preference Shares	Mahindra & Mahindra Limited	10,696,170	—	1,06,96,170	99.46%	0.00%	0.00%
Total		13,81,39,136	—	13,81,39,136			

As At 31 March 2025

Class of shares	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change in share holding pattern during the year	% change in shares during the year
1. Equity Shares	Mahindra & Mahindra Limited	11,09,12,942	1,65,30,024	12,74,42,966	99.06%	0.08%	14.90%
2. Optionally Convertible Cumulative Redeemable preference Shares	Mahindra & Mahindra Limited	1,06,96,170	—	1,06,96,170	99.46%	0.00%	0.00%
Total		12,16,09,112	1,65,30,024	12,74,42,966			

- f) As per records of the Company as at 31 March 2026 and 31 March 2025, no calls remain unpaid by the directors and officers of the Company.
- g) The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.
- h) Equity shares reserves for issuance under ESOP Scheme. (refer note 36)

(Currency : Indian rupees in lakhs)

16. Other equity

Particulars	As at 31 March 2026	As at 31 March 2025
- Capital reserve (refer note (a) below)	(9,100.45)	(9,100.45)
- Securities premium (refer note (b) below)	31,558.97	31,558.97
- Share option outstanding (refer note (c) below)	852.91	852.91
- Retained earnings (refer note A(d) below)	(32,106.32)	(34,183.11)
- Effective portion of cash flow hedges (refer note (d) and A(e) below)	19.76	14.38
- Equity component of 6% Optionally Convertible Redeemable Preference Shares (refer note 15 (b) and A(f) below)	2,134.45	2,134.45
Total	(6,640.68)	(8,722.85)

Notes:

	As at 31 March 2026	As at 31 March 2025
a) Capital reserve		
Balance as at the beginning of the year	(9,100.45)	(9,100.45)
Add: Additions during the year	-	-
Balance as at the end of the year	(9,100.45)	(9,100.45)
b) Securities premium		
Balance as at the beginning of the year	31,558.97	29,551.02
Add: Additions during the year	-	2,007.95
Balance as at the end of the year	31,558.97	31,558.97
c) Share Option outstanding		
Balance as at the beginning of the year	852.91	852.91
Add: Additions during the year	-	-
Balance as at the end of the year	852.91	852.91
d) Effective portion of cash flow hedges		
Balance as at the beginning of the year	14.38	15.01
Add: Additions during the year	5.38	(0.63)
Balance as at the end of the year	19.76	14.38

A. The description of the nature and purpose of each reserve within equity is as follows:

- Capital reserve is reserve for bargain purchase business combination.
- Securities premium is received pursuant to the further issue of equity shares at a premium net of the share issue expenses. This is a non-distributable reserve except for the following instances where the share premium account may be applied;
 - towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus shares;
 - for the purchase of its own shares or other securities;
 - in writing off the preliminary expenses of the Company;
 - in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; and
 - in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.

- Share options outstanding account/ Employee stock option outstanding account represents the equity-settled shares and share options granted to employees (refer note 36). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled shares and share options and is reduced by the expiry of the share options.

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

- The Company has designated its hedging instruments obtained after 1 April 2017 as cash flow hedges and any effective portion of cash flow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of profit and loss.

f) Terms of Optionally Convertible Redeemable Preference Shares (OCRPS)

Conversion:- The conversion ratio shall be 1 equity share for every 1 OCPRS held by the shareholders in the company. The minimum holding period will be 6 months. The conversion shall be at the discretion of the Option Holder at any time after the minimum holding period.

Redemption:- The maturity of the OCPRS shall be 20 years from the date of allotment. The OCPRS shall be redeemed at face value at maturity.

Transferability:- OCPRS shall be transferrable, subject to the prior consent of the company.

Dividend:- The holders of the OCPRS shall carry a cumulative dividend at the fixed rate of 6% per year, out of the profits of the company and the payment of such dividend shall have priority over any dividend rights of the equity shares.

Voting and other rights:- (i) The preference shares shall carry rights as per the provision of section 47(2) of the Companies Act, 2013. (ii) The Preference shares shall have priority with respect to payment of dividend and repayment of capital vis-a-vis equity shares. (iii) The Preference shareholder shall not have the right of participation in surplus assets and profits, on winding up of the company, which may remain after the entire capital has been repaid.

17A. Long-term borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured		
Liability component of Optionally convertible redeemable preference shares (refer note 15 (b) and 16 A(f))	4,380.14	4,093.59
Total	4,380.14	4,093.59

17B. Short-term borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
Secured		
Bank overdrafts (refer below note (i) and (ii))	833.66	237.03
Unsecured		
Inter corporate deposit (refer below note (iii))	1,000.00	2,500.00
Total	1,833.66	2,737.03

(Currency : Indian rupees in lakhs)

Details of the security and repayment terms:

- i) Borrowings from Kotak Mahindra Bank Ltd of Rs 820.18 lakhs (31 March 2025: Rs 231.08 lakhs) are secured on First pari passu charge on the Company's present and future current assets. Borrowing facility are of Cash Credit (CC)/ Overdraft facility carries interest rate of 8.40% - 9.20% p.a (31 March 2025 : 9.10% - 9.35% p.a) repayable on demand.
- ii) Borrowings from HDFC Bank Limited of Rs 13.48 lakhs (31 March 2025 : Rs 5.95 lakhs) are secured on First pari passu charge on the Company's present and future current assets. Borrowing facility are of Cash Credit (CC)/ Overdraft facility carries interest rate of 8.70% -9.35% p.a. (31 March 2025: 9.15% - 9.35% p.a.) repayable on demand.
- iii) Inter corporate loan from Mahindra & Mahindra Limited of Rs 1,000 lakhs (31 March 2025 : Rs 2,500 lakhs) carries interest rate ranging from @ 8.01% to 8.15% pa (31 March 2025 : 8% to 9% p.a.), which were obtained for the purpose of working capital. This loan is repayable within a period of twelve months along with interest and principal.

18. Provisions

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-current	Current	Non-current
Provision for employee benefits ##				
- Compensated absences	42.03	181.39	33.50	85.93
- Gratuity	14.13	350.85	28.94	242.10
Expected returns from Customers				
**	816.38	-	653.66	-
Total	872.54	532.23	716.10	328.03

Trade payables Ageing Schedule
As at 31 March 2026

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	426.98	-	-	-	426.98
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,629.72	34.33	8.62	159.89	3,832.56
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Accrued expenses	-	-	-	-	8,875.19
	4,056.70	34.33	8.62	159.89	13,134.73

As at 31 March 2025

	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	221.13	-	-	-	221.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,427.95	13.83	13.75	112.79	1,568.32
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Accrued expenses	-	-	-	-	7,978.62
	1,649.08	13.83	13.75	112.79	9,768.07

Movement in Expected returns from customers	Balance as at 01 April 2025	Provisions made during the year	Provisions used during the year	Balance as at 31 March 2026
Current	653.66	5,280.55	(5,117.83)	816.38
Non current	-	-	-	-

Movement in Expected returns from customers	Balance as at 01 April 2024	Provisions made during the year	Provisions used during the year	Balance as at 31 March 2025
Current	692.63	3,224.68	(3,263.65)	653.66
Non current	-	-	-	-

The provision for employee benefits includes annual leaves and vested long service leave entitlements accrued and compensation claims made by employees. For other disclosure refer note no 30 on employee benefits expense.

** The Company makes a provision on estimated sales return from customers based on historical experience. The sales returns are generally expected within a year.

19. Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 38)	426.98	221.13
Total outstanding dues of creditors other than micro enterprises and small enterprises	12,707.75	9,546.94
Total	13,134.73	9,768.07

(Currency : Indian rupees in lakhs)

20. Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Other Financial Liabilities Measured at Amortised Cost - Current		
Interest accrued on Inter corporate deposit (refer note 26)	61.50	4.33
Interest accrued on micro enterprises and small enterprises	8.77	16.40
Trade deposit	337.95	264.08
Creditors for capital supplies / services	1.63	3.57
Others*	31.88	13.49
Total	441.73	301.87

* Others mainly include payables to related parties towards reimbursement of expenses.

21. Other Current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Advances received from customers	3,396.28	3,770.14
Statutory dues payable		
– Tax deducted at source	36.21	44.60
– Employee recoveries and employer contributions	23.18	22.51
Employee benefits payables	611.63	585.70
Total	4,067.29	4,422.95

Notes:

There are no amount due and outstanding to be credited to Investor Education and Protection Fund.

22. Revenue from operations

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Sale of products		
– Traded goods	36,906.65	32,485.93
Other operating revenue		
– Export incentive	206.03	227.35
– Interest from customers	0.01	3.71
Total	37,112.69	32,716.99

Details of revenue from sale of products :-

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Traded goods		
– Grapes	14,887.73	13,378.43
– Seeds	22,018.92	19,107.50
Total	36,906.65	32,485.93

Reconciliation of revenue as per contract price and as recognised in statement of profit and loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from contract with customer as contract price	47,575.31	39,956.37
Less: Discounts and incentives	2,791.72	3,069.16
Less: Sales return / credit / reversals	6,608.21	3,538.00
Less: Other adjustments	1,268.73	863.28
Total	36,906.65	32,485.93

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Opening contract liability	3,770.14	2,198.77
Add : Addition to contract liability during the year	5,387.08	4,714.99
Less : Recognised as revenue during the year	5,760.94	3,143.62
Less : Other adjustments	–	–
Closing contract liability	3,396.28	3,770.14

23. Other income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income on		
– Bank deposits	7.40	10.05
– Inter corporate deposit	5.83	–
– Income tax refund	–	2.16
Other gains and losses		
– Foreign currency gains (net)	140.94	–
– Profit on sale of mutual funds	11.11	2.18
– Gain on disposal of property, plant and equipment (net)	–	5.54
Liabilities no longer required written back	50.95	94.46
Other non-operating income	–	0.86
Total	216.24	115.25

24 A Purchases

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Purchases of stock-in-trade	25,616.40	20,016.26
	25,616.40	20,016.26

24 B Changes in inventories of stock-in-trade and packing material

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
<u>Inventories at the end of the year:</u>		
Stock-in-trade	4,636.83	2,718.36
Stock-in-transit	2,512.70	1,542.80
Packing materials	683.25	511.77
	7,832.78	4,772.93

Inventories at the beginning of the year:

Stock-in-trade	2,718.36	2,585.65
Stock-in-transit	1,542.80	862.42
Packing materials	511.77	1,022.58
	4,772.93	4,470.65
Net increase in inventories	(3,059.85)	(302.28)

25. Employee benefits expense

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries and wages, including bonus (Refer note below)	3,037.66	2,707.19
Contribution to provident and other funds (refer note 30)	236.26	180.79
Staff welfare expenses	45.71	40.71
Total	3,319.63	2,928.69

Note :-This is net of recoveries in respect of employees working in other group companies of Rs 244.93 lakhs for FY 25-26. (Rs 231.15 lakhs for FY 24-25)

Note :-This includes payment of Rs 253.66 lakhs for FY 25-26 (Rs 243.97 lakhs for FY 24-25) in respect of employees charged by holding company.

26. Finance costs

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest on financial liabilities measured at amortised cost		
Interest on Inter corporate deposit	169.39	243.03
Interest on Optionally convertible redeemable preference shares	286.55	267.80
Interest on bank overdrafts and loans (other than those from related parties)	21.66	34.30
Interest on term loan	–	12.07
Delayed payment to micro enterprises and small enterprises (refer note 38)	8.77	8.62

(Currency : Indian rupees in lakhs)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest on lease liabilities	70.55	65.39
Others	3.05	—
Total	559.97	631.22

27. Depreciation and amortisation expenses

Particular	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation of property, plant and equipment (refer note 4)	401.17	383.98
Amortisation of intangible assets (refer note 5A)	56.87	76.27
Total	458.05	460.25

28. Other expenses

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Stores and tools consumed	9.57	18.05
Freight outward	1,178.81	1,389.81
Clearing and forwarding charges	1,713.60	1,615.92
Subcontracting, hire and service charges	1,288.20	1,091.01
Legal and professional expenses	485.94	450.46
Rent including lease rentals	220.85	190.93
Insurance	191.27	182.46
Rebate, claim and discount	50.41	124.67
Sales promotion expenses	440.43	449.55
Commission on sales / contracts	425.04	326.39
Stockyard expenses	111.64	170.41
Travelling and conveyance expenses	515.82	451.69
Research and development expenses*	529.48	482.86
Power and fuel	165.70	166.32
Intangible assets under development written off	94.60	54.59
Postage, telephone and subscription expenses	35.14	17.39
Provision for allowances for expected credit loss	30.25	44.29
Loss on foreign currency transactions (net)	—	31.92
Loss on account of assets written off	47.92	3.87
Rates and taxes	117.87	123.36
Business support charges	6.48	567.81
Directors sitting fees	12.75	9.80
Repairs and maintenance		
– Buildings	8.26	1.39
– Machinery	15.85	8.31
– Others	29.09	27.38
Auditors remuneration		
– Audit fees	25.00	25.00
– Other services	0.50	0.50
– Reimbursement of expenses	0.12	1.05
Export team expenses	119.49	84.88
Others	413.44	416.66
Total	8,331.44	8,528.73

Note :- *The above expenses are net of cost transferred to intangible assets under development aggregating to Rs 170.38 lakhs for FY 25-26 (FY 24-25 : Rs 191.11 lakhs)

29. Income tax expenses

Income tax recognised in profit or loss

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current tax:		
In respect of current year	—	—
In respect of prior years	—	—
Deferred tax:		
In respect of current year origination and reversal of temporary differences	—	—
Total income tax expense on operations	—	—

(b) Income tax recognised in other comprehensive income

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	—	—
Effective portion of gains and loss on designated portion of hedging instrument in a cash flow hedge	—	—
Total	—	—

Classification of income tax recognised in other comprehensive income

Income taxes related to items that will not be reclassified to profit or loss	—	—
Total	—	—

Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Profit before tax	2,103.29	569.37
Tax using the Company's domestic tax rate (refer note below)	25.17%	25.17%
Expected income tax expenses	529.36	143.31

Tax effect of:

Current year losses for which no deferred tax asset is created	(676.11)	(178.12)
Effect of expenses that is non-deductible in determining taxable profit	276.87	161.02
Any other reconciling items	(130.12)	(126.21)

Tax expenses as per Statement of profit and loss

	—	—
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Notes:

With Effect from Financial Year 2019-20 (Assessment Year 2020-21), the Company has opted for the concessional tax rate of 22% vide circular number 29/2019 dated 02 October 2019 of the Income Tax Act, 1961. Surcharge of 10% and cess of 4% is to be charged in addition to the base rate of 22%.

30. Employee benefits expenses

(i) Defined contribution plans:

The Company's contribution to Provident Fund and Superannuation Fund aggregating Rs 123.88 lakhs for 31 March 2026 (31 March 2025 : Rs 112.98 lakhs) has been recognised in the Statement of Profit or Loss under the head Employee benefits expenses.

(ii) Defined benefit plans:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated in accordance with the provisions under the Code on Social Security, 2020 or as per the Company Scheme, as applicable. Vesting occurs upon completion of contractual period of continuous years of service as defined in the Code on Social Security, 2020. In case of death while in service, the gratuity is payable irrespective of vesting.

Code on Social Security, 2020

The Code on Social Security, 2020 has been notified and made effective from 21 November 2025, thereby replacing the erstwhile Payment of Gratuity Act, 1972. The Code on Social Security, 2020 has updated the definition of the gratuity salary to "Wages" as defined in the Code on Wages, 1919 and has changed the vesting period for fixed-term contract employees wherever applicable. This change has resulted in an increase in the liability of the Company, and has resulted in a past service cost for the Company.

(Currency : Indian rupees in lakhs)

Impact of Labour Code

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed the impact of the changes, consistent with the Labour Codes, draft rules, FAQs and legal opinion. The Company has provided Rs 19.36 lakhs as a increase in provision for Gratuity.

Particulars	Funded Plan Gratuity	
	Year ended 31 March 2026	Year ended 31 March 2025
Expense recognised in the Statement of Profit and Loss:		
Current service cost	48.50	37.29
Past service cost	29.59	—
Net interest expense	17.52	16.09
Components of defined benefit costs recognised in profit or loss	95.61	53.38
1. Changes in financial assumptions	2.23	5.95
2. Changes in demographic assumptions	21.24	—
3. Experience adjustments	3.33	2.75
4. Actual return on plan assets less interest on plan assets	(0.29)	(0.07)
Total	122.12	62.01
I. Net liability recognised in the Balance sheet		
1. Present value of defined benefit obligation	408.51	311.58
2. Fair value of plan assets as at 31 March	(43.53)	(40.54)
3. Surplus	364.98	271.04
4. Current portion of the above	14.13	28.94
5. Non current portion of the above	350.85	242.10
II. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	311.58	326.95
2. Expenses recognised in Statement of Profit and Loss		
- Current service cost	48.50	37.29
- Past Service Cost	29.59	—
- Interest expense (income)	20.21	18.79
3. Recognised in other comprehensive income	—	—
Remeasurement gains / (losses)		
- Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	21.24	—

Particulars	Funded Plan Gratuity	
	Year ended 31 March 2026	Year ended 31 March 2025
ii. Financial Assumptions	2.23	5.95
iii. Experience Adjustments	3.33	2.75
4. Benefit payments	(28.18)	(80.24)
5. Others	—	0.09
6. Present value of defined benefit obligation at the end of the year	408.51	311.58
III. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	40.54	37.78
2. Expenses recognised in Profit and Loss Account		
- Expected return on plan assets	—	—
3. Recognised in other comprehensive income		
Remeasurement gains / (losses)	—	—
- Actual Return on plan assets in excess of the expected return	0.29	0.07
- Interest on plan assets	2.70	2.70
4. Contributions by employer (including benefit payments recoverable)	28.18	80.24
5. Benefit payments	(28.18)	(80.24)
6. Fair value of plan assets at the end of the year	43.53	40.54

IV. The major categories of plan assets

Life insurance corporation fund	43.53	40.54
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V. Actuarial assumptions

	Year ended 31 March 2026	Year ended 31 March 2025
1. Discount rate	6.45%	6.65%
2. Salary escalation	8.50%	8.50%
3. Attrition rate	Age (Years)	Rates (p.a.)
	21-30	19%
	31-40	16%
	41-50	10%
	51-59	18%
4. Mortality rate	The Indian Assured Lives Mortality (2012-14) Ult table	The Indian Assured Lives Mortality (2012-14) Ult table

(Currency : Indian rupees in lakhs)

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption		Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	31 March 2026	1.00%	-5.22%	5.77%
	31 March 2025	1.00%	-3.75%	4.04%
Salary growth rate	31 March 2026	1.00%	5.42%	-5.03%
	31 March 2025	1.00%	3.93%	-3.73%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous year.

The expected contribution payable to the plan next year is Rs 57.66 lakhs for FY 25-26 (FY 24-25: Rs 69.48 lakhs)

Maturity profile of defined benefit obligation:

Particulars	As at 31 March 2026	As at 31 March 2025
Within 1 year	57.66	69.48
1 - 2 year	80.19	56.73
2 - 3 year	44.10	69.97
3 - 4 year	55.44	38.91
4 - 5 year	58.63	39.56
5 - 6 year	33.51	38.03
6 - 7 year	29.13	20.05
7 - 8 year	30.45	15.57
8 - 9 year	34.30	14.57
10 year and above	194.71	54.49

Plan assets

The fair value of Company's pension plan asset as of 31 March 2026 and 31 March 2025 by category are as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Asset category:		
Deposits with Insurance companies	43.53	40.54
	100%	100%

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

The weighted average duration of the defined benefit obligation as at 31 March 2026 is 5.48 years (31 March 2025- 3.89 years)

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The current service cost and the net interest expense for the year are included in the employee benefits expense in profit or loss of the expense for the year 2026 an amount of Rs 95.61 lakhs (31 March 2025 : Rs. 53.38 lakhs) has been included in statement of profit or loss under the head Employee benefit expenses.

Compensated absences:

Compensated absences for the employee benefits of Rs.223.42 lakhs (31 March, 2025 - Rs. 112.62 lakhs) expected to be paid in exchange for the services recognised as a expenses during the year. (refer note 25)

31. Earnings per Share

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
	Per Share	Per Share
Basic and Diluted Earnings per share (Rs.)	1.68	0.46

Earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Profit for basic EPS (Rs.)	2,103.29	569.37
Weighted average number of equity shares for the purpose of basic earnings per share	124,965,261	124,965,261
Basic earning per share (Rs.)	1.68	0.46

Weighted average number of shares is the number of equity shares outstanding at the beginning of the period adjusted by the number of equity shares issued during period, multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

(Currency : Indian rupees in lakhs)

32. Fair value measurement

Fair valuation techniques and inputs used - recurring items

Financial assets/ financial liabilities measured at fair value	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	As at 31 March 2026	As at 31 March 2025				
Financial assets						
Investments						
Investments in equity instruments at FVTOCI-unquoted	12.87% per cent equity investment in Vayugrid Marketplace services Private Limited engaged in Pongamia Oil & Sapling - Rs NIL	12.87% per cent equity investment in Vayugrid Marketplace services Private Limited engaged in Pongamia Oil & Sapling - Rs NIL	Level 3	Income approach - in this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefit to be derived from the ownership of these investees.	Short and long-term revenue generation outlook of the entity, based on management experience.	Revenue generation by the entity would result in increase in fair value.
Investments in equity instruments at FVTPL-unquoted	19.83% per cent equity investment in White Spread Private Limited engaged in dairy business - Rs NIL	19.83% per cent equity investment in White Spread Private Limited engaged in dairy business - Rs NIL	Level 3	Income approach - in this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefit to be derived from the ownership of these investees.	Short and long-term revenue generation outlook of the entity, based on management experience.	Revenue generation by the entity would result in increase in fair value.
Financial liabilities						
Other financial liabilities						
1) Foreign currency forward contracts	—	—	Level 2	Discounted cash Flow. Future cash flows are estimated based on forward exchange rates(from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.	—	—

Reconciliation of Level 3 fair value measurements of financial instruments measured at fair value

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance (investment in Vayugrid Marketplace Services Private Limited)*	—	—
Purchase (Investments in White Spread Private limited)**	—	—
Total gains or losses:		
– In other comprehensive income	—	—
– In profit & Loss Account	—	—
Closing balance	—	—

* The Investment in Vayugrid Market Place Services Private Limited fully provided for prior to date of transition. Accordingly there is no movement in fair value of this investment.

** The Investment in White spread Private Limited fully provided for from date of investment. Accordingly there is no movement in fair value of this investment.

(Currency : Indian rupees in lakhs)

Fair value of financial assets and financial liabilities that are not measured at fair value (Non-recurring)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Carrying amount	Fair value (level 2)	Carrying amount	Fair value (level 2)
Financial assets				
<u>Financial assets carried at Amortised Cost</u>				
– Trade and other receivables	11,157.08	11,157.08	8,530.07	8,530.07
– Investments	5,716.92	5,716.92	5,716.92	5,716.92
– Deposits and similar assets	340.49	340.49	306.25	306.25
Total	17,214.49	17,214.49	14,553.24	14,553.24
Financial liabilities				
<u>Financial liabilities at Amortised Cost</u>				
– Long-term borrowings	4,380.14	4,380.14	4,093.59	4,093.59
– Short-term Bank loans	833.66	833.66	237.03	237.03
– Loans from related parties	1,000.00	1,000.00	2,500.00	2,500.00
– Deposits and similar liabilities	441.73	441.73	301.87	301.87
– Trade and other payables	13,134.73	13,134.73	9,768.07	9,768.07
– Lease Liabilities	613.23	613.23	614.85	614.85
Total	20,403.49	20,403.49	17,515.40	17,515.40

The carrying values of financial assets and liabilities represent their approximate fair value.

There were no transfer between level 1 and level 2 during the year.

33. Financial risk management
A) Capital management

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company manages capital risk in order to maximize shareholders' value by maintaining sound/optimal capital structure through monitoring of financial ratios, such as net debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. There is no change in the overall capital risk management strategy of the Company compared to last year.

The Company uses net debt equity ratio as a capital management index and calculates the ratio as total liabilities divided by total equity. Total liabilities and total equity are based on the amounts stated in the separate financial statements.

The Company is not subject to externally enforced capital regulation.

Net debt-to-equity ratio as of 31 March 2026 and 31 March 2025

Particulars	As at 31 March 2026	As at 31 March 2025
Borrowing from banks	833.66	237.03
Borrowing from related party	1,000.00	2,500.00
Gross debt	1,833.66	2,737.03
Less :		
Cash and cash equivalents	115.49	133.43
Adjusted Net debt (A)	1,718.17	2,603.60
Equity share capital	12,864.81	12,864.81
Other equity	(6,640.68)	(8,722.85)
Goodwill created on business combination (Refer note 16(a))	9,100.45	9,100.45
Adjusted Equity (B)	15,324.58	13,242.41
Debt equity ratio (A / B)	0.11	0.20

B) Financial risk management framework

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risk relating to the operation of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk

i) CREDIT RISK
Credit risk management

Credit risk arises when a customer defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company has adopted a policy of categorising the customers based on the performance and accordingly credit limit ceiling of each category is defined. Company also takes credit insurance for business specific customers. The Company's exposure and categorisation of its customers are continuously monitored. Credit exposure is controlled by customer credit limits which are reviewed and approved. The Company also take security cheques from its domestic market customers.

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information has been incorporated into the determination of expected credit losses.

There is no change in estimation techniques or significant assumptions during the reporting period.

The provision matrix at the end of the reporting period is as follow:-

Ageing	For the year ended 31 March 2026		For the year ended 31 March 2025	
	Expected credit loss (%)	Expected credit loss (Rs. In lakhs)	Expected credit loss (%)	Expected credit loss (Rs. In lakhs)
Within the credit period	0.26%	21.79	0.78%	10.87
0-3 month past due	0.45%	10.67	0.13%	5.73
3-6 month past due	0.78%	3.08	0.27%	7.40
6 -12 month past due	28.87%	27.24	28.54%	40.28
>1 year	97.86%	897.75	99.44%	866.01
Total		960.54		930.29

(Currency : Indian rupees in lakhs)

	As at 31 March 2026	As at 31 March 2025
Age of receivables		
Within the credit period	8,320.24	1,394.00
0-3 month past due	2,387.86	4,331.19
3-6 month past due	397.75	2,723.17
6 -12 month past due	94.36	141.15
>1 year	917.41	870.85
Total	12,117.62	9,460.36

Reconciliation of provision for doubtful Trade Receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Balance as at beginning of the year	930.29	886.00
Impairment losses recognised in the year based on expected credit losses	—	—
Provision created during the year	30.25	44.29
Transferred on account of transfer of Business	—	—
Impairment losses reversed / written back	—	—
Balance at end of the year	960.54	930.29

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

The Company has pledged an aggregated carrying amount of Rs 12,117.62 lakhs (31 March 2025: Rs 9,460.36 lakhs) for bank loans.

ii) LIQUIDITY RISK
(a) Liquidity risk management

The board of directors has established an appropriate liquidity risk management framework for the management of the Company's short, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(b) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include 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 the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities				
As at 31 March 2026				
Borrowings	1,833.66	—	—	4,380.14
Trade payables	13,134.73	—	—	—
Other financial liabilities	441.73	—	—	—
Lease liabilities	243.51	395.56	89.86	—
Total	15,653.63	395.56	89.86	4,380.14

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
As at 31 March 2025				
Borrowings	2,737.03	—	—	4,093.59
Trade payables	9,768.07	—	—	—
Other financial liabilities	301.87	—	—	—
Lease liabilities	143.76	330.69	116.45	23.95
Total	12,950.73	330.69	116.45	4,117.54

(c) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial assets				
As at 31 March 2026				
Non-interest bearing	11,449.26	61.52	—	5,716.92
Fixed interest rate instruments	102.28	—	—	—
Total	11,551.54	61.52	—	5,716.92
As at 31 March 2025				
Non-interest bearing	8,815.56	21.59	—	5,716.92
Fixed interest rate instruments	132.60	—	—	—
Total	8,948.16	21.59	—	5,716.92

In the case of assets falling short of liabilities, banking facilities are available to honour the obligation through as cash credit, short-term borrowing / long-term borrowing and other necessary banking facilities.

The following table details the Company's / Company's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a net basis, and the undiscounted gross inflows and outflows on those derivatives that require gross settlement.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Derivative financial instruments				
As at 31 March 2026				
Net settled:				
– Foreign exchange forward contracts	—	—	—	—
Gross settled:				
– Foreign exchange forward contracts	17.96	—	—	—
Total	17.96	—	—	—
As at 31 March 2025				
Net settled:				
– Foreign exchange forward contracts	12.59	—	—	—
Total	12.59	—	—	—

(Currency : Indian rupees in lakhs)

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Gross settled:				
– Foreign exchange forward contracts	12.59	–	–	–
Total	12.59	–	–	–

iii) MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses permitted derivatives to manage market risks. Derivatives are only used for economic hedging purposes and not as speculative investments. All such transactions are carried out within the guidelines set by the Board of Directors and Forex Committee.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

a) Currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities and borrowings when transactions are denominated in a different currency from the Company's functional currency.

The Company manages its foreign currency risk by taking forward cover that are expected to occur within a maximum 12 month period for forecasted cash flow.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	Currency	As at 31 March 2026	As at 31 March 2025
Trade receivables	USD	734.80	1,196.34
	EUR	6,061.60	3,370.24
	CAD	1,011.94	2,375.07
	GBP	14.94	–
	USD	512.79	429.45
Trade payables	EUR	13.15	38.80

Of the above foreign currency exposures, the following exposures are not hedged by a derivative:

Particulars	Currency	As at 31 March 2026	As at 31 March 2025
Trade receivables	USD	659.89	1,196.34
	EUR	–	–
	CAD	962.52	2,375.07
	EUR	5,108.93	–
	GBP	0.40	–
Trade payables	USD	512.79	429.45
	EUR	13.15	38.80

b) Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts.

Period	Currency	Change in rate	Effect on profit/(loss) before tax	Effect on pre-tax equity
As at 31 March 2026	USD	5%	7.36	7.36
	USD	3%	4.41	4.41
	EUR	5%	(0.66)	(0.66)
	EUR	3%	(0.39)	(0.39)
	CAD	5%	48.13	48.13
	CAD	3%	28.88	28.88
As at 31 March 2025	USD	5%	38.34	38.34
	USD	3%	23.01	23.01
	EUR	5%	(1.94)	(1.94)
	EUR	3%	(1.16)	(1.16)
	CAD	5%	118.75	118.75
	CAD	3%	71.25	71.25

c) Interest rate sensitivity

The sensitivity analyses below have been determined based on exposure to interest rate for both derivative and non-derivative instruments at the end of reporting period. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Period	Currency	Increase/ decrease in basis points	Effect on profit/(loss) before tax
As at 31 March 2026	INR	100	(8.34)
As at 31 March 2025	INR	100	(2.37)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Hedge accounting - forwards

It is the policy of the Company to enter into forward foreign exchange contracts to cover maximum up to 80% of the expected foreign currency exposure based on estimated cash flow. Forex Committee decide the time & quantum of hedging based on outlook.

(Currency : Indian rupees in lakhs)

(i) Details of forward foreign currency contracts outstanding at the end of reporting period

Outstanding contracts	Average exchange rate	Notional value	Hedge ratio	Carrying amount included in Other Financial Assets / (Liabilities)	Change in the fair value of hedging instrument for the period	Change in the value of hedged item used to determine hedge effectiveness
31 March 2026						
Cash flow hedges						
Sell currency						
Maturing less than 1 year						
– USD / INR	94.98	75.54	1 : 1	0.82	0.82	0.82
– EUR / INR	109.92	969.26	1 : 1	17.10	17.10	17.10
– CAD / INR	68.71	50.23	1 : 1	(0.10)	(0.10)	(0.10)
– GBP / INR	125.83	1,382.30	1 : 1	0.14	0.14	0.14
				17.96	17.96	17.96
31 March 2025						
Cash flow hedges						
Sell currency						
Maturing less than 1 year						
– EUR/INR	92.76	3,888.12	1 : 1	12.59	12.59	12.59
				12.59	12.59	12.59

(ii) Details of hedge ineffectiveness in respect of outstanding contracts

Outstanding contracts	Ineffectiveness recognised in Profit or Loss		Effective portion recognised in OCI	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Cash flow hedges	27.48	16.12	27.48	16.12

(iii) The movement in Cash flow hedge reserve for instruments designated in a cash flow hedge is as follows:

Particulars	Exchange Rate Risk hedges		Particulars	Exchange Rate Risk hedges	
	31 March 2026	31 March 2025		31 March 2026	31 March 2025
Balance as the beginning of the year			Total	5.38	(0.63)
– Gross	14.38	15.01	Balance as the end of the year		
– Deferred tax	–	–	– Gross	19.76	14.38
– Net	14.38	15.01	– Deferred tax	–	–
(Gains) / losses transferred to Profit or loss on occurrence of the forecast transaction	3.98	(1.25)	– Net	19.76	14.38
(Gains) / losses transferred to Profit or Loss due to cash flows no longer expected to occur	(26.08)	(15.50)	Of the above:		
Change in fair value of effective portion of cash flow hedges	27.48	16.12	Balance relating to continuing hedges	19.76	14.38
			Balance relating to hedge accounting is no longer applied	–	–
			Total	19.76	14.38

(Currency : Indian rupees in lakhs)

34. Segment information

A. Product and services from which reportable segments derive their revenue

Information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. No operating segments have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Company reportable segments under IND AS 108 are as follows:

1) Input Business (Seeds)

2) Food Business (Grapes)

The Company is in the business of agricultural related products, Input business segment comprises of trading of Crop inputs. Food business comprises of trading of agricultural related outputs.

B. Segment revenue and results

The following is an analysis of the Company's revenue and results

Particulars	Segment revenue		Segment profit / (loss)	
	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025
Input Business	22,018.92	19,111.19	2,382.88	1,547.58
Food Business	15,093.77	13,605.80	909.88	460.16
Total	37,112.69	32,716.99	3,292.76	2,007.74
Other income	—	—	216.24	115.25
Administration cost and directors' salary	—	—	(845.74)	(922.41)
Finance cost	—	—	(559.97)	(631.22)
Exceptional items	—	—	—	—
Profit / (loss) before tax			2,103.29	569.37

Segment revenue reported above represents revenue generated from external customers. There were no intersegment sales.

Segment profit represents the profit before tax earned by each segment without allocation of central administration costs, director salary, other income as well as finance costs. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

There is one customer contributed 10% or more to the Company's revenue in current year Rs 6,946.18 lakhs (31 March 2025 - Rs 1,807.13 lakhs)

C. Segment assets and liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Segment assets		
Input Business	12,137.32	9,711.47
Food Business	12,649.47	10,911.78
Total segment assets	24,786.79	20,623.25
Unallocated	7,353.12	6,541.42
Total assets	32,139.91	27,164.67
Segment liabilities		
Input Business	8,011.28	7,119.21
Food Business	9,232.64	6,928.55
Total segment liabilities	17,243.92	14,047.76
Unallocated	8,671.87	8,974.93
Total liabilities	25,915.78	23,022.69

For the purpose of monitoring segment performance:

- (i) Unallocated asset includes investment in subsidiaries, current and deferred taxes, loan, cash and bank balances etc.
- (ii) Unallocated liability includes borrowings, current and deferred taxes, other statutory dues etc.

D. Segment depreciation and amortisation

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Input Business	334.23	322.45
Food Business	113.58	124.61
Unallocated	10.22	13.19
Total	458.03	460.25

E. Geographical Information:

Particulars	Year ended 31 March 2026		Year ended 31 March 2025	
	Domestic	Overseas	Domestic	Overseas
Revenue from Customers comprising of:				
- Revenue from contract with customers	22,018.92	14,887.73	19,111.20	13,374.75
- Revenue from other operating sources	206.04	—	231.05	—
	22,224.96	14,887.73	19,342.25	13,374.75

*All assets are based in the domestic segment. Hence, separate disclosure not required.

35. Related party disclosures**List of related parties and relationships:**

Name of the Related Parties where control exists	Relation
Mahindra & Mahindra Limited	Holding Company
Mahindra Fruits Private Limited	Subsidiary Company
Mahindra HZPC Private Limited	Subsidiary Company
Mahindra Summit Agriscience Limited	Joint Venture
Mahindra Integrated Business Solutions Private Limited	Fellow Subsidiary Company
Mahindra Holidays & Resorts India Limited	Fellow Subsidiary Company
Mahindra Last Mile Mobility Limited	Fellow Subsidiary Company
Lord Freight (India) Private Limited	Fellow Subsidiary Company
Tech Mahindra Limited	Associate
NBS International Limited	Fellow Subsidiary Company
Bristlecone India Limited	Fellow Subsidiary Company
Mahindra EPC Irrigation Limited	Fellow Subsidiary Company
Mahindra & Mahindra Financial Services Limited	Fellow Subsidiary Company
Mr. Hardeep Singh	Independent Director (Till 4 March 2025)
Mr. Rajiv Bansal	Independent Director (From 1 April 2025)
Ms. Aruna Bhinge	Independent Director
Mr. Ramesh Iyer	Non Executive Director (Till 5 June 2024)
Mr. S. Durgashankar	Non Executive Director (Till 5 June 2024)
Ms. Ami Goda	Non Executive Director (From 5 June 2024)
Mr. Hemant Sikka	Non Executive Director (From 5 June 2024 till 11 May 2025)
Mr Shriprakash Shukla	Chairman & Non Executive Director
Mr. Ramesh Ramachandran	Managing Director & CEO
Mr. Rajeev Goyal	Director (from 16 July 2025)
Mr. Meghnad Mitra	Chief Financial Officer (Till 22 October 2024)
Mr Dileep Singh	Chief Financial Officer (From 17 April 2025)
Ms. Aayushi Dalke	Key Managerial Personnel (From 21 April 2026)
Mr. Feroze Baria (as per Companies Act, 2013)	Key Managerial Personnel (Till 15 January 2026)

(Currency : Indian rupees in lakhs)

35. Related party disclosures (Continued)

Name of the Related Parties where control exists	Relationship	Year	Transaction during the year														Issue of equity share capital	Investment during the period	Interest income on unsecured Loan	Inter company loan given	Inter company loan repaid	Inter company loan taken	Interest expense on unsecured Loan / OCRPS	Reimbursement of expenses charged by the Company	Purchase of goods	Reimbursement of expenses charged to the Company	Receiving of services	Remuneration
Mahindra & Mahindra Limited	Holding Company	31-Mar-26	17.58	-	593.66	-	2,000.00	3,500.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
		31-Mar-25	16.75	-	813.82	-	4,500.00	6,800.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mahindra Last Mobility Limited	Fellow Subsidiary Company	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
		31-Mar-25	-	-	-	-	1,000.00	1,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mahindra Holidays & Resorts India Limited	Fellow Subsidiary Company	31-Mar-26	63.83	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
		31-Mar-25	11.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mahindra HZPC Private Limited	Subsidiary Company	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mahindra Integrated Business Solutions Private Limited	Fellow Subsidiary Company	31-Mar-26	162.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
		31-Mar-25	120.51	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mahindra Summit Agriscience Limited	Joint Venture	31-Mar-26	-	14.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
		31-Mar-25	-	-	3.66	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Bristlecone India Limited	Fellow Subsidiary Company	31-Mar-26	5.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
		31-Mar-25	6.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mahindra EPC Irrigation Limited	Fellow Subsidiary Company	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Mahindra & Mahindra Financial Services Limited	Fellow Subsidiary Company	31-Mar-26	193.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
		31-Mar-25	141.71	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Lord Freight (India) Private Limited	Fellow Subsidiary Company	31-Mar-26	7.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		

35. Related party disclosures (Continued)

(Currency : Indian rupees in lakhs)

			Transaction during the year													
Name of the Related Parties where control exists	Relationship	Year	Receiving of services	Reimbursement of expenses charged to the Company	Purchase of goods	Reimbursement of expenses charged by the Company	Interest expense on unsecured Loan / OCRPS	Inter company loan taken	Inter company loan repaid	Inter company loan given	Interest income on unsecured Loan	Investment during the period	Issue of equity share capital	Director Sitting Fees	Remuneration	
Tech Mahindra Limited	Associate	31-Mar-26	2.65	-	-	-	-	-	-	-	-	-	-	-	-	-
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr Shripakash Shukla	Director	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	3.50	-
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Hardeep Singh	Director	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	5.20	-
Ms. Aruna Bhinge	Director	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	4.10	-
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	4.60	-
Mr. Rajiv Bansal	Director	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	4.70	-
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Meghnad Mitra	Key Managerial Personnel	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	113.05
Mr. Ramesh Ramchandran	Key Managerial Personnel	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	240.82
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	233.05
Mr. Feroze Baria (as per Companies Act, 2013)	Key Managerial Personnel	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	3.62
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	3.51

*Managerial remuneration excludes provision for gratuity and compensated absences since these are provided on the basis of an actuarial valuation for the Company as a whole.

35. Related party disclosures (Continued)

(Currency : Indian rupees in lakhs)

			Balances as at year end			
Name of the Related Parties where control exists	Relationship	Year	Trade payables	Trade receivables	Loans taken	Interest accrued on OCRPS and ICD
Mahindra & Mahindra Limited	Holding Company	31-Mar-26	0.37	–	1,000.00	1,620.72
		31-Mar-25	32.10	–	2,500.00	1,278.55
Mahindra Last Mobility Limited	Fellow Subsidiary Company	31-Mar-26	–	–	–	–
		31-Mar-25	–	–	–	–
Mahindra Holidays & Resorts India Limited	Fellow Subsidiary Company	31-Mar-26	–	–	–	–
		31-Mar-25	–	–	–	–
Mahindra HZPC Private Limited	Subsidiary Company	31-Mar-26	–	0.75	–	–
		31-Mar-25	–	10.23	–	–
Mahindra Integrated Business Solutions Private Limited	Fellow Subsidiary Company	31-Mar-26	0.90	–	–	–
		31-Mar-25	–	–	–	–
Mahindra Summit Agriscience Limited	Subsidiary Company	31-Mar-26	–	56.03	720.00	5.25
		31-Mar-25	–	29.71	–	–
Bristlecone India Limited	Fellow Subsidiary Company	31-Mar-26	3.50	–	–	–
		31-Mar-25	3.46	–	–	–
Mahindra EPC Irrigation Limited	Fellow Subsidiary Company	31-Mar-26	–	8.64	–	–
		31-Mar-25	–	2.16	–	–
Mahindra & Mahindra Financial Services Limited	Fellow Subsidiary Company	31-Mar-26	18.26	–	–	–
		31-Mar-25	–	–	–	–
Lord Freight (India) Private Limited	Fellow Subsidiary Company	31-Mar-26	–	–	–	–
		31-Mar-25	–	–	–	–
Tech Mahindra Limited	Fellow Subsidiary Company	31-Mar-26	–	–	–	–
		31-Mar-25	–	–	–	–

(Currency : Indian rupees in lakhs)

36. Employee benefits expenses - ESOP

Share based payment

A. Employees Stock Option Scheme - 2016:

This Plan shall be termed as the MASL Employees Stock Option Scheme - 2016 ("Plan"). The Plan has been approved by a Special Resolution at a General Meeting of the Shareholders held on 24 November 2016. The Plan has been approved for Eligible Employees of Mahindra Agri Solutions Limited. The Plan has also been approved to reward eligible employees whether they are working in India or abroad or Directors of the Company (including Managing Director/Whole Time Director(s) but excluding Independent Directors) or Directors and Employees of the Holding Company or of the Subsidiary Company(ies) or of the Subsidiaries of its Holding Company.

In respect of Employee Stock Option Scheme :

The compensation cost of stock options granted to employees is measured by the Fair Value Method.

Fair value is the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction, is recognised and amortised on straight line basis over the vesting period.

Eligibility:

Based on the criteria as may be decided by the Committee at its own discretion, including, but not limited to the date of joining of the Eligible Employee with the Company or the Group, performance evaluation, current compensation, criticality or any other criteria, KRA, future potential, such Eligible Employees, as determined by the Committee, may participate in the Plan. Employees joining the Company after the date of implementation of the Plan will be entitled to participate in the Plan, on a case to case basis and subject to such criteria as may be decided solely by the Committee.

The objective of the Plan is:

- To retain the best talent in the Industry
- To infuse a sense of entrepreneurship and ownership.

This purpose is sought to be achieved through the grant of Options to the Eligible Employees, to subscribe to the Equity Shares of the Company.

Details of the ESOP granted as per the above scheme

Particulars	Number of options	Grant date	Exercise price	Fair value of the option at Grant date
Cycle-I Equity Settled MASL Employees Stock Option Scheme - 2016	15,36,605	1 Feb 2017	47.5	24.15
Cycle-II Equity Settled MASL Employees Stock Option Scheme - 2016	1,59,213	1 May 2018	47.5	18.1
MASL RSU Scheme 2020	5,47,176	31 Jan 2020	10	22.87

Share option programmes

Particulars	MASL Employees Stock Option Scheme - 2016		MASL RSU Scheme 2020	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Share price at grant date	21.12	21.12	22.87	22.87
Exercise price	47.50	47.50	10.00	10.00
Expected volatility (weighted-average)	58.3	58.3	45.8	45.8
Expected life / option life (weighted-average)	2.66	2.66	3	3
Expected dividends yield	0.00%	0.00%	0.00%	0.00%
Risk-free interest rate (based on government bonds)	6.25%	6.25%	4.70%	4.70%

Cycle-I Options granted under MASL Employees Stock Option Scheme - 2016 vest in 4 installments bifurcated as 25% on the expiry of 14 months, 25% on the expiry of 26 months, 25% on the expiry of 38 months and 25% on the expiry of 50 months from the date of grant date.

Cycle-II Options granted under MASL Employees Stock Option Scheme - 2016 vest in 4 installments bifurcated as 25% on the expiry of 23 months, 25% on the expiry of 35 months, 25% on the expiry of 47 months and 25% on the expiry of 59 months from the date of grant date.

The options may be exercised on any day over a period of 3 years from the date of vesting. Number of vested options exercisable is subject to a minimum of 250 or number of options vested whichever is lower.

MASL RSU Scheme 2020 under MASL Employees Stock Option Scheme - 2020, vest in 3 installments from the date of grant date.

Movement in share options

Particulars	Equity-settled share-based payments	
	Number of options	Weighted average exercise price
1 The number and weighted average exercise prices of share options outstanding at the beginning of the year	2,242,994	47.50
2 Granted during the year	—	—
3 Forfeited during the year	—	—
4 Exercised during the year	—	—
5 Expired during the year	2,242,994	—
6 Outstanding at the end of the year	—	47.50
7 Exercisable at the end of the year	—	—

The share options outstanding at the end of the year had a weighted average exercise price of Rs 47.50, and a weighted average remaining contractual life of current year is Nil (FY 23-24 - 2.9 years). Further there are no ESOP's issued during the year and the above table pertains to FY 2024 - 2025.

The fair value of the equity instruments is calculated based on Black Scholes model. The Black Scholes model requires the consideration of certain variables such as volatility, risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of the option. These variables significantly influence the fair value and any change in these variables could significantly affect the fair value of the option.

The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans were as follows.

(Currency : Indian rupees in lakhs)

Employee share based payment	For the Year 31 March 2026	For the Year 31 March 2025	Sr. No.	Particulars	As at 31 March 2026	As at 31 March 2025
MASL ESOP Plan	-	-	I	Principal amount remaining unpaid to any supplier at the end of the accounting year	426.98	221.13
Total	-	-		Interest due thereon remaining unpaid to any supplier at the end of the accounting year	8.77	0.73
ESOP scheme of parent company:			II	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	13.92
Certain employees of the Company are also covered by share option schemes offered by Parent Company, Mahindra & Mahindra Limited. The Company treats such share based payment as an equity settled share based payments arrangement. Options granted under Parent's ESOP scheme vests in 4 or 5 equal instalments on expiry of 12 months, 24 months, 36 months, 48 months and where applicable 60 months from the date of grant. The options may be exercised subject to condition of minimum number of option vesting, on any day over a period of four or five years, as the case may be from the date of vesting. The parent Company charges the subsidiary for the equity it provides to the employees of the subsidiary over the vesting period. The charge is based on fair value of options calculated using Black and Scholes Option Pricing Model. The fair value charge in FY 2025-26 Rs Nil (FY 24-25 of Rs Nil) is recognised as share based payment expenses under Employee Benefit Expenses.			III	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	0.73
37. Capital commitments			IV	Amount of interest accrued and remaining unpaid as at the year end	8.77	0.73
Commitment			V	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 March 2026 is Rs NIL (31 March 2025 is Rs Nil).			Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.			
38. Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:						
Total outstanding dues of Micro, Small and medium enterprises, which are outstanding for more than the stipulated period are given below:						

39. Other commitments

Estimated amount of contracts remaining to be executed and not provided for as at 31 March 2026 is Rs NIL (31 March 2025 is Rs Nil).

40. Disclosure pursuant to Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Investments in equity shares

Sr. No.	Name of the entity	Year	As at 1 April 2025	Investment made during the year	Investment sold / adjustments during the year	Conversion of OCRPS into Equity shares	As at 31 March 2026
1	Mahindra Fruits Private Limited	31-Mar-26	815.80	-	-	-	815.80
		31-Mar-25	815.80	-	-	-	815.80
2	Mahindra HZPC Private Limited	31-Mar-26	2,975.91	-	-	-	2,975.91
		31-Mar-25	2,975.91	-	-	-	2,975.91
3	Vayugrid Marketplace Services Private Limited **	31-Mar-26	58.75	-	-	-	58.75
		31-Mar-25	58.75	-	-	-	58.75
4	White Spread Foods Private Limited **	31-Mar-26	68.00	-	-	-	68.00
		31-Mar-25	68.00	-	-	-	68.00

** Investments in Vayugrid Marketplace Services Private Limited and White Spread Foods Private Limited have been fully provided for by the Company.

(Currency : Indian rupees in lakhs)

Investments in Joint Venture

Sr. No.	Name of the entity	Year	As at 1 April 2025	Investment made during the year	Investment sold during the year	As at 31 March 2026
1	Mahindra Summit Agriscience Limited	31-Mar-26	11,286.60	—	—	11,286.60
		31-Mar-25	9,486.60	1,800.00	—	11,286.60

Inter corporate deposit

Sr. No.	Name of the entity	Year	As at 1 April 2025	Inter corporate deposit given during the year	Inter corporate deposit given repaid during the year	As at 31 March 2026
1	Mahindra Summit Agriscience Limited	31-Mar-26	—	720.00	—	720.00
		31-Mar-25	—	—	—	—

41. Contingent liabilities

The Company is involved in a number of appellate, judicial and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Company's businesses. Some of these proceedings in respect of matters under litigation are in early stages, and in some other cases, the claims are indeterminate. A summary of claims asserted on the Company in respect of these cases have been summarised below.

Tax contingencies

Amounts in respect of claims asserted by various revenue authorities on the Company, in respect of taxes, which are in dispute, have been tabulated below:

Nature of Tax	31 March 2026	31 March 2025
Value added tax & Sales Tax	42.48	88.23
Goods and Service tax	12.77	12.87
Central Excise and service tax	9.84	11.72
Total	65.08	112.82

The management believes that the claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of above matters. However, in the event the revenue authorities succeed with enforcement of their assessments, the Company may be required to pay some or all of the asserted claims and the consequential interest and penalties, which would reduce net income and could have a material adverse effect on net income in the respective reported period.

42. Ratio Analysis and its elements

Ratio	Numerator	Denominator	31 March 2026	31 March 2025	% change	Reasons for variances
Current Ratio	Current Assets	Current Liabilities	1.10	0.97	13%	Improved liquidity due to increase in current assets and reduction in short-term liabilities.
Debt Equity ratio	Total Debt	Shareholder Equity	0.11	0.20	-43%	Reduction in ratio is mainly on account of reduction in borrowings.
Debt Service coverage ratio	Earning for Debt service	Debt Service	1.30	0.49	164%	Improved operating performance and lower debt servicing obligations.
Return on Equity	Net profit after taxes	Total Shareholder Equity	0.34	0.14	146%	Improved profitability during the year resulting in higher shareholder returns.
Inventory Turnover ratio	Cost of goods sold	Average inventory	3.58	4.24	-16%	Higher average inventory levels due to increase in raw material prices and inventory build-up.
Trade receivable Turnover ratios	Net credit sales = Gross credit sales - sales return	Average trade receivables	3.75	4.35	-14%	Increase in average receivables due to favourable increase in sales.

(Currency : Indian rupees in lakhs)

Ratio	Numerator	Denominator	31 March 2026	31 March 2025	% change	Reasons for variances
Trade Payable ratios	Net credit purchases = Gross credit purchases - purchase return	Average trade payables	2.24	2.20	1%	Increase in trade payables ratio is on account of increase in purchases
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	18.23	(68.68)	-127%	Reduction in net current liabilities and increased turnover resulting in efficient use of working capital.
Net profit ratio	Net profit	Net sales = Total sales - sales return	0.06	0.02	225%	Improved operational efficiency, cost control, and higher sales.
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	0.21	0.11	96%	Higher operating profits and improved utilisation of capital employed.
Return on Investment	Interest on fixed deposit and gain on mutual fund	Investment (Fixed Deposit and mutual fund)	0.00	0.00	21%	Interest income and gains from investments during the year with shorter investment tenure.

43. Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off during the year.
- (iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (iv) The company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has received funds from Mahindra and Mahindra Limited (Holding Company), with the understanding (whether recorded in writing or otherwise) that the Company shall invest in other entity identified in any manner whatsoever by or on behalf of the Company.

Details of further investments made or Inter corporate deposits given by Holding Company during the year :

Name of Company	Nature of transaction	Date of transaction	Amount (in lakhs) FY 25-26
Mahindra Summit Agriscience Limited	Inter Corporate Deposit	27-Feb-26	720.00

Name of Company	Nature of transaction	Date of transaction	Amount (in lakhs) FY 24-25
Mahindra Summit Agriscience Limited	Equity share capital	21-Jun-24	1,800.00

- (vii) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.
- (viii) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (x) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Sushma Jaglan
Partner
Membership No: 137783

Mumbai
Date: 21 April 2026

For and on behalf of Board of Directors
Mahindra Agri Solutions Limited
CIN - U01400MH2000PLC125781

Ami Goda
Director
DIN:09136149
Mumbai
21 April 2026
Aayushi Dalke
Company Secretary
Membership No.: 79470
Mumbai
Date: 21 April 2026

Ramesh Ramachandran
Managing Director and Chief Executive Officer
DIN: 09562621
Mumbai
21 April 2026
Dileep Singh
Chief Financial Officer
Membership No.: 098586
Mumbai
Date: 21 April 2026

FORM AOC-1

(PURSUANT TO FIRST PROVISIO TO SUBSECTION (3) OF SECTION 129 READ
WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

PART "A": SUBSIDIARIES**Rs. in lakhs**

Sr No	Particulars	Details	Details	Details
1.	Name of Subsidiary	Mahindra Fruits Private Limited	MHZPC Private Limited	Mahindra Summit Agriscience Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 st March, 2026 Same as Holding Company	31 st March, 2026 Same as Holding Company	31 st March, 2026 Same as Holding Company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR in Lacs. Not Applicable	INR in Lacs. Not Applicable	INR in Lacs. Not Applicable
4.	Share capital	Rs.1233.00	Rs.4,964.00	Rs.18,811
5.	Reserves & Surplus	(-) Rs.1219.16	(-) Rs.2,271.73	(-) Rs.15,218.28
6.	Total Assets	Rs.62.45	Rs.11,835.71	Rs.19,811.77
7.	Total Liabilities	Rs.48.61	Rs.9,136.64	Rs.16,219.05
8.	Investment	Nil	Nil	Nil
9.	Turnover	90.30	Rs.9,369.81	Rs.23,608.62
10.	Profit / (Loss) before taxation	Rs.2.37	Rs.658.59	(-) Rs.802.19
11.	Provision for taxation	Nil	3.39	Nil
12.	Profit / (Loss) after taxation	Rs.2.37	Rs.655.20	(-) Rs.802.19
13.	Proposed Dividend	Nil	Nil	Nil
14.	% of shareholding	100%	59.95%	60%

Additional Information

- 1) Names of subsidiaries which are yet to commence operations: **Nil**
2) Names of subsidiaries which have been liquidated or sold during the year: **None**

For and on behalf of Board of Directors
Mahindra Agri Solutions Limited
CIN - U01400MH2000PLC125781

Ami Goda
Director
DIN: 09136149
Mumbai
21 April 2026

Dileep Singh
Chief Financial Officer
Membership No.: 098586
Mumbai
Date: 21 April 2026

Ramesh Ramachandran
Managing Director and Chief Executive Officer
DIN: 09562621
Mumbai
21 April 2026

Aayushi Dalke
Company Secretary
Membership No.: 79470
Mumbai
Date: 21 April 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAHINDRA SUMMIT AGRISCIENCE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Mahindra Summit Agriscience Limited (the "Company") which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial

statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our

auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 1 April 2026, 10 April 2026 and 16 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the details relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above.

- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

- a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its financial statements - Refer Note 34 to the financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 35 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 35 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, the Company has used an 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sushma Jaglan

Partner

Membership No.: 137783

ICAI UDIN: 26137783OJSVGX5588

Place: Mumbai

Date: 17 April 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF MAHINDRA SUMMIT AGRISCIENCE LIMITED FOR THE YEAR ENDED 31 MARCH 2026

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

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

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

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in three years. In accordance with this programme, property, plant and equipment were verified during the previous year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

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

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured and traded goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. Also as explained to us, the company does not have liability in respect of Employees State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 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 on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount Demanded (Rs. in lakhs)	Amount paid under Dispute (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Goods & Service Tax, 2017	GST, interest and penalty	8.51	0.41	FY 2019-20	GST Appellate Authority-Commissioner-Telangana
Central Goods & Service Tax, 2017	GST	43.23	4.32	FY 2019-20	GST Appellate Authority-Commissioner Madhya Pradesh
Central Goods & Service Tax, 2017	GST	17.41	2.97	FY 2019-20	GST Appellate Authority-Commissioner Chhatisgarh
Central Goods & Service Tax, 2017	Penalty	7.04	7.04	FY 2025-26	GST Appellate Authority-Commissioner - Gujarat
Central Goods & Service Tax, 2017	GST, interest and penalty	10.06	0.54	FY 21-22	GST Appellate Authority-Commissioner-Telangana
Central Goods & Service Tax, 2017	GST, interest and penalty	25.54	1.32	FY 21-22	GST Appellate Authority-Commissioner-Maharashtra

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investments in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Establishment of vigil mechanism is not mandated for the Company. As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

- (xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 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. The provisions of Section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) of the Order in so far as it related to Section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 5 CICs as part of the Group.
- (xvii) The Company has incurred cash losses of Rs. 282.85 lakhs in the current financial year and Rs. 760.79 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sushma Jaglan

Partner

Membership No.: 137783

ICAI UDIN: 26137783OJSVGX5588

Place: Mumbai

Date: 17 April 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF MAHINDRA SUMMIT AGRISCIENCE LIMITED FOR THE YEAR ENDED 31 MARCH 2026

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra Summit Agriscience Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls

with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sushma Jaglan

Partner

Membership No.: 137783

ICAI UDIN: 26137783OJSVGX5588

Place: Mumbai

Date: 17 April 2026

BALANCE SHEET AS AT 31 MARCH 2026

		(Currency: Indian Rupees in lakhs)	
	Note No.	As at 31 March 26	As at 31 March 25
I ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	4	1,583.64	1,773.97
(b) Intangible assets	5	177.18	59.89
(c) Intangible assets under development	5A	872.11	757.57
(d) Financial assets			
(i) Other financial assets	6	10.84	10.42
(e) Deferred tax assets (net)	12B	-	-
(f) Other non-current assets	7	20.33	11.43
TOTAL NON-CURRENT ASSETS		2,664.10	2,613.29
CURRENT ASSETS			
(a) Inventories	8	7,095.84	5,245.57
(b) Financial assets			
(i) Trade receivables	9	8,100.51	6,312.81
(ii) Cash and cash equivalents	10	0.49	29.52
(iii) Other financial assets	6	-	-
(c) Other tax assets (net)	12A	1.44	8.10
(d) Other current assets	7	1,949.39	1,754.76
TOTAL CURRENT ASSETS		17,147.67	13,350.76
TOTAL ASSETS		19,811.77	15,964.04
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital	17A	18,811.00	18,811.00
(b) Other equity	17B	(15,218.28)	(14,414.35)
TOTAL EQUITY		3,592.72	4,396.65
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Lease liabilities	28	229.09	317.69
(b) Provisions	11	270.26	183.90
TOTAL NON-CURRENT LIABILITIES		499.35	501.59
3 CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	13	5,946.42	2,783.62
(ii) Lease liabilities	28	155.63	130.29
(iii) Trade payables	14		
Total outstanding dues of micro enterprises and small enterprises		67.55	161.47
Total outstanding dues of creditors other than micro enterprises and small enterprises		5,673.65	3,993.24
(iv) Other financial liabilities	15	477.28	471.44
(b) Provisions	11	940.00	781.85
(c) Other current liabilities	16	2,459.17	2,743.89
TOTAL CURRENT LIABILITIES		15,719.70	11,065.80
TOTAL EQUITY AND LIABILITIES		19,811.77	15,964.04

The accompanying notes 1 to 35 forms integral part of the financial statements

In terms of our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022

For and on behalf of Board of Directors

Mahindra Summit Agriscience Limited

CIN - U01400MH2018PLC315558

Sushma Jaglan

Partner

Membership No.137783

Sandeep Gadre

Whole Time Director &

CEO

DIN : 06685790

Ramesh Ramachandran

Non Executive Director

DIN : 09562621

Nilesh Totla

Chief Financial

Officer

Membership No.
410733

Anwaya Kadu

Company Secretary

Membership No.

A26392

Place : Mumbai

Date : 17 April 2026

Place : Mumbai

Date : 17 April 2026

Place : Mumbai

Date : 17 April 2026

Place : Mumbai

Date : 17 April 2026

Place : Mumbai

Date : 17 April 2026

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

		(Currency: Indian Rupees in lakhs)	
	Note No.	Year ended 31 March 2026	Year ended 31 March 2025
I Income			
Revenue from operations	18	23,608.62	19,124.82
Other income	19	17.45	67.58
Total Income (I)		23,626.07	19,192.40
II Expenses			
Cost of materials consumed	19A	10,703.99	9,680.70
Purchases of stock-in-trade		7,753.45	6,563.62
Changes in stock of finished goods	19B	(1,004.96)	(1,869.05)
Employee benefits expense	20	2,600.61	2,248.88
Finance costs	21	390.18	220.04
Depreciation and amortisation expense	22	282.24	299.37
Other expenses	23	3,702.75	3,297.92
Total Expenses (II)		24,428.26	20,441.48
III Loss before tax		(802.19)	(1,249.08)
IV Tax expenses	24		
Current tax		-	-
Deferred tax		-	-
Total tax expenses		-	-
V Loss for the year		(802.19)	(1,249.08)
VI Other comprehensive loss			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		(1.74)	(19.37)
(ii) Income tax relating to defined benefit plans that will not be reclassified to profit or loss		-	-
Total other comprehensive loss		(1.74)	(19.37)
VII Total comprehensive loss for the year (V-VI)		(803.93)	(1,268.45)
Earnings / (loss) per equity share: Basic / Diluted (in Rs.)	25	(0.43)	(0.69)

The accompanying notes 1 to 35 forms integral part of the financial statements

In terms of our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022

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Date : 17 April 2026

For and on behalf of Board of Directors
Mahindra Summit Agriscience Limited
CIN - U01400MH2018PLC315558

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

Particulars	(Currency: Indian Rupees in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Cash flows from operating activities		
Loss before tax	(803.93)	(1,268.45)
Adjustments for:		
Finance costs	390.18	220.04
Interest income from fixed deposits	-	12.17
Allowances for expected credit losses	209.02	188.91
Write back of advance from customers	-	(29.17)
Depreciation and amortisation expense	282.24	299.37
Unrealised (gain) / loss on foreign exchange transactions and translations	20.15	9.79
Loss / (Gain) on sale of property, plant and equipment (net)	17.07	1.56
Intangible assets under development written off	-	7.00
Provision for claims	114.27	64.91
Provision for doubtful advances	28.09	-
	257.09	(493.87)
Movements in working capital:		
(Increase) / decrease in trade receivables	(1,996.72)	(2,491.31)
(Increase) / decrease in inventories	(1,850.27)	(2,242.67)
(Increase) / decrease in other assets	(232.04)	(356.12)
Increase / (decrease) in trade and other payables	1,395.02	2,816.02
	(2,684.00)	(2,274.08)
Cash used in operating activities	(2,426.91)	(2,767.95)
Income taxes received / (paid)	6.66	(4.16)
Net cash used in operating activities (A)	(2,420.25)	(2,772.11)
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	21.07	15.25
Payments for acquisition of property, plant and equipment (including Intangible assets and Intangible asset under development)	(264.11)	(371.48)
Net cash used in investing activities (B)	(243.04)	(356.23)
Cash flows from financing activities		
Proceeds from issue of equity shares	-	3,000.00
Proceeds from Short-term borrowings	37,621.29	38,661.45
Repayment of Short-term borrowings	(35,178.47)	(38,631.74)
Proceeds from Intercompany borrowings	720.00	-
Repayment of Intercompany borrowings	-	-
Interest paid	(335.95)	(220.04)
Payments for the principal portion of the lease liability	(139.99)	132.73
Payments for the interest portion of the lease liability	(52.62)	58.99
Net cash flow generated from financing activities (C)	2,634.25	3,001.39
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(29.04)	(126.95)
Cash and cash equivalents at the beginning of the year	29.52	156.47
Cash and cash equivalents at the end of the year (refer note 10A)	0.49	29.52
Components of Cash and cash equivalents		
Balance with bank		
In Current account	0.49	29.52
	0.49	29.52

Notes :

- The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows"

(Currency: Indian Rupees in lakhs)

Year ended 31 March 2026	Year ended 31 March 2025
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- 2 IND AS 7 Cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including non-cash changes, suggesting including of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The required disclosure is made below :

Opening balances

Short-term borrowing	2,783.62	2,753.91
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Cash flow movements

Procees of short-term borrowings	38,341.29	38,661.45
Repayment of short-term borrowings	(35,178.47)	(38,631.74)

Closing balances

Short-term borrowing	5,946.42	2,783.62
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The accompanying notes 1 to 35 forms integral part of the financial statements

In terms of our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022

Sushma Jaglan
Partner
Membership No.137783

Sandeep Gadre
Whole Time Director &
CEO
DIN : 06685790

Ramesh Ramachandran
Non Executive Director
DIN : 09562621

Place : Mumbai
Date : 17 April 2026

Place : Mumbai
Date : 17 April 2026

Place : Mumbai
Date : 17 April 2026

**For and on behalf of Board of Directors
Mahindra Summit Agriscience Limited
CIN - U01400MH2018PLC315558**

Nilesh Totla
Chief Financial
Officer
Membership No.
410733

Place : Mumbai
Date : 17 April 2026

Anwaya Kadu
Company Secretary
Membership No.
A26392

Place : Mumbai
Date : 17 April 2026

STATEMENT OF CHANGES IN EQUITY AS AT 31 MARCH 2026

(a) Equity share capital

(Currency: Indian Rupees in lakhs)

Equity share capital	Amount
As at 31 March 2024	15,811.00
Issued equity share capital during the year	3,000.00
As at 31 March 2025	18,811.00
Issued equity share capital during the year	-
As at 31 March 2026	18,811.00

(b) Other equity

Particulars	Reserves and Surplus		
	Retained earnings	Other comprehensive income	Total other equity
As at 31 March 2024	(13,145.21)	(0.69)	(13,145.90)
Loss for the year	(1,249.08)	-	(1,249.08)
Other comprehensive income / (loss)	-	(19.37)	(19.37)
Total comprehensive income for the year	(1,249.08)	(19.37)	(1,268.45)
As at 31 March 2025	(14,394.29)	(20.06)	(14,414.35)
Loss for the year	(802.19)	-	(802.19)
Other comprehensive income / (loss)	-	(1.74)	(1.74)
Total comprehensive income for the year	(802.19)	(1.74)	(803.93)
As at 31 March 2026	(15,196.48)	(21.80)	(15,218.28)

Refer note 17B for nature and purpose

In terms of our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022

Sushma Jaglan
Partner
Membership No.137783

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Place : Mumbai
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Date : 17 April 2026

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026 (CURRENCY: INDIAN RUPEES IN LAKHS)

1. Corporate information

Mahindra Summit Agriscience Limited ("the Company") a Public Limited Company domiciled in India and incorporated on 9 October 2018 under the provisions of the Companies Act, 1956 (CIN : U01400MH2018PLC315558).

The Company is primarily engaged in the business of manufacture and marketing of Agri Inputs. The Company has its manufacturing facilities in India and sells in India.

The financial statements for the year ended 31 March 2026 were approved by the Board of Directors and authorised for issue on 17 April 2026.

2. Statement of compliance and basis of preparation and presentation

2.1 Basis of preparation and presentation

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

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All values are rounded to the nearest lakhs.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments and agricultural produce that are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.3 Measurement of fair value

All assets and liabilities for which fair value is measured or disclosed in the Standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within 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.

2.4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period

in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

i. Critical Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Discount rate used to determine the carrying amount of the Company's employee defined benefit obligation

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

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Allowances for doubtful debts

The Company makes allowances for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgments and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Allowances for inventories

Management reviews the inventory age listing on a periodic basis. This review involves comparison of the carrying value of the aged inventory items with the respective net realizable value. The purpose is to ascertain whether an allowance is required to be made in the financial statements for any obsolete and slow-moving items. Management is satisfied that adequate allowance for obsolete and slow-moving inventories has been made in the financial statements.

Liability for sales return

In making judgment for liability for sales return, the management considered the detailed criteria for the recognition of revenue from the sale of goods set out in Ind AS 115 and in particular, whether the Company had transferred to the buyer the significant risk and rewards of ownership of the goods. Following the detailed quantification of the Company's liability towards sales return, the management is satisfied that significant risk and rewards have been transferred and that recognition of the revenue in the current year is appropriate, in conjunction with the recognition of an appropriate liability for sales return. Accruals for estimated product returns, which are based on historical experience of actual sales returns and adjustment on account of current market scenario is considered by Company to be reliable estimate of future sales returns.

Goodwill impairment

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represent the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections

take into account past experience and represent management's best estimate about future developments.

Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified. Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Defined benefit plans (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service.

3. Material accounting policies

3.1 Revenue recognition

The Company has applied Ind AS 115 Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to receive in exchange for those products or services.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price

- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

The accounting policies for specific revenues streams of the Company is summarised below:

Sale of goods:

Revenue from the sale of goods is recognised upon transfer of control of promised products to customers in an amount that reflects the consideration expected to receive in exchange for those products, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the control of promised products to customers;
- the Company has identified the contract with customer and performance obligation in the contract.
- the transaction price can be measured reliably;
- it is expected that the consideration associated with the transaction will flow to the Company; and revenue is recognised when the company satisfy the performance obligation

Sale of services:

Income recognition for services takes place as and when the services are performed in accordance with IND AS 115

3.2 Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective rate applicable. The effective interest rate is the rate that exactly discounts estimated future cash receipts.

3.3 Employee benefits expenses

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund, compensated absences, supplemental pay and director pension liability

Post-employment benefit plans

Defined Contribution plans:

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

Defined benefit plans:

The Company operates a defined benefit plan – gratuity fund.

The liability recognised in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability. The net interest income / (expense) on the net defined benefit liability or asset is recognised in the Statement of Profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Short-term employee benefits

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following

3.4 Employee benefits expenses

the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

3.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.6 Taxation

Income tax expense represents the sum of the current tax in respect of taxable income for the year and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.7 Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment if any.

Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the

continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. These lives are in accordance with Schedule II to the Companies Act, 2013, other than the following asset classes based on the Company's expected usage pattern supported by technical assessment. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

- (a) Plant and Equipment – 15 years
- (b) Computer equipment – 5 years
- (c) Office equipment – 5 years
- (d) Furniture & fixtures – 5 years
- (e) Buildings – 15 years
- (f) Vehicles – 5 years

3.8 Intangible assets**Intangible assets acquired separately**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Goodwill arising on acquisition of business represents excess of purchase consideration over the book value of net assets acquired based on a valuation conducted by an independent firm of Chartered Accountants and will be tested for Impairment annually as per Ind AS 36.

Intangible assets under development

The Company expenses costs incurred during research phase to profit or loss in the year in which they are incurred. Development phase expenses are initially recognised as intangible assets under development until the development phase is complete, upon which the amount is capitalised as intangible asset. Intangible assets under development are carried at cost, comprising direct cost and related incidental expenses less impairment losses if any.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Computer software	3 years and 5 years
Non-compete fees	5 years
Product development	5 years

3.9 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

3.9 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

3.10 Accounting of Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

3.11 Financial instruments

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

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

Classification and subsequent measurement

(i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on their respective classification.

On initial recognition, a financial asset is classified as - measured at :

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets unless designated as effective hedge instruments which are accounted as per hedge accounting requirements discussed below.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment expenses are recognised in profit or loss. Any gain and loss on derecognition is also recognised in profit or loss.

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

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves.

The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments as at FVTOCI as the Company believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in profit or loss. Dividend income received on such equity investments are recognised in profit or loss.

Equity investments that are not designated to be measured at FVTOCI are designated to be measured at FVTPL. Subsequent changes in fair value are recognised in profit or loss.

(ii) Financial liabilities and equity instruments

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised and the proceeds received are recognised as a collateralised borrowing.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

3.12 Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the functional currency using exchange rates prevailing at the date when the fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks (refer policy on Derivative Financial Instruments).

3.13 Cost recognition

Costs and expenses are recognised when incurred and have been classified according to their primary nature.

The costs of the Company are broadly categorised in employee benefit expenses, depreciation and amortisation and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds and staff welfare expenses. Other operating expenses majorly include fees to external consultants, cost running its facilities, travel expenses, communication costs and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, bank charges, freight etc.

3.14 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit attributable to equity shareholders for the period, by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive (potential) equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

3.15 Lease

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

Company as a lessee:

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted

for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property and equipment' and lease liabilities in the statement of financial position.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease.

3.16 Cash and cash equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

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 Group's cash management.

3.17 Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively.

4 Property, plant and equipment

Carrying Amount of:	(Currency: Indian Rupees in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Freehold land	352.00	352.00
Building	565.84	591.04
Plant and equipment	312.89	387.58
Computer equipment	5.69	9.28
Office equipment	0.87	1.93
Furniture and fixtures	3.76	6.87
Vehicles	7.22	20.32
Right to Use Assets - Vehicles	335.38	404.95
	1,583.64	1,773.97

Description of assets	Freehold land	Buildings	Plant and equipment	Computer equipment	Office equipment	Furniture and fixtures	Vehicles	Right to Use Assets - Vehicles	Total
I. Gross block									
Balance as at 31 March 2024	352.00	742.09	815.11	52.83	15.80	25.73	196.02	663.64	2,863.22
Additions for the year	–	–	16.72	–	0.82	–	–	–	17.54
Disposal for the year	–	–	(28.49)	(2.52)	(3.36)	(0.19)	(46.36)	–	(80.92)
Balance as at 31 March 2025	352.00	742.09	803.34	50.31	13.26	25.54	149.66	663.64	2,799.84
Additions for the year	–	–	31.98	1.82	–	–	–	95.40	129.20
Disposal/ Remeasurement for the year	–	–	(133.10)	–	–	–	(0.25)	(18.68)	(152.03)
Balance as at 31 March 2026	352.00	742.09	702.22	52.13	13.26	25.54	149.41	740.36	2,777.01
II. Accumulated depreciation and impairment									
Balance as at 31 March 2024	–	125.85	347.56	32.25	12.06	15.72	146.19	125.96	805.59
Additions for the year	–	25.20	85.29	10.75	2.21	3.11	25.11	132.73	284.40
Disposal for the year	–	–	(17.09)	(1.97)	(2.94)	(0.16)	(41.96)	–	(64.12)
Balance as at 31 March 2025	–	151.05	415.76	41.03	11.33	18.67	129.34	258.69	1,025.87
Additions for the year	–	25.20	68.77	5.41	1.06	3.11	12.85	146.30	262.71
Disposal for the year	–	–	(95.20)	–	–	–	–	–	(95.20)
Balance as at 31 March 2026	–	176.25	389.33	46.44	12.39	21.78	142.19	404.99	1,193.37
III. Net block 31 March 2026	352.00	565.84	312.89	5.69	0.87	3.76	7.22	335.38	1,583.64
IV. Net block 31 March 2025	352.00	591.04	387.58	9.28	1.93	6.87	20.32	404.95	1,773.98

*The company does not have any CWIP during or as at the year end

5 Intangible assets

Carrying amount of:-	As at 31 March 2026	As at 31 March 2025
Product development	177.18	59.89
Total	177.18	59.89

Description of assets	Product Development	Total
Intangible assets		
I. Gross block		
Balance as at 31 March 2024	-	-
Additions for the year	74.86	74.86
Disposal for the year	-	-
Balance as at 31 March 2025	74.86	74.86
Additions for the year	136.83	136.83
Disposal for the year	-	-
Balance as at 31 March 2026	211.69	211.69
II. Accumulated amortisation and impairment		
Balance as at 31 March 2024	-	-
Amortisation expense for the year	14.97	14.97
Disposal for the year	-	-
Balance as at 31 March 2025	14.97	14.97
Amortisation expense for the year	19.53	19.53
Disposal for the year	-	-
Balance as at 31 March 2026	34.50	34.50
III. Net block 31 March 2026	177.18	177.18
IV. Net block 31 March 2025	59.89	59.89
5A Intangible assets under development		
Carrying amount of:-	As at 31 March 2026	As at 31 March 2025
Intangible assets under development	872.11	757.57
Total	872.11	757.57
Intangible assets under development	As at 31 March 2026	As at 31 March 2025
Opening Intangible assets under development	757.57	461.69
Additions during the year#	251.36	377.74
Capitalised during the year	136.82	74.86
Deduction / Adjustment during the year	-	7.00
Closing Intangible assets under development	872.11	757.57

**Ageing of Intangible assets under development
As at 31 March 2026**

	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	251.36	377.74	315.72	64.11	1,008.93
Less : Capitalised during the year	-	136.82	-	-	136.82
Less : Suspended during the year	-	-	-	-	-
Total	251.36	240.92	315.72	64.11	872.11

As at 31 March 2025

Amount in Intangible assets under development for a period of

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	377.74	337.18	117.51	–	832.43
Computer Software	–	7.00	–	–	7.00
Less : Capitalised during the year	–	21.46	53.40	–	74.86
Less : Suspended during the year	–	7.00	–	–	7.00
Total	377.74	315.72	64.11	–	757.57

* There are no projects whose completion is overdue or has exceeded its cost compared to its originally planned budget.

Refer note 20 for transfer of Personal cost to Intangible asset under development. Other Cost includes University Studies expenses, Laboratory testing and Manpower Hiring.

6 Other financial assets

(Currency: Indian Rupees in lakhs)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-current	Current	Non-current
Financial assets at amortised cost :				
Security deposits	–	10.78	–	10.36
Earmarked bank deposit with original maturity more than 12 months	–	0.06	–	0.06
	–	10.84	–	10.42

* Fixed deposits are on lien against solvent licence

7 Other assets

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-current	Current	Non-current
Balances with Government authorities (other than income taxes)	1,096.64	–	920.28	–
Balances with Government authorities (amount paid under protests)	–	20.33	–	11.43
Advances to employees				–
Considered good	5.38	–	18.48	–
Considered doubtful	77.65	–	49.56	–
Less: Provision for doubtful advances	(77.65)	–	(49.56)	–
	5.38	–	18.48	–
Advances to vendors	156.08	–	194.92	–
	156.08	–	194.92	–
Prepaid expenses	23.12	–	23.93	–
Expected sales return from customers	668.17	–	597.15	–
	1,949.39	20.33	1,754.76	11.43

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

(Currency: Indian Rupees in lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials	1,489.20	704.85
Finished goods	2,334.26	1,800.49
Stock-in-trade	3,050.95	2,519.69
Packing materials	204.25	143.29
Stock-in-transit *	17.18	77.25
	7,095.84	5,245.57

Notes:

* It represents inter unit transfer of stock inventories.

- (i) The cost of inventories recognised as an expense includes Rs. 489.88 lakhs (31 March 2025 : Rs. 249.49 lakhs) in respect of adjustment of inventories to net realisable value/slow moving.
- (ii) The carrying amount of inventories pledged as security for Working capital demand loan / Cash credit facility from bank is secured by first paripassu charge on inventories (including Raw Materials, Finished goods, Stock-in-trade and Stock-in-transit), and book debts.
- (iii) The mode of valuation of inventories has been stated in note 3.9.

9 Trade receivables

(Currency: Indian Rupees in lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured - considered good	8,100.51	6,312.81
Credit impaired	2,568.05	2,359.03
Less :- Loss allowance for expected credit losses	(2,568.05)	(2,359.03)
	8,100.51	6,312.81

Trade receivables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment						
As at 31 March 2026	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	4,460.08	3,220.07	157.88	59.12	203.36	–	8,100.51
Undisputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed trade receivables – credit impaired	44.14	256.93	83.41	135.01	26.18	2,022.38	2,568.05
Disputed trade receivables – considered good	–	–	–	–	–	–	–
Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
Less : Allowances for expected credit losses	(44.14)	(256.93)	(83.41)	(135.01)	(26.18)	(2,022.38)	(2,568.05)
Total	4,460.08	3,220.07	157.88	59.12	203.36	–	8,100.51

Particulars	Outstanding for following periods from due date of payment						
As at 31 March 2025	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables – considered good	3,350.88	2,652.00	56.44	83.77	169.72	–	6,312.81
Undisputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed trade receivables – credit impaired	29.14	178.87	25.91	205.16	69.77	1,850.18	2,359.03
Disputed trade receivables - considered good	–	–	–	–	–	–	–
Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
Less : Allowances for expected credit losses	(29.14)	(178.87)	(25.91)	(205.16)	(69.77)	(1,850.18)	(2,359.03)
Total	3,350.88	2,652.00	56.44	83.77	169.72	–	6,312.81

(i) Notes:

Particulars	As at 31 March 2026	As at 31 March 2025
Of the above, trade receivables from:		
- Related parties	–	–
- Others	8,100.51	6,312.81
	8,100.51	6,312.81

(ii) Movement in the expected credit loss allowance

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	2,359.03	2,170.13
Less: Reversal of provision	–	–
Add: provision made during the year	209.02	188.91
Balance at the end of the year	2,568.05	2,359.03

- (iii) The carrying amount of inventories pledged as security for Working capital demand loan / Cash credit facility from bank is secured by first paripassu charge on inventories (including Raw Material, Finished goods, Stock-in-trade, Packing Materials and Stock-in-transit), and book debts (refer note no. 13).
- (iv) The Company does not normally enforce interest on overdue debts. However, interest on overdue debts is charged on discretionary basis in respect of certain parties.
- (v) The credit period ranges from 90 days to 120 days.

10 Cash and cash equivalents

Particulars	(Currency: Indian Rupees in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Cash and bank balances		
Cash and cash equivalents		
Balances with banks in current accounts	0.49	29.52
Total cash and cash equivalents	0.49	29.52
<u>Reconciliation of cash and cash equivalents</u>		

Particulars	(Currency: Indian Rupees in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Total cash and cash equivalents as per Balance Sheet	0.49	29.52
Total cash and cash equivalents as per Statement of cash flows	0.49	29.52

11 Provisions

Particulars			(Currency: Indian Rupees in lakhs)	
	As at 31 March 2026		As at 31 March 2025	
	Current	Non-current	Current	Non-current
Provision for employee benefits (refer note 30)				
- Compensated absences	40.71	57.55	19.36	30.77
- Gratuity	64.10	98.44	39.48	88.22
Expected sales return from customers**	835.19	—	723.01	—
Provision for claims	—	114.27	—	64.91
Total	940.00	270.26	781.85	183.90

** The Company makes a provision on estimated sales return from customers based on historical experience. The sales returns are generally expected within a year.

Movement in provision - expected returns from Customers

Particulars	(Currency: Indian Rupees in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year*	723.01	581.50
Add : Provision made during the year	4,246.75	4,126.04
Less: Provision used during the year	4,134.57	3,984.53
Balance at the end of the year	835.19	723.01

Note:

The provision for employee benefits includes annual leaves and vested long service leave entitlements accrued and compensation claims made by employees. For other disclosure refer note 30 on Defined benefit and contribution.

12A Non-current tax assets & Current tax assets (net)

Particulars	(Currency: Indian Rupees in lakhs)			
	As at 31 March 2026		As at 31 March 2025	
	Current	Non-current	Current	Non-current
Non-current tax assets				
Tax refund receivables	1.44	—	8.10	—
TCS receivables	—	—	—	—
	1.44	—	8.10	

12B Deferred tax assets (net)

(Currency: Indian Rupees in lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax assets	24.95	21.27
Deferred tax liability	(24.95)	(21.27)
Deferred tax assets (net) #	–	–

31 March 2026

Particulars	Net balance 1 April 2025	Recognised in profit or loss	Recognised in OCI	Recognised in equity	Net	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities) Business losses							
Property, plant and equipment	(21.27)	8.72	–	–	(12.55)	–	(12.55)
Employee benefits	17.11	7.84			24.95	24.95	–
Right to use Assets	4.16	(16.55)			(12.39)	–	(12.39)
Deferred tax assets (net) #	–	–	–	–	–	24.95	(24.95)

31 March 2025

Particulars	Net balance 1 April 2024	Recognised in profit or loss	Recognised in OCI	Recognised in equity	Net	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (liabilities) Business losses							
Property, plant and equipment	(21.97)	0.70	–	–	(21.27)	–	(21.27)
Employee benefits	12.08	5.03	–	–	17.11	17.11	–
Right to use Assets	9.89	(5.73)			4.16	4.16	–
Deferred tax assets (net) #	–	–	–	–	–	21.27	(21.27)

Amounts on which deferred tax asset has not been created and related expiry period

Deferred tax assets have not been recognised in respect of following items, because it is not probable that future taxable profit will be available against which the Group can use the benefit therefrom.

Particulars	As at 31 March 2026	As at 31 March 2025
Unused business losses (revenue in nature) Expiry period upto five years	1,339.47	1,338.32
Unused business losses (revenue in nature) Expiry period more than five years	6,900.65	6,349.34
Unused Depreciation losses (no expiry date)	2,862.63	2,669.39
Other temporary deductible differences	3,097.32	298.75
Total	14,200.07	10,655.80

(Currency: Indian Rupees in lakhs)

Balances on which no DTA has been recognised and grouping based on their expiry period:

Financial Years	Business Loss	Depreciation loss
2026-2027	–	–
2027-2028	932.12	–
2028-2029	–	–
2029-2030	407.35	–
2030-2031	2,694.69	–
2031-2032	2,850.13	–
2032-2033	319.04	–
2033-2034	1,036.78	–
No Expiry period	–	2,862.63
Total	8,240.12	2,862.63

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

Unrecognised deferred tax assets

Deferred tax assets (DTA) have not been recognised, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

Deferred tax assets for the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

13 Borrowings

(Currency: Indian Rupees in lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Secured		
Cash credit facility from bank (refer note i and iii below)	2,351.42	1,083.62
Unsecured		
Working capital facility from bank (refer note ii and iii below)	2,875.00	1,700.00
Inter corporate deposit from Related Party (refer note iv below)	720.00	—
	5,946.42	2,783.62

Notes:

- Working capital demand loan and Cash credit facility from Kotak Mahindra Bank Limited and HDFC Bank Limited are secured by first paripassu charge on all existing and future current assets.
- Working capital demand loan from MUFG Bank Limited are backed by the corporate guarantee by the Summit Agro International Limited.
- Loan carried interest rate of 7.55% to 8.45% p.a. (Previous year rate : 8% to 9.10%) for working capital demand loan and 7.55% to 9.40% (Previous year rate : 8.55% to 8.80%) for Cash credit.
- Inter corporate loan from Mahindra Agri Solutions Limited of Rs 720 lakhs carries interest rate of 8.70% pa, which was obtained for the purpose of working capital. This loan is repayable within a period of twelve months along with interest and principal.

14 Trade payables

(Currency: Indian Rupees in lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 29)	67.55	161.47
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,673.65	3,993.24
	5,741.20	4,154.71

Out of the above trade payable amounts due to related parties are as below :

Trade Payable due to related parties	259.98	169.31
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Trade payables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2026						
Total outstanding dues of micro enterprises and small enterprises	41.33	20.21	5.58	—	0.45	67.55
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,759.90	268.42	5.05	4.36	15.45	3,053.16
Disputed dues of micro enterprises and small enterprises	—	—	—	—	—	—
Disputed dues of creditors other than micro enterprises and small enterprises	—	—	—	—	—	—
Accrued Expenses	—	—	—	—	—	2,620.49
Total	2,801.23	288.63	10.62	4.36	15.89	5,741.20

Outstanding for following periods from due date of payment

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2025						
Total outstanding dues of micro enterprises and small enterprises	144.23	17.24	—	—	—	161.47
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,386.20	145.48	7.24	4.18	14.04	2,557.14
Disputed dues of micro enterprises and small enterprises	—	—	—	—	—	—
Disputed dues of creditors other than micro enterprises and small enterprises	—	—	—	—	—	—
Accrued Expenses	—	—	—	—	—	1,436.10
Total	2,530.43	162.72	7.24	4.18	14.04	4,154.71

15 Other financial liabilities

Particulars	(Currency: Indian Rupees in lakhs)		(Currency: Indian Rupees in lakhs)			
	As at 31 March 2026	As at 31 March 2025	Particulars	As at 31 March 2026 No. of shares Amount	As at 31 March 2025 No. of shares Amount	
Other financial liabilities measured at amortised cost - Current						
Interest accrued on dues to micro enterprises and small enterprises	16.33	8.51	Equity shares of Rs 1 each with voting rights	4,00,00,000 400.00	—	—
Interest accrued on borrowings*	5.25	11.46		23,00,00,000 19,400.00	19,00,00,000	19,000.00
Trade deposit	455.70	451.47	Issued, subscribed and fully paid:			
	477.28	471.44	Equity shares of Rs 10 each with voting rights	18,81,10,000 18,811.00	18,81,10,000	18,811.00
				18,81,10,000 18,811.00	18,81,10,000	18,811.00

* Refer note 26

16 Other current liabilities

Particulars	(Currency: Indian Rupees in lakhs)		A) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year				
	As at 31 March 2026	As at 31 March 2025	Particulars	Opening balance	Rights issue	Fresh issue	Closing balance
Advances received from customers	1,820.97	2,177.81	Equity Shares				
Payable to employees	448.33	378.96	As at 31 March 2026				
Statutory remittances			No. of Shares	188,110,000	—	—	188,110,000
- Tax deducted at source	34.76	40.75	Amount	18,811.00	—	—	18,811.00
- Goods and service tax	83.92	92.81	As at 31 March 2025				
- Provident fund	14.33	14.20	No. of Shares	158,110,000	30,000,000	—	188,110,000
- Professional Tax	0.23	0.02	Amount	15,811.00	3,000.00	—	18,811.00
Insurance claim recoveries	56.63	39.34					
	2,459.17	2,743.89					

17A Equity share capital

Particulars	(Currency: Indian Rupees in lakhs)			
	As at 31 March 2026		As at 31 March 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital:				
Equity shares of Rs 10 each with voting rights	19,00,00,000	19,000.00	19,00,00,000	19,000.00

B) Rights, preferences and restrictions attached to equity shares

The Company has issued one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

C) Details of shares held by the Holding Company

(Currency: Indian Rupees in lakhs)

Particulars	No. of shares
As at 31 March 2026	
the Holding Company	11,28,66,000
Others	7,52,44,000
Total	18,81,10,000
As at 31 March 2025	
the Holding Company	11,28,66,000
Others	7,52,44,000
Total	18,81,10,000

D) Details of shares held by each shareholder holding more than 5% shares:

(Currency: Indian Rupees in lakhs)

Class of shares / Name of shareholder	As at 31 March 2026 Number of fully paid equity shares	% holding	As at 31 March 2025 Number of fully paid equity shares	% holding
Equity shares with voting rights Mahindra Agri Solutions Limited	11,28,66,000	60.00%	11,28,66,000	60.00%
Summit Agro International Limited	7,52,44,000	40.00%	7,52,44,000	40.00%

E) Details of shares held by promoters at the end of the year:
As at 31 March 2026

Promoter Name	No. of Shares (Equity Shares)	% of total shares	% change during the year
Mahindra Agri Solutions Limited	11,28,66,000	60.00%	–

As at 31 March 2025

Promoter Name	No. of Shares (Equity Shares)	% of total shares	% change during the year
Mahindra Agri Solutions Limited	11,28,66,000	60.00%	–

F) The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

17B Other equity

(Currency: Indian Rupees in lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	(14,414.35)	(13,145.90)
Loss for the year	(802.19)	(1,249.08)
Other comprehensive income / (loss)	(1.74)	(19.37)
Balance at the end of the year	(15,218.28)	(14,414.35)

The description of the nature and purpose of each reserve within equity is as follows:

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

18 Revenue from operations

(Currency: Indian Rupees in lakhs)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from contract with customers:	23,608.62	19,124.82
Sale of Products		
Sale of Finished goods	15,404.48	9,995.19
Sale of Traded goods	8,204.14	9,129.63
Sale of Services	–	–
	23,608.62	19,124.82

Reconciliation of revenue as per contract price and as recognised in statement of profit and loss :

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from contract with customer as per contract price	26,664.69	21,584.54
Less : Scheme discounts	2,744.12	2,318.21
Less / Add: Sales returns (net of provisions)	(311.95)	(141.51)
	23,608.62	19,124.82

19 Other income

(Currency: Indian Rupees in lakhs)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income on amortised cost:-		
Fixed deposits	–	12.17
Income tax refund	0.17	–
Delayed payment from customers	9.80	23.44
Others income	0.12	0.12
Gain on disposal of property, plant and equipment	–	2.68
Insurance claim received	6.29	–
Write back of advance from customers	–	29.17
Other miscellaneous income	1.07	–
	17.45	67.58

19A Cost of materials consumed

(Currency: Indian Rupees in lakhs)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Inventories at the beginning of the year	848.14	474.52
Add:- Purchases	11,549.30	10,054.32
	12,397.44	10,528.84
Less: Inventories at end of year	1,693.45	848.14
Cost of materials consumed	10,703.99	9,680.70

19B Changes in inventories of finished goods and stock-in-trade

Particulars	(Currency: Indian Rupees in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
<u>Inventories at the end of the year:</u>		
Finished goods	2,334.26	1,800.49
Stock-in-trade	3,050.95	2,519.69
Goods in transit	17.18	77.25
	<u>5,402.39</u>	<u>4,397.43</u>
<u>Inventories at the beginning of the year:</u>		
Finished goods	1,800.49	1,315.65
Stock-in-trade	2,519.69	1,210.53
Goods in transit	77.25	2.20
	<u>4,397.43</u>	<u>2,528.38</u>
Net decrease / (increase)	(1,004.96)	(1,869.05)

20 Employee benefits expense *

Particulars	(Currency: Indian Rupees in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Salaries and wages, including bonus		
	2,436.39	2,081.15
Gross Salaries and wages, including bonus	2,511.05	2,285.02
Less : Transferred to intangible assets under development	74.66	203.87
Contribution to provident and other funds (refer note 30)	142.11	137.91
Staff welfare expenses	22.11	29.82
	<u>2,600.61</u>	<u>2,248.88</u>

* This includes payments of Rs 136.50 lakhs as at 31 March 2026 (31 March 2025 : Rs 149.91 lakhs) in respect of employees charged by other group company.

21 Finance cost

Particulars	(Currency: Indian Rupees in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense on amortised cost:-		
- Cash credit	158.42	109.68
- Working capital demand loan	140.31	39.78
- Inter company loan	5.83	-
- Delayed payment to micro enterprises and small enterprises (refer note 29)	7.82	2.02
- Interest on lease liabilities	52.62	59.00
- Interest on others	25.18	9.56
	<u>390.18</u>	<u>220.04</u>

22 Depreciation and amortisation expense

Particulars	(Currency: Indian Rupees in lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation of property, plant and equipment (refer note 4)	262.71	284.40
Amortisation of intangible assets (refer note 5)	19.53	14.97
	<u>282.24</u>	<u>299.37</u>

23 Other expenses

	(Currency: Indian Rupees in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Freight charges	972.60	870.49
Sales promotion expenses	891.20	790.83
Travelling and conveyance expenses	479.98	478.54
Business support charges	227.80	213.56
Allowances for expected credit losses	209.02	188.91
Rent including lease rentals	185.78	111.98
Clearing and forwarding charges	101.48	97.72
Legal and other professional fees	116.65	90.91
Insurance	105.27	73.98
Subcontracting, hire and service charges	92.02	70.35
Repairs and maintenance	33.43	42.21
Commission on sales	28.64	34.96
Net loss on foreign currency transactions and translation	42.76	30.99
Power and fuel	26.94	28.73
Telephone charges	16.86	17.90
Auditors remuneration		
As Auditors		
Audit fees	15.00	15.00
Other services	0.50	0.50
Reimbursement of expenses	0.84	0.58
Rates and taxes	0.99	10.66
Intangible assets under development written off	-	7.00
Loss on sale of property, plant and equipment	17.07	4.24
Miscellaneous expenses*	137.92	117.88
	3,702.75	3,297.92

* This includes provision for doubtful advances of Rs. 28.09 lakhs as at 31 March 2026 (31 March 2025 : 64.91 lakhs).

24 Tax expenses

(a) Income tax recognised in profit or loss

	(Currency: Indian Rupees in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current tax:		
In respect of current year	-	-
Deferred tax:		
Attributable to the origination and reversal of temporary differences	-	-
Total income tax recognised in profit or loss	-	-

(b) Income tax recognised in other comprehensive income

	(Currency: Indian Rupees in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurement of defined benefit obligations	-	-
	-	-

Reconciliation of effective tax rate

	(Currency: Indian Rupees in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Profit /(loss) before tax	(802.19)	(1,249.08)
Tax using the Company's domestic tax rate	25.17%	25.17%
Expected income tax expenses	(201.91)	(314.39)
Tax effect of:		
Current year losses for which no deferred tax asset is created	310.05	292.46
Effect of expenses that is non-deductible in determining taxable profit	(108.14)	21.93
Tax expenses as per Statement of profit and loss	-	-

Notes:

With Effect from Financial Year 2019-20 (Assessment Year 2020-21), the Company has opted for the concessional tax rate of 22% vide circular number 29/2019 dated 02 October 2019 of the Income Tax Act, 1961. Surcharge of 10% and cess of 4% is to be charged in addition to the base rate of 22%.

25 Earnings per share

	(Currency: Indian Rupees in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Earnings / (loss) per share (basic / diluted) (Rs)	(0.43)	(0.69)

Earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

A. Basic / diluted earnings per share

	(Currency: Indian Rupees in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Loss for the year attributable to owners of the Company	(802.19)	(1,249.08)
Weighted average number of equity shares for the purpose of basic earnings per share	188,110,000	180,712,740
Earnings / (loss) per share (basic / diluted) (Rs)	(0.43)	(0.69)

Note:

Weighted average number of shares is the number of equity shares outstanding at the beginning of the period adjusted by the number of equity shares issued during period, multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

26 Related party disclosures**A. List of related parties and relationships:**

Name of the Related Parties	Relationship
Name of the Related Parties where control exists	
Mahindra & Mahindra Limited	Ultimate Holding Company of Mahindra Agri Solutions Limited
Mahindra Agri Solutions Limited	Co-Venturer
Sumitomo Corporation	Ultimate Holding Company of Summit Agro International Limited
Summit Agro International Limited	Co-Venturer
Sumisho Agro India Private Limited	Fellow Subsidiary Company
Smas Auto Leasing India Private Limited	Fellow Subsidiary Company
Mahindra Integrated Business Solutions Private Limited	Fellow Subsidiary Company
Mahindra & Mahindra Financial Services Limited	Fellow Subsidiary Company
Swaraj Engines Limited	Fellow Subsidiary Company
Carnot Technologies Private Limited	Fellow subsidiary company (w.e.f. 01.07.2023)
Blue Planet Integrated Waste Solutions Limited (formerly known as Mahindra Waste To Energy Solutions Limited)	Fellow Subsidiary Company (ceases to be Fellow subsidiary w.e.f. 01.03.2026)
Mahindra Solarize Private Limited	Fellow Subsidiary Company
Key Managerial Personnel	
Mr. Ramesh Ramachandran	Non Executive Director
Mr. Sandeep Bhargav Gadre	Chief Executive Officer & Whole Time Director
Mr. Inoue Hiroyuki	Whole Time Director (from 14.06.2024)
Ms. Manaswini Goel	Non Executive Director
Mr. Kiyotaka Masuda	Non Executive Director (upto 13.06.2024)
Mr. Hiromichi Maruyama	Non Executive Director (upto 14.04.2025)
Mr. Takashi Tanaka	Director (w.e.f. 15.04.2025)
Ms. Anwaya Sachin Kadu	Company Secretary
Mr. Nilesh Totla	Chief Financial Officer

B. Related party transactions and balances

Name of the related parties where control exists	Relation	Year	Sale of goods	Purchase of goods	Receiving of services	Sale of Car	of expenses received by the company	of expenses charged to the company	inter-loan taken	interest on unsecured loan	issue of share capital	guarantee renewed^	Rent paid	managerial remuneration	outstanding	Other liability	Company loan Payable	Trade payables	
Mahindra Agri Solutions Limited	Co-venturer	31-Mar-26	14.69	-	-	-	-	-	171.24	720.00	5.83	-	-	-	-	-	5.25	720.00	56.03
		31-Mar-25	-	-	-	-	3.66	187.70	-	-	1,800.00	-	-	-	-	-	-	29.71	
Mahindra & Mahindra Financial Services Limited	Fellow subsidiary company	31-Mar-26	-	-	155.73	-	-	28.11	-	-	-	-	-	-	-	-	-	0.45	
		31-Mar-25	-	-	128.85	-	-	21.40	-	-	-	-	-	-	-	-	-	-	
Mahindra & Mahindra Limited	Ultimate Holding Company of Mahindra Agri Solutions Limited	31-Mar-26	-	-	24.01	-	-	193.53	-	-	-	-	-	-	-	-	-	-	
		31-Mar-25	-	-	34.96	-	-	173.70	-	-	-	-	-	-	-	-	-	49.16	
Mahindra Integrated Business Solutions Private Limited	Fellow subsidiary company	31-Mar-26	-	-	33.02	-	-	-	-	-	-	-	-	-	-	-	-	0.58	
		31-Mar-25	-	-	39.65	-	-	8.86	-	-	-	-	-	-	-	-	-	0.16	
Sumisho Agro India Private Limited	Fellow subsidiary company	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		31-Mar-25	-	198.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sumitomo Corporation	Ultimate Holding Company of Summit Agro International Limited	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Summit Agro International Limited	Co-venturer	31-Mar-26	-	645.84	-	-	-	2.44	-	-	-	2,880.00^	-	-	2,880.00	-	-	202.92	
		31-Mar-25	-	217.88	-	-	-	1.15	-	-	1,200.00	2,400.00	-	-	2,400.00	-	-	89.32	
Canot Technologies Pvt Ltd	Fellow subsidiary company	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		31-Mar-25	-	-	-	-	-	0.15	-	-	-	-	-	-	-	-	-	-	
Swaraj Engineers Limited	Fellow subsidiary company	31-Mar-26	-	-	-	-	-	0.35	-	-	-	-	1.31	-	-	-	-	-	
		31-Mar-25	-	-	-	-	-	0.32	-	-	-	-	1.14	-	-	-	-	0.12	
Snas Auto Leasing India Pvt Ltd	Fellow subsidiary company	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		31-Mar-25	-	-	4.36	-	-	-	-	-	-	-	-	-	-	-	-	-	

Name of the related parties where control exists	Relation	Year	Transaction during the year							Closing balances								
			Sale of goods	Purchase of goods	Receiving services	Sale of Car	Reimbursement of expenses received by the company	Reimbursement of expenses charged to the company	Inter-loan taken	Interest on unsecured loan	Issue of share capital	Corporate guarantee received/renewed^	Rent paid	Managerial remuneration	Corporate guarantee outstanding	Other liability	Inter-company loan payable	Trade payables
Blue Planet Integrated Waste Solutions Limited (formerly known as Mahindra Waste To Energy Solutions Limited)	Fellow subsidiary company	31-Mar-26	-	14.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		31-Mar-25	-	14.90	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mahindra Solarize Pvt. Ltd.	Fellow subsidiary company	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		31-Mar-25	-	-	-	-	-	0.84	-	-	-	-	-	-	-	-	-	0.84
Mr. Sandeep Gadre	Chief Executive Officer & Whole Time Director*	31-Mar-26	-	-	-	-	-	4.77	-	-	-	-	270.11	-	-	-	-	-
		31-Mar-25	-	-	-	0.05	-	-	-	-	-	-	227.07	-	-	-	-	-
Mr. Kiyotaka Masuda	Non Executive Director*	31-Mar-26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	11.16	-	-	-	-	-
Inoue Hiroyuki	Whole Time Director*	31-Mar-26	-	-	-	-	-	2.61	-	-	-	-	93.03	-	-	-	-	-
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	77.04	-	-	-	-	-
Mr. Nilesh Totla	Key Managerial Person *#	31-Mar-26	-	-	-	-	-	-	-	-	-	-	34.42	-	-	-	-	-
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	25.00	-	-	-	-	-
Ms. Anwaya Kadu	Key Managerial Person *#	31-Mar-26	-	-	-	-	-	-	-	-	-	-	1.42	-	-	-	-	-
		31-Mar-25	-	-	-	-	-	-	-	-	-	-	1.32	-	-	-	-	-

* Managerial remuneration excludes provision for gratuity and compensated absences since these are provided on the basis of an actuarial valuation for the Company as a whole.

Not considered as managerial remuneration under Companies Act, 2013

[^] The guarantees are auto renewed

27 Fair value

The management assessed that loans, cash and cash equivalents, trade receivables, borrowings, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair Valuation measurement hierarchy

The following table shows the carrying amounts and fair values of financial assets and liabilities including their levels of fair value hierarchy:

(Currency: Indian Rupees in lakhs)

Particulars	Level of hierarchy	As at 31 March 2026			Carrying amount
		fair value through profit and loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Assets/ liabilities at amortised cost method	
Financial assets					
<u>Non-current</u>					
Other financial assets	2	–	–	10.84	10.84
<u>Current</u>					
Trade receivables	2	–	–	8,100.51	8,100.51
Cash and cash equivalents	2	–	–	0.49	0.49
Bank balances other than above	2	–	–	–	–
Other financial assets	2	–	–	–	–
Total		<u>–</u>	<u>–</u>	<u>8,111.84</u>	<u>8,111.84</u>
Financial liabilities					
<u>Non-current</u>					
Lease liabilities				229.09	229.09
<u>Current</u>					
Borrowings	2	–	–	5,946.42	5,946.42
Lease liabilities				155.63	155.63
Trade payables	2	–	–	5,741.20	5,741.20
Other financial liabilities	2	–	–	477.28	477.28
Total		<u>–</u>	<u>–</u>	<u>12,549.62</u>	<u>12,549.62</u>

(Currency: Indian Rupees in lakhs)

Particulars	Level of hierarchy	As at 31 March 2025			Carrying amount
		fair value through profit and loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Assets/ liabilities at amortised cost method	
Financial assets					
<u>Non-current</u>					
Other financial assets	2	–	–	10.42	10.42
<u>Current</u>					
Trade receivables	2	–	–	6,312.81	6,312.81
Cash and cash equivalents	2	–	–	29.52	29.52
Bank balances other than above	2	–	–	–	–
Other financial assets	2	–	–	–	–
Total		<u>–</u>	<u>–</u>	<u>6,352.76</u>	<u>6,352.76</u>
Financial liabilities					
<u>Non-current</u>					
Lease liabilities				317.69	317.69
<u>Current</u>					
Borrowings	2	–	–	2,783.62	2,783.62
Lease liabilities				130.29	130.29
Trade payables	2	–	–	4,154.71	4,154.71
Other financial liabilities	2	–	–	471.44	471.44
Total		<u>–</u>	<u>–</u>	<u>7,857.75</u>	<u>7,857.75</u>

Note:

There are no transfer between level 1 and level 2 during the year.

28 Financial risk management

A. Capital management

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company manages capital risk in order to maximize shareholders' value by maintaining sound/optimal capital structure through monitoring of financial ratios, such as net debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. There is no change in the overall capital risk management strategy of the Company compared to last year.

The Company uses net debt equity ratio as a capital management index and calculates the ratio as total liabilities divided by total equity. Total liabilities and total equity are based on the amounts stated in the separate financial statements.

The Company is not subject to externally enforced capital regulation.

The Company's Net debt-to-equity ratio as at 31 March 2026 and 31 March 2025 is as follows:

(Currency: Indian Rupees in lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Borrowings	5,946.42	2,783.62
Gross debt (A)	5,946.42	2,783.62
Equity share capital	18,811.00	18,811.00
Other equity	(15,218.28)	(14,414.35)
Equity (B)	3,592.72	4,396.65
Debt to Equity ratio (A / B)	1.66	0.63

B. Financial risk management framework

The Company's corporate treasury function provides services to the business, co-ordinates access to domestic financial markets, monitors and manages the financial risk relating to the operation of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk

The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivatives financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Company does not enter into or trade financial instrument, including derivative financial instruments, for speculative purposes.

i) CREDIT RISK

Credit risk management

Credit risk arises when a customer defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company has adopted a policy of categorising the customers based on the performance and accordingly credit limit ceiling of each category is defined. Company also takes credit insurance for business specific customers. The Company's exposure and categorisation of its customers are continuously monitored. Credit exposure is controlled by customer credit limits which are reviewed and approved. The company also take security cheques from its domestic market customers.

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information has been incorporated into the determination of expected credit losses.

There is no change in estimation techniques or significant assumptions during the reporting period.

The provision matrix at the end of the reporting period is as follow:-

(Currency: Indian Rupees in lakhs)

	As at 31 March 2026	As at 31 March 2025
	Expected credit loss (%)	Expected credit loss
Ageing		
Within the credit period	0.98%	44.14
0-3 month past due	4.16%	93.44
3-6 month past due	13.30%	163.50
6 -12 month past due	18.53%	44.71
>1 year	90.85%	2,222.26
Total		2,568.05

	As at 31 March 2026	As at 31 March 2025
Age of receivables		
Within the credit period	4,504.22	3,380.02
0-3 month past due	2,247.88	1,962.89
3-6 month past due	1,229.13	867.98
6 -12 month past due	241.29	82.35
>1 year	2,446.05	2,378.60
Total	10,668.56	8,671.84

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

ii) LIQUIDITY RISK

(a) Liquidity risk management

The board of directors has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(b) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include 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 the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	(Currency: Indian Rupees in lakhs)			
	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities				
As at 31 March 2026				
Short-term borrowings	5,946.42	-	-	-
Lease liability	155.63	229.09	-	-
Trade payables	5,741.20	-	-	-
Other financial liabilities	477.28	-	-	-
Total	12,320.53	229.09	-	-
As at 31 March 2025				
Short-term borrowings	2,783.62	-	-	-
Lease liability	130.29	317.69	-	-
Trade Payables	4,154.71	-	-	-
Other Financial Liabilities	471.44	-	-	-
Total	7,540.06	317.69	-	-

(c) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	(Currency: Indian Rupees in lakhs)			
	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial assets				
As at 31 March 2026				
Non-interest bearing				
Trade Receivables	8,100.51	-	-	-
Cash and cash equivalents	0.49	-	-	-
Fixed interest rate instruments	-	-	-	-
Total	8,101.01	-	-	-
As at 31 March 2025				
Non-interest bearing				
Trade Receivables	6,342.33	-	-	-
Fixed interest rate instruments	-	-	-	-
Total	6,342.33	-	-	-

In the case of assets falling short of liabilities, banking facilities are available to honour the obligation through as cash credit, short term borrowing / long term borrowing and other necessary banking facilities.

iii) MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses permitted derivatives to manage market risks. Derivatives are only used for economic hedging purposes and not as speculative investments. All such transactions are carried out within the guidelines set by the Board of Directors and Forex and Investment Management Committee.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

a) Currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities and borrowings when transactions are denominated in a different currency from the Company's functional currency.

The Company manages its foreign currency risk by taking forward cover that are expected to occur within a maximum 12 month period for forecasted cash flow.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Currency	(Currency: Indian Rupees in lakhs)	
		As at 31 March 2026	As at 31 March 2025
Trade payables	USD	7.19	9.41
Trade receivable	USD	-	-

Of the above foreign currency exposures, the following exposures are not hedged by a derivative:

Particulars	Currency	(Currency: Indian Rupees in lakhs)	
		As at 31 March 2026	As at 31 March 2025
Trade payables	USD	1.34	-
Trade receivable	USD	-	-

b) Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts.

Period	Currency	(Currency: Indian Rupees in lakhs)		
		Change in rate	Effect on loss before tax	Effect on pre-tax equity
As at 31 March 2026	USD	5%	(0.07)	(0.07)
	USD	3%	(0.04)	(0.04)
As at 31 March 2025	USD	5%	-	-
	USD	3%	-	-

c) Interest rate sensitivity

The sensitivity analyses below have been determined based on exposure to interest rate for both derivative and non-derivative instruments at the end of reporting period. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting.

With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Period	Currency	Increase / decrease in basis points	Effect on profit/ (loss) before tax
As at 31 March 2026	INR	-	-
As at 31 March 2025	INR	-	-

29 Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Trade payables includes amount payable to Micro, Small and Medium Enterprises as follows:

		(Currency: Indian Rupees in lakhs)	
Sr. No.	Particulars	As at 31 March 2026	As at 31 March 2025
a.	Principal amount remaining unpaid to any supplier at the end of the year	67.55	161.47
	Interest due thereon remaining unpaid to any supplier at the end of the accounting year	16.33	8.51
b.	Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	7.65
c.	Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	8.51	5.51
d.	The amount of interest accrued and remaining unpaid as at the end of the year	7.82	3.00
e.	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 of a deductible expenditure under MSMED Act, 2006	NIL	NIL

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

30 Employee benefits expenses

(i) Defined contribution plans:

The Company's contribution to Provident Fund and Pension scheme aggregating to Rs. 92.47 lakhs for the year ended 31 March 2026 (31 March 2025 : Rs. 103.53 lakhs) has been recognised in the Statement of Profit and Loss under the head Employee benefits expense.

(ii) Defined benefit plans:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated in accordance with the provisions under the Code on Social Security, 2020 or as per the Company Scheme, as applicable. Vesting occurs upon completion of contractual period of continuous years of service as defined in the Code on Social Security, 2020. In case of death while in service, the gratuity is payable irrespective of vesting.

Code on Social Security, 2020

The Code on Social Security, 2020 has been notified and made effective from 21 November 2025, thereby replacing the erstwhile Payment of Gratuity Act, 1972. The Code on Social Security, 2020 has updated the definition of the gratuity salary to "Wages" as defined in the Code on Wages, 2019 and has changed the vesting period for fixed-term contract employees wherever applicable. This change has resulted in an increase in the liability of the Company, and has resulted in a past service cost for the Company.

Impact of Labour Code

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has considered restructured compensation of its employees with effect from April 1, 2026, and assessed the impact of the changes, consistent with the Labour Codes, draft rules, FAQs and legal opinion. The Company has provided Rs 19.36 lakhs as a increase in provision for Gratuity.

(Currency: Indian Rupees in lakhs)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
1. Discount rate	6.45%	6.65%
2. Salary escalation	8.50%	8.50%
3. Attrition rate**	Age (Years)	Rates (p.a.)
	21-30	32%
	31-40	28%
	41-50	32%
	51-59	53%
4. Mortality rate*	The Indian Assured Lives Mortality (2012-14) Ult table	The Indian Assured Lives Mortality (2012-14) Ult table

* Based on Indian standard mortality table with modification to reflect expected changes in mortality.

Amount recognised in the Statement of Profit and Loss in respect of these defined benefit plans are as follows

(Currency: Indian Rupees in lakhs)

		Gratuity	
		Year ended 31 March 2026	Year ended 31 March 2025
Particulars			
Service Cost:			
Current service cost		25.88	26.66
Past service cost		19.36	-
Net interest expense		7.42	7.55
Components of defined benefit costs recognised in profit or loss		52.66	34.21
Remeasurement on the net defined benefit liability:			
1. Changes in financial assumptions		0.90	1.83
2. Changes in demographic assumptions		2.56	-
3. Experience adjustments		(5.20)	(21.20)
4. Actual return on plan assets less interest on plan assets		-	-
Components of defined benefit costs recognised in Other Comprehensive Income		(1.74)	(19.37)
Total		50.92	14.84

The current service cost and the net interest expenses for the year are included in the employee benefits expense line item in the Statement of Profit and Loss. The remeasurement of the net defined benefit liability/asset is included in Other Comprehensive Income.

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(Currency: Indian Rupees in lakhs)		
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
I. Net liability recognised in the Balance sheet		
1. Present value of defined benefit obligation	162.53	127.70
2. Current portion of the above	64.10	39.48
3. Non current portion of the above	98.43	88.22
II. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	127.70	125.18
2. Expenses recognised in Profit and Loss Account	-	
- Current service cost	25.88	26.66
- Past service cost	19.36	-

Particulars

(Currency: Indian Rupees in lakhs)		
	Year ended 31 March 2026	Year ended 31 March 2025
- Interest expense (income)	7.42	7.55
3. Recognised in other comprehensive income	-	-
Remeasurement gains / (losses):		
- Actuarial Gain (Loss) arising from:	-	-
i. Financial Assumptions	0.90	1.83
ii. Demographic Assumptions	2.56	-
iii. Experience Adjustments	(5.20)	(21.20)
4. Benefit payments	(16.10)	(14.64)
5. Others : Impact of liability assumed (transfer from Mahindra Agri Solutions Limited)	-	2.32
6. Present value of defined benefit obligation at the end of the year	162.53	127.70

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(Currency: Indian Rupees in lakhs)			
Principal assumption		Impact on defined benefit obligation	
		Changes in assumption	Increase in assumption Decrease in assumption
Discount rate	31 March 2026	1.00%	-2.72% 2.87%
	31 March 2025	1.00%	-2.83% 2.99%
Salary growth rate	31 March 2026	1.00%	2.68% -2.58%
	31 March 2025	1.00%	2.91% -2.80%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous year.

Maturity profile of defined benefit obligation:

(Currency: Indian Rupees in lakhs)		
	As at 31 March 2026	As at 31 March 2025
Within 1 year	64.10	39.48
1 - 2 year	34.38	36.92
2 - 3 year	27.11	21.28
3 - 4 year	20.77	17.09
4 - 5 year	15.19	12.74
5 - 6 year	10.94	9.01
6 - 7 year	7.84	6.43
7 - 8 year	5.39	5.44
8 - 9 year	4.04	3.37
10 year and above	8.49	6.15

The weighted average duration of the defined benefit obligation as at 31 March 2026 is 2.79 years (31 March 2025 - 2.90 years)

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The current service cost and the net interest expense for the year are included in the employee benefits expense in profit or loss of the expense for the year, an amount of Rs 52.66 lakhs (31 March 2025 : Rs. 34.21 lakhs) has been included in statement of profit and loss under the head Employee benefit expenses.

Compensated absences :

Compensated absences for the employee benefits of Rs. 98.26 lakhs (31 March 2025 : Rs 50.13 lakhs) expected to be paid in exchange for the services recognised as a expenses during the year considering changes notified through the Code on Social Security, 2020

31 Segment reporting

The Company is engaged in the business of production and trading of Crop inputs, which is the primary business segment and has only domestic sales. The Company has only one reportable business segment, which is production and trading of Crop inputs and only one reportable geographical segment. Accordingly, these financial statements are not reflective of the information required under Ind AS 108.

32 For the financial year ended 31 March 2026, managerial remuneration paid to the directors amounting to Rs. 363.14 lakhs (31 March 2025 : Rs. 315.28 lakhs) is in compliance with the requirements of the Act.

33 Ratio Analysis and its elements

Ratio	Numerator	Denominator	31-Mar-26	31-Mar-25	% change	Reasons for variances
Current Ratio	Current Assets	Current Liability	1.09	1.21	-10%	-
Debt Equity ratio	Total Debt	Shareholder equity	1.66	0.63	161%	Due to additional borrowings and erosion of equity caused by losses.
Debt Service coverage ratio	Profit before tax + Depreciation & Amortisation expenses + Finance cost	Finance cost + Current lease liabilities	(0.24)	(2.08)	-89%	Difference is due to operational loss in current year
Return on Equity	Net profit after taxes	Shareholder equity	(0.22)	(0.28)	-21%	Negative but improved due to reduction in net losses during the year.
Inventory Turnover ratio	Cost of goods sold	Average inventory	1.09	1.14	-4%	Marginal decline caused by higher inventory levels and higher holding period.
Trade Receivable Turnover ratio	Net credit sales = Gross credit sales - sales return	Average trade receivables	3.28	3.77	-13%	Decreased due to slower collection of receivables and slightly extended credit to select customers.
Trade Payable ratio	Net credit purchases = Gross credit purchases - purchase return	Average trade payables	1.57	2.22	-30%	Declined in the trade payable ratio as the company manages liquidity by closely monitoring the trade payables and credit period thereof.
Net Capital Turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	16.53	8.37	98%	Improved sharply due to reduced or negative working capital combined with stable sales.
Net profit ratio	Net profit	Net sales = Total sales - sales return	(0.03)	(0.07)	-48%	Losses narrowed reflecting improved operational efficiency and cost control
Return on capital employed	Earnings before interest and taxes	Shareholder equity + Borrowings + Lease liability	(0.04)	(0.14)	-70%	Remained negative due to operating losses alongside marginal improvement in EBIT.

34 Contingent liabilities

The Company is involved in a number of appellate, judicial and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Company's business. Some of these proceedings in respect of matters under litigation are in early stages, and in some other cases, the claims are indeterminate. A summary of claims asserted on the Company in respect of these cases have been summarised below.

Tax contingencies

Amounts in respect of claims asserted by various revenue authorities on the Company, in respect of taxes, which are in dispute, have been tabulated below:

(Currency: Indian Rupees in lakhs)

Nature of Tax	31 March 2026	31 March 2025
GST	96.07	182.29
Total	96.07	182.29

Also refer note no. 7 and 11

The management believes that the claims made are untenable and is contesting them. As on the reporting date the management is unable to determine the ultimate outcome of above matters. However in the event the revenue authorities succeed with enforcement of their assessments, the company may be required to pay some or all of the asserted claims and the consequential interest and penalties, which would reduce net income and could have a material adverse effect on the net income in the respective reported period.

35 Additional regulatory information pursuant to the requirement in Division II of Schedule III to the Companies Act, 2013

- The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- The company does not have any transactions with struck off companies during the year.
- The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- The company has not traded or invested in Crypto currency or Virtual currency during the current or previous financial year.
- The company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
 - 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.

- vii. The company has no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii. The company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks and financial institutions are in agreement with the books of accounts.
- ix. The company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- x. The company has complied with the number of layers prescribed under the Companies Act, 2013.
- xi. The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022

Sushma Jaglan

Partner

Membership No.137783

Sandeep Gadre

Whole Time Director &

CEO

DIN : 06685790

Ramesh Ramachandran

Non Executive Director

DIN : 09562621

For and on behalf of Board of Directors

Mahindra Summit Agriscience Limited

CIN - U01400MH2018PLC315558

Nilesh Totla

Chief Financial

Officer

Membership No.
410733

Anwaya Kadu

Company Secretary

Membership No.

A26392

Place : Mumbai

Date : 17 April 2026

Place : Mumbai

Date : 17 April 2026

Place : Mumbai

Date : 17 April 2026

Place : Mumbai

Date : 17 April 2026

Place : Mumbai

Date : 17 April 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Mahindra EPC Irrigation Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Mahindra EPC Irrigation Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Revenue from sale of products

See Note 1(K) and 17 to the standalone financial statements

The Key Audit Matter	How the matter was addressed in our audit
The Company's revenue is derived primarily from sale of products. Revenue from sale of products is recognised when the control of the underlying products has been transferred to the customer. We have identified recognition of revenue as a key audit matter as revenue is a key performance indicator. There is a presumed fraud risk of revenue being overstated during the year on account of variation in the timing of transfer of control due to pressure to achieve performance targets and meeting the external expectations.	In view of the significance of the matter, we applied the following audit procedures in this area, to obtain sufficient appropriate audit evidence: • Obtained an understanding of the systems, processes and controls implemented by the Company around recognition of revenue. • We evaluated the Company's accounting policies for revenue recognition in the context of the applicable accounting standards. • We evaluated the design, implementation and operating effectiveness of the key internal financial controls over recognition of revenue. • On sample basis, we tested the revenue transactions recorded during the year by verifying the underlying documents to assess where revenue is recognised appropriately when control is transferred. • We tested, on a sample basis specific revenue transaction recorded before and after the financial year-end date to assess whether revenue is recognised in the correct financial period in which control is transferred. • We verified journal entries on revenue recognised during the year, on specified risk-based criteria, to detect unusual or irregular items. • We assessed the adequacy of disclosure made in the standalone financial statements with respect to revenue recognised during the year as required by applicable Ind AS.

Expected credit loss (ECL) on Trade receivable

See Note 1(U) and 5 to the standalone financial statements

The Key Audit Matter	How the matter was addressed in our audit
Trade receivables comprise of receivables from state government owned enterprises and private dealers. We have identified impairment of trade receivables as a key audit matter on account of the significant judgments and estimates involved especially around the customer's ability and willingness to pay the outstanding amounts and probability of default for each customer over the expected life of the receivables.	In view of the significance of the matter, we applied the following audit procedures in this area, to obtain sufficient appropriate audit evidence: • We assessed the appropriateness of the Company's accounting policies towards measurement of impairment of trade receivable in the context of the applicable accounting standards.

The Key Audit Matter	How the matter was addressed in our audit
Based on this assessment, credit loss rate is determined after considering the experience of actual credit losses over past years adjusted to reflect the expected collections, current economic conditions and forecasts. The Company then records the impairment loss (loss allowance) towards trade receivables based on such credit loss rate.	• We have obtained understanding of processes, evaluated the design, implementation and operating effectiveness of the key internal financial controls with respect to impairment of trade receivables. • We have verified the mathematical accuracy of impairment loss allowance working for trade receivables. • We have evaluated the historical accuracy of ECL towards trade receivables by examining the actual write-offs / reversals and new allowances recorded in the current year. • We have evaluated the appropriateness and reasonableness of the method, assumptions and data used in estimation model for loss allowance. • We have tested the ageing analysis and subsequent receipt of trade receivables on sample basis. • We assessed the adequacy of disclosure made in the standalone financial statements with respect to impairment of trade receivables as per relevant accounting standards.

Other Information

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

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

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

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

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

that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient

and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or

regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 1 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 30 to the standalone financial statements.

- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 35 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 35 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, the Company has used an 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Sucheta Kolhatkar
Partner
Membership No.: 114192
ICAI UDIN: 26114192YJQZJO3917

Date: 21st April, 2026
Place: Nashik

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF MAHINDRA EPC IRRIGATION LIMITED FOR THE YEAR ENDED 31 MARCH 2026

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 2 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
 - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
 - (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
 - (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
 - (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
 - (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
 - (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
 - (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.
- According to the information and explanations given to us and on the basis of our examination

of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 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 on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in Cr)*	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	0.44	FY 1995-96 and FY 1997-98	Commissioner of Central Excise
CGST Act, 2017	Goods and Service Tax (GST), Interest and Penalty	**7.96	FY 2018-19	Deputy Commissioner of State Tax, Maharashtra
CGST Act, 2017	Goods and Service Tax (GST), Interest and Penalty	0.08	FY 2021-22	Deputy Commissioner of State Tax, Maharashtra
Finance Act, 1994	Central Sales Tax	0.09	FY 2021-22	Deputy Commissioner of State Tax, Bihar
Finance Act, 1994	Service Tax, Interest and Penalty	31.84	FY 2015-16	Service Tax Appellate Tribunal

Name of the statute	Nature of the dues	Amount (Rs. in Cr)*	Period to which the amount relates	Forum where dispute is pending
SGST Act 2017	Goods and Service Tax (GST), Interest and Penalty	0.87	FY 2019-20 and FY 2020-21	Assistant Commissioner of State Tax, Tamil Nadu
SGST Act 2017	Goods and Service Tax	0.13	FY 2021-22	Commercial Tax Officer, Tamil Nadu
SGST Act 2017	Goods and Service Tax (GST), Interest and Penalty	4.34	FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24	Deputy Commissioner of State Tax, Telangana
SGST Act 2017	Goods and Service Tax (GST), Interest and Penalty	0.03	FY 2021-22	Assistant Commissioner of Commercial Tax, Telangana
Income Tax Act, 1961	Income Tax	2.61	FY 2012-13	Assistant Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	0.05	FY 2023-24	Commissioner of Income Tax (Appeals)

* Net of amounts paid under protest.

** Subsequently settled on 16 April 2026.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

- (c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the standalone 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 on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its joint venture as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its joint venture. (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has five CICs which are not required to be registered with the Reserve Bank of India.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management

plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sucheta Kolhatkar

Partner

Membership No.: 114192

ICAI UDIN: 26114192YJQZJO3917

Date: 21st April, 2026

Place: Nashik

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF MAHINDRA EPC IRRIGATION LIMITED FOR THE YEAR ENDED 31 MARCH 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra EPC Irrigation Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design

and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sucheta Kolhatkar

Partner

Membership No.: 114192

ICAI UDIN: 26114192YJQZJO3917

Date: 21st April, 2026

Place: Nashik

CEO AND CFO CERTIFICATION

We certify that to the best of our knowledge and belief, the financial statements of “Mahindra EPC Irrigation Limited” for the quarter ended March 31, 2026 do not contain any false or misleading statements or figures and any omission of material facts, which may make the statements or figures contained therein misleading.

Giriraj Mohta
Chief Financial Officer

Abhijit Page
Chief Executive Officer

Date: 21st April, 2026
Place: Nashik

CEO AND CFO CERTIFICATION

We, Abhijit Page – Chief Executive Officer and Giriraj Mohta - Chief Financial Officer, certify that:

- A) We have reviewed the financial statements and the cash flow statement for the quarter ended March 31, 2026 and we confirm that to the best of our knowledge and belief:
 - 1) these statements do not contain any untrue statement or omission of any material fact or contain statements that might be misleading;
 - 2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations. Annexure II to this certificate briefly describes all the major judgments/estimates made in the preparation of these accounts and the manner in which they were made.
- B) To the best of our knowledge and belief, no transactions entered into by the Company during the quarter ended March 31, 2026, are fraudulent, illegal or violative of the Company's code of conduct/ethics other than those mentioned in Annexure III.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in

the design or operation of internal controls, over financial reporting, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies are mentioned in Annexure IV.

- D) We have indicated to the Auditors and the Audit Committee that:
 - 1) There has not been any adverse change in internal control over financial reporting during the quarter under reference.
 - 2) There has not been any significant change in the accounting policies during the year requiring the disclosure in the notes to the financial statements; and other than those listed in Annexure I to this certificate
 - 3) We are not aware of any instance during the quarter of significant fraud with involvement therein of the Management or any employee having a significant role in the Company's internal control system over financial reporting.

Giriraj Mohta
Chief Financial Officer

Abhijit Page
Chief Executive Officer

Date: 21st April, 2026
Place: Nashik

STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

Particulars	Note No.	Rs. in Crores	
		As at March 31, 2026	As at March 31, 2025
ASSETS			
I NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	2A	15.99	17.43
(b) Capital Work-in-Progress	2C	0.35	0.24
(c) Right-of-Use Assets	2B	2.85	3.00
(d) Other Intangible Assets	3	—	0.06
(e) Financial Assets			
(i) Investments	4	—	—
(ii) Trade Receivables	5	30.14	3.11
(iii) Other Financial Assets	6	2.09	1.48
(f) Deferred Tax Assets (net)	7	7.49	8.25
(g) Other Tax Assets (net)		3.23	5.94
(h) Other Non-Current assets	8	1.53	0.15
Total Non-Current Assets		63.67	39.66
II CURRENT ASSETS			
(a) Inventories	9	36.73	41.70
(b) Financial Assets			
(i) Trade Receivables	5	216.92	173.36
(ii) Cash and Cash Equivalents	10	0.03	1.69
(iii) Bank Balances other than (ii) above	10	1.57	2.10
(iv) Other Financial Assets	6	1.04	0.72
(c) Other Current Assets	8	31.71	32.30
Total Current Assets		288.00	251.87
III Total Assets (I + II)		351.67	291.53
EQUITY AND LIABILITIES			
IV EQUITY			
(a) Equity Share Capital	11A	27.94	27.93
(b) Other Equity	11B	157.11	144.68
Total Equity		185.05	172.61
LIABILITIES			
V NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Lease Liabilities	26	0.04	0.10
(b) Provisions	14	0.91	0.72
Total Non-Current Liabilities		0.95	0.82
VI CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	13	45.21	25.19
(ii) Lease Liabilities	26	0.06	0.11
(iii) Trade Payables	15		
a) total outstanding dues of micro enterprises and small enterprises		1.44	4.08
b) total outstanding dues of creditors other than micro enterprises and small enterprises		93.10	67.48
(iv) Other Financial Liabilities	12	9.70	10.40
(b) Current Tax Liabilities (net)		0.80	—
(c) Other Current Liabilities	16	12.32	8.49
(d) Provisions	14	3.04	2.35
Total Current Liabilities		165.67	118.10
VII Total Liabilities (V+VI)		166.62	118.92
VIII Total Equity and Liabilities (IV+VII)		351.67	291.53
The accompanying notes 1 to 37 are an integral part of the standalone financial statements	1-37		

In terms of our report attached

For and on behalf of the Board of Directors

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Sucheta Kolhatkar
Partner
Membership no. 114192

Place: Nashik
Date: April 21, 2026

Ramesh Ramachandran
Managing Director
DIN-09562621
Place: Nashik

Abhijit Page
Chief Executive Officer
Place: Nashik

R. V. Nawghare
Company Secretary
Membership no. A8458
Place: Nashik
Date: April 21, 2026

Ami Goda
Director
DIN-09136149
Place: Nashik
Giriraj Mohta
Chief Financial Officer
Place: Nashik

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

		Rs. in Crores	
Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
I Revenue from operations	17	312.09	272.67
II Other Income	18	3.70	2.42
III Total Income (I + II)		315.79	275.09
IV EXPENSES			
(a) Cost of materials consumed	19(a)	136.57	123.83
(b) Purchases of Stock-in-trade	19(b)	1.40	1.81
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	19(c)	2.41	(0.15)
(d) Employee benefits expense	20	34.66	31.81
(e) Finance costs	21	3.14	2.28
(f) Depreciation and amortisation expense	2A,2B,3	3.16	3.36
(g) Other expenses	22	115.46	101.44
Total Expenses (IV)		296.80	264.38
V Profit before exceptional items and tax (III - IV)		18.99	10.71
VI Exceptional items	36	2.00	—
VII Profit before tax (V - VI)		16.99	10.71
VIII Tax Expense			
(1) Current tax	7	3.44	0.52
(2) Deferred tax	7	0.86	2.98
Total tax expense (VIII)		4.30	3.50
IX Profit after tax for the year (VII - VIII)		12.69	7.21
X Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(i) Remeasurements of defined benefit plans		(0.37)	0.06
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.09	(0.01)
Other comprehensive (loss)/income for the year		(0.28)	0.05
XI Total comprehensive income for the year (IX + X)		12.41	7.26
XII Earnings per equity share			
(1) Basic (Face value Rs. 10 per share)	23	4.54	2.58
(2) Diluted (Face value Rs. 10 per share)	23	4.54	2.58
The accompanying notes 1 to 37 are an integral part of the standalone financial statements	1-37		

In terms of our report attached

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Chartered Accountants
Firm's Registration No : 101248W/W-100022

Sucheta Kolhatkar
Partner
Membership no. 114192

Place: Nashik
Date: April 21, 2026

For and on behalf of the Board of Directors

Ramesh Ramachandran
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DIN-09562621
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Company Secretary
Membership no. A8458
Place: Nashik
Date: April 21, 2026

Ami Goda
Director
DIN-09136149
Place: Nashik

Giriraj Mohta
Chief Financial Officer
Place: Nashik

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Particulars	For the year ended March 31, 2026	Rs. in Crores For the year ended March 31, 2025
Profit before tax for the year	16.99	10.71
Adjustments for:		
Finance costs	3.09	2.28
Interest income	(0.18)	(0.21)
Liabilities no longer required written back	(3.01)	(1.85)
Loss on disposal of property, plant and equipment	0.04	0.01
Impairment loss recognised on trade receivables	5.67	6.31
Depreciation and amortisation expense	3.16	3.36
Expense recognised in respect of equity-settled share-based payments	0.02	0.05
	25.78	20.66
Movements in working capital:		
Changes in trade receivables	(76.26)	(33.68)
Changes in inventories	4.97	2.76
Changes in non current financial assets and other non current assets	(1.40)	(0.03)
Changes in current financial assets and other current assets	0.27	(11.27)
Changes in trade payables	26.21	12.04
Changes in provisions	0.51	0.49
Changes in current financial liabilities and other current liabilities	3.61	6.55
	(42.09)	(23.14)
Cash (used in)/generated from operations	(16.31)	(2.48)
Income taxes refund/(paid) (net)	0.03	(1.91)
Net cash (used in)/generated from operating activities	(16.28)	(4.39)
Cash flows from investing activities		
Payments to acquire property, plant and equipment and other Intangible assets	(2.16)	(1.96)
Proceeds from sale of plant and equipment and other Intangible assets	(0.01)	0.06
Interest received	0.10	0.20
Fixed deposits matured during the year	0.40	2.41
Fixed deposits placed during the year	(0.42)	(2.24)
Net cash (used in) investing activities	(2.09)	(1.53)
Cash flows from financing activities		
Proceeds from issue of equity instruments	0.01	0.02
Proceeds from short term borrowings	125.03	20.00
Repayment of short term borrowings	(105.00)	(10.42)
Interest paid	(3.21)	(2.06)
Repayment in lease liability	(0.12)	(0.13)
Net cash generated from/(used in) financing activities	16.71	7.41
Net (Decrease)/Increase in cash and cash equivalents	(1.66)	1.49
Cash and cash equivalents at the beginning of the year	1.69	0.20
Cash and cash equivalents at the end of the year	0.03	1.69
Components of cash and cash equivalents		
With banks - on current account/balance in cash credit accounts	0.03	1.69
	0.03	1.69
See accompanying notes to the standalone financial statements	1-37	

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Sucheta Kolhatkar
Partner
Membership no. 114192

Place: Nashik
Date: April 21, 2026

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN-09562621
Place: Nashik

Abhijit Page
Chief Executive Officer
Place: Nashik

R. V. Nawghare
Company Secretary
Membership no. A8458
Place: Nashik
Date: April 21, 2026

Ami Goda
Director
DIN-09136149
Place: Nashik

Giriraj Mohta
Chief Financial Officer
Place: Nashik

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

Rs. in Crores

A. Equity share capital

As at March 31, 2024	27.91
Changes in Equity Share Capital due to prior period errors	—
Restated balance as at March 31, 2024	27.91
Changes in equity share capital during the year	
Issue of equity shares under employee share option plan (Refer note 20)	0.02
As at March 31, 2025	27.93
Changes in Equity Share Capital due to prior period errors	—
Restated balance as at March 31, 2025	27.93
Changes in equity share capital during the year	
Issue of equity shares under employee share option plan (Refer note 20)	0.01
As at March 31, 2026	27.94

B. Other Equity

Particulars	Reserves and Surplus				Retained earnings	Total
	Capital Reserve	Securities Premium	General Reserve	Share based payments (ESOP)		
Balances as at March 31, 2024	0.40	95.14	4.25	0.44	37.14	137.37
Changes in Equity Share Capital due to prior period errors	—	—	—	—	—	—
Restated balance as at March 31, 2024	0.40	95.14	4.25	0.44	37.14	137.37
Profit for the year	—	—	—	—	7.21	7.21
Other Comprehensive Income (net of tax) (directly recognised in retained earnings)	—	—	—	—	0.05	0.05
Total Comprehensive Income for the year	—	—	—	—	7.26	7.26
Transactions with owners of the Company:						
Contributions & distributions						
Exercise of employee stock options	—	0.23	—	(0.23)	—	—
Share based payment to employees	—	—	—	0.05	—	0.05
Balances as at March 31, 2025	0.40	95.37	4.25	0.26	44.40	144.68
Changes in Equity Share Capital due to prior period errors	—	—	—	—	—	—
Restated balance as at March 31, 2025	0.40	95.37	4.25	0.26	44.40	144.68
Profit for the year	—	—	—	—	12.69	12.69
Other Comprehensive Income (net of tax) (directly recognised in retained earnings)	—	—	—	—	(0.28)	(0.28)
Total Comprehensive Income for the year	—	—	—	—	12.41	12.41
Transactions with owners of the Company:						
Contributions & distributions						
Exercise of employee stock options	—	0.12	—	(0.12)	—	—
Share based payment to employees	—	—	—	0.02	—	0.02
Balances as at March 31, 2026	0.40	95.49	4.25	0.16	56.81	157.11

For nature of reserves refer note no. 11 B

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Sucheta Kolhatkar
Partner
Membership no. 114192

Place: Nashik
Date: April 21, 2026

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN-09562621
Place: Nashik

Abhijit Page
Chief Executive Officer
Place: Nashik

R. V. Nawghare
Company Secretary
Membership no. A8458
Place: Nashik
Date: April 21, 2026

Ami Goda
Director
DIN-09136149
Place: Nashik

Giriraj Moha
Chief Financial Officer
Place: Nashik

Notes forming part of standalone financial statements for the year ended March 31, 2026

Note No. 1 - Corporate information and material accounting policies

A. Corporate Information

Mahindra EPC Irrigation Limited is a Public Limited Company listed on the Bombay Stock Exchange Limited and National Stock Exchange. It was incorporated on November 28, 1981 under the Companies Act, 2013. It is engaged in the business of Micro Irrigation Systems such as Drip and Sprinklers, Agricultural Pumps, Greenhouses and Land Landscape Products. The Company is a public limited Company and domiciled in India. The address of its corporate office is H-109, MIDC, Ambad, Nashik, Maharashtra 422010. As at 31st March 2026 Mahindra & Mahindra Limited, the holding company own 54.20% of the Company's equity share capital.

B. Basis of preparation

a. Statement of compliance

These standalone financial statements of Mahindra EPC Irrigation Limited ('the Company') have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

These standalone financial statements were approved by the Company's Board of Directors and authorised for issue on 21 April 2026.

b. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. 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 a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when

- It is expected to be settled in normal operating cycle;
- 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.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

C. Basis of measurement and fair value

The standalone financial statements have been prepared on the historical cost basis except for certain financial instruments and net defined benefit liability that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised 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 (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within 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.

D. Functional and presentation currency

These financial statements are presented in Indian Rupees ('Rupees') which is also the Company's functional currency. All amounts are rounded-off to the nearest rupee in crores (two decimals), unless otherwise indicated.

E. Standards issued but not yet effective

Ind AS 1 - Presentation of Financial Statements

If a covenant breach occurs on or before the reporting date and the liability becomes payable on demand, it must be classified as current, even if the lender subsequently agrees not to demand repayment. It is classified as current because, at the reporting date, the entity does not have the right to defer settlement for at least 12 months. However, if the lender has already provided—by the reporting date—a grace period extending at least 12 months beyond that date, during which the breach can be rectified and repayment cannot be demanded, the liability is classified as non-current.

This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

F. Property, Plant and equipment:

Property, Plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Cost includes cost of acquisition or construction and is stated at historical cost.

Depreciation on all property, plant and equipment, is provided on Straight Line Method as per the estimated useful life. Leasehold Assets are depreciated over the shorter of the lease term and their useful lives. Depreciation on additions to assets or on sale/disposal of assets is calculated from the date of such addition or up to the date of such sale/disposal as the case may be.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Property, Plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013 and based on the Company's expected usage pattern supported by technical assessment:

Estimated useful life of the assets are as follows:

Assets	Useful life as per Management	Useful life as per Schedule II
Buildings		
Factory Building	30 Years	30 Years
Office Building	60 Years	60 Years
Extrusion Machines	19 Years	8 Years
Other Machineries	10 Years	15 Years
Electrical Installations, factory Equipments, furniture	10 Years	10 Years
Moulds and Dies	10 Years	15 Years
Office Equipment	5 Years	5 Years
Computers	3 Years	3 Years
Vehicles - Cars (For employee use)	5 Years	8 Years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis.

The cost of property, plant and equipment at 1 April 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

G. Other Intangible Assets:

Intangible assets with definite useful lives are amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed.

Intangible assets are recognised only when economic benefit attributable to the assets will flow to the enterprise and cost can be measured reliably. They are being amortised over the estimated useful life of 36 months.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

The cost Intangible assets at 1 April 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

H. Impairment of Assets:

The carrying value of assets / cash generating units at each balance sheet date is reviewed for impairment excluding inventories and deferred tax. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss of the amount. They arrived at cost less accumulated amortisation and accumulated impairment losses.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years.

I. Inventories:

Inventories comprise of raw materials, work in progress, finished goods and stock in trade, are valued at costs of purchase, conversion and other costs incurred if any in bringing the inventories to their present location and condition. Inventories are stated at lower of cost and net realisable value. In the case of finished goods and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases when a decline in the price of materials indicates that the cost of the finished products shall exceed the net realisable value.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods. The comparison of cost and net realisable value is made on an item-by-item basis.

Cost is determined on the basis of the weighted average method.

J. Foreign Exchange Transactions:

In preparing the financial statements transactions in other than the company's functional currency are recorded at the exchange rates prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in foreign currencies are restated at the rates prevailing at that date. The exchange difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of monetary items at the end of the year is recognised as income or expense, as the case may be. Non - Monetary items that are measured in terms of historical cost in a foreign currency are not restated.

K. Revenue recognition:

Revenue from contracts with customer

Revenue from contracts with customer Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue is measured based on the consideration specified in a contract with a customer, stated net of discounts, returns and Goods and Service tax.

The Company recognises revenue from the following major sources:

- Sale of Products; and
- Sale of services.

a) Sale of Products

The company sells Micro irrigation systems (MIS) both to the Open market and Project market. Sales-related warranties associated with MIS cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications.

Accordingly, the Company accounts for warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets (refer note no. 14).

For sales of MIS to open market, revenue is recognised when control of the good has transferred, being when the goods have been delivered to the dealer based on the terms and conditions in his agreement. Following delivery, the dealer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility while selling the goods and bears the risks of obsolescence and loss in relation to the goods.

For sales of MIS to project market, revenue is recognised when control of the good has transferred, being when the goods have been installed at the farmers' place as per the approved design and acknowledged by the implementing agency. Following which farmer has full control of the MIS.

A receivable is recognised by the Company when the goods are delivered to the distributor /MIS installation acknowledged by the implementing agency as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue for fixed-price contracts is recognised using percentage-of-completion (PoC) method. The Company uses judgement to estimate the future cost-to-completion of the contracts which is used to determine degree of completion of the performance obligation.

Project revenue is recognised on the basis of cost completion after the threshold limit of 30% of the cost to completed.

b) Sale of Services

Sale of services are recognised on satisfaction of performance obligation towards rendering of such services.

L. Other income:

Dividend income from investments is recognised in statement of profit and loss when the shareholders right to receive payment has been established.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable. The effective interest method is a method of calculating the amortised cost of the financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets, to that asset's net carrying amount on initial recognition.

M. Employee benefits:

a) Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that services. Liabilities recognised in respect of other long -term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

b) Post-employment benefits

(i) Defined contribution plans

The Company's contribution to provident fund, employee state insurance scheme and superannuation fund are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employee.

(ii) Defined benefit plans

The employees' gratuity fund scheme, managed by Life Insurance Corporation (LIC) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation carried out as at the end of each financial year using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities, of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

(iii) Share based payment

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 20.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate with a corresponding adjustment to the equity-settled employee benefits reserve.

(iv) Other long-term benefits:

Compensated absences: Compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as undiscounted liability at the balance sheet date. Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date using the Projected Unit Credit Method.

N. Leases:

The Company assesses whether a contract is, or contains a lease, at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the commencement date of the lease, the Company recognise a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is lessee, except for short-term leases (leases with a term of twelve months or less), leases of low value assets and, for contract where the lessee and lessor has right to terminate a lease without permission from the other party with no more than an insignificant penalty. The lease expense of such short-term leases, low value assets leases and cancellable leases, are recognised as an operating expense on a straight-line basis over the term of the lease.

At commencement date, lease liability is measured at the present value of the lease payments to be paid during non-cancellable period of the contract, discounted using the incremental borrowing rate. The right-of-use assets is initially recognised at the amount of the initial measurement

of the corresponding lease liability, lease payments made at or before commencement date less any lease incentives received and any initial direct costs.

Subsequently the right-of-use asset is measured at cost less accumulated depreciation and any impairment losses. Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest rate method) and reducing the carrying amount to reflect the lease payments made. The right-of-use asset and lease liability are also adjusted to reflect any lease modifications or revised in-substance fixed lease payments.

The right-of-use asset is also assessed for impairment when such indicators exist.

As a lessor:

Income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term.

O. Borrowing Costs:

All borrowing costs are charged to the Statement of Profit and Loss except, borrowing costs that are attributable to the acquisition or construction of qualifying assets which are those that necessarily take a substantial period of time to get ready for their intended use or sale, which are capitalised as part of the cost of such assets.

P. Product Warranty:

In respect of warranties given by the Company on sale of certain products, the estimated costs of these warranties are measured on the basis of past experience of warranty expense & accrued at the time of sale. The estimates for accounting of warranties are discounted when required and are reviewed and revisions are made as required by the management of the company.

Q. Income Tax:

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax is included in other income.

Uncertain Tax position:

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. The provision is estimated based on one of two methods, the expected value method (the sum of the probability weighted amounts in a range of possible outcomes) or the single most likely amount method, depending on which is expected to better predict the resolution of the uncertainty.

Company recognises the temporary differences on Right of use assets (ROU) and lease liabilities on net basis as at reporting date.

• Current Tax

Income Taxes are accounted for in accordance with IND AS-12. Tax expenses comprise both current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act 1961, and other applicable tax laws.

• Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible

temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 profit will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

R. Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits - Refer Note No. 28) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions & contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities and assets are not recognised but are disclosed in the notes.

S. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified by the Company. The CODM of the company reviews the operation of the company as Precision Farming Products & Services.

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Managing Director (MD) to make decisions about resources to be allocated to the segments and assess their performance.

T. Investment in Joint Venture

The company accounts for its investments in Joint Venture at cost less accumulated impairment, if any.

U. Financial instruments

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

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

The Company has an established control framework with respect to the measurement of fair values.

Management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the internal valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the applicable financial reporting framework, including the level in the fair value hierarchy in which the valuations should be classified."

Significant valuation issues are reported to the Company's audit committee if any.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Classification and subsequent measurement

Financial assets

All regular purchases or sales of financial assets are recognised and derecognised on a trade date basis. These are financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets:

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Trade Receivables

Trade receivables are initially recognised at fair value except for those without a significant financing component which are initially measured at transaction price. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

All other financial assets are subsequently measured at fair value.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. Assessment of whether there is significant increase in the credit risk of a particular customer is performed periodically basis a review of collection trends, credit worthiness and other macro-economic factors.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group is recognised at the proceeds received, net of directly attributable transaction costs.

V. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

- useful life of property, plant and equipment and other intangible assets (Refer Note 1, Point F)
- estimation of defined benefit obligation (Refer Note 28)
- provision for warranty claims (Refer Note 14)
- income taxes - current and deferred taxes (Refer Note 7)
- impairment of trade receivables (Refer Note 5)
- recognition and measurement of provisions and contingencies

Detailed information about each of these estimates and judgements that have a significant risk of resulting in material adjustment within the next financial year is included in relevant notes for the above items.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

W. Contingent Liabilities & Commitments

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made

- (i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.
- (ii) The Company does not expect any reimbursements in respect of the contingent liabilities.

- (iii) The Company's pending litigations comprise of claims against the Company by employees and pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

X. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet includes cash at bank and on hand, deposits with banks & financial institutions, other short term highly liquid investments, with original maturities less than three months which are readily convertible into cash and which are subject to insignificant risk of changes in value.

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

Y. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

To calculate diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to the standalone financial statements for the year ended March 31, 2026 (Contd.)

NOTE NO. 2A - PROPERTY, PLANT AND EQUIPMENT

Rs. in Crores

Description of Assets	Buildings	Plant and Equipment	Electrical Installations	Factory Equipments	Moulds and Dies	Office Equipment	Furniture and Fixtures	Computers	Vehicles	Total
I. Gross Carrying Amount										
Balance as at March 31, 2025	10.16	44.46	1.95	2.18	12.00	0.82	1.13	1.95	1.88	76.56
Additions	0.27	0.46	—	0.16	0.04	0.03	0.05	0.55	—	1.56
Disposals	—	1.54	0.23	0.03	—	0.08	0.08	0.05	—	2.01
Balance as at March 31, 2026	10.43	43.38	1.72	2.31	12.04	0.77	1.10	2.45	1.87	76.11
II. Accumulated depreciation										
Balance as at March 31, 2025	7.94	33.11	1.51	1.54	10.85	0.60	0.93	1.55	1.08	59.13
Depreciation expense for the year	0.16	2.01	0.09	0.11	0.09	0.05	0.03	0.20	0.22	2.97
Eliminated on disposal of assets	—	1.54	0.23	0.03	—	0.08	0.06	0.05	—	1.98
Balance as at March 31, 2026	8.10	33.58	1.37	1.62	10.94	0.57	0.90	1.71	1.30	60.12
III. Net carrying amount (I-II)	2.33	9.80	0.35	0.69	1.10	0.20	0.20	0.74	0.57	15.99
I. Gross Carrying Amount										
Balance as at March 31, 2024	10.04	43.45	1.66	2.19	11.82	0.73	1.14	1.73	1.60	74.37
Additions	0.12	1.01	0.29	—	0.27	0.10	0.03	0.22	0.54	2.59
Disposals	—	—	—	0.01	0.09	0.01	0.03	0.00	0.26	0.40
Balance as at March 31, 2025	10.16	44.46	1.95	2.18	12.00	0.82	1.13	1.95	1.88	76.56
II. Accumulated depreciation										
Balance as at March 31, 2024	7.65	31.06	1.48	1.42	10.86	0.54	0.93	1.38	1.05	56.39
Depreciation expense for the year	0.29	2.05	0.03	0.13	0.08	0.07	0.03	0.17	0.21	3.07
Eliminated on disposal of assets	—	—	—	0.01	0.09	0.01	0.03	0.00	0.19	0.33
Balance as at March 31, 2025	7.94	33.11	1.51	1.54	10.85	0.60	0.93	1.55	1.08	59.13
III. Net carrying amount (I-II)	2.22	11.35	0.44	0.64	1.15	0.22	0.20	0.40	0.80	17.43

Note: The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.

NOTE NO. 2B - RIGHT OF USE ASSETS (REFER NOTE 26)

Description of Assets	Lease Hold Land	Buildings	Total
I. Gross Carrying Amount			
Balance as at March 31, 2025	3.05	0.92	3.98
Additions	—	—	—
Disposals	—	0.83	0.83
Balance as at March 31, 2026	3.05	0.09	3.15
II. Accumulated depreciation			
Balance as at March 31, 2025	0.25	0.72	0.98
Depreciation expense for the year	0.04	0.10	0.15
Disposals	—	0.83	0.83
Balance as at March 31, 2026	0.29	—	0.30
III. Net carrying amount (I-II)			
Balance as at March 31, 2025	2.76	0.09	2.85
I. Gross Carrying Amount			
Balance as at March 31, 2024	3.05	1.04	4.10
Additions	—	(0.12)	(0.12)
Disposals	—	—	—
Balance as at March 31, 2025	3.05	0.92	3.98
II. Accumulated depreciation			
Balance as at March 31, 2024	0.21	0.58	0.79
Depreciation expense for the year	0.04	0.14	0.19
Disposals	—	—	—
Balance as at March 31, 2025	0.25	0.72	0.98
III. Net carrying amount (I-II)	2.80	0.20	3.00

NOTE NO. 2C - CAPITAL WORK-IN-PROGRESS

	Rs. in Crores	
	As at March 31, 2026	As at March 31, 2025
CWIP Movement		
Opening Balance	0.24	0.09
- Additions	1.67	2.76
- Capitalised & Transferred to Property, Plant & Equipments during the year	1.56	2.59
Closing balance	0.35	0.24

Capital work in progress (CWIP) Ageing Schedule for the year ended 31 March 2026

	Amount in CWIP for a period of				
Particulars	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	0.35	-	-	-	0.35
Projects temporarily suspended	-	-	-	-	-

Capital work in progress (CWIP) Ageing Schedule for the year ended 31 March 2025

	Amount in CWIP for a period of				
Particulars	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in progress	0.24	-	-	-	0.24
Projects temporarily suspended	-	-	-	-	-

Note: For Intangible Asset under development & CWIP, there are no such projects whose completion is overdue or exceed its cost compared to its original plan as at 31 March 2026 and 31 March 2025.

NOTE NO. 3 - OTHER INTANGIBLE ASSETS

	Rs. in Crores	
Description of Assets	Computer Software	Total
I. Gross Carrying Amount		
Balance as at March 31, 2025	2.56	2.56
Additions	-	-
Disposals	2.29	2.29
Balance as at March 31, 2026	0.27	0.27

Description of Assets	Rs. in Crores	
	Computer Software	Total
II. Accumulated amortisation		
Balance as at March 31, 2025	2.50	2.50
Amortisation expense for the year	0.04	0.04
Eliminated on disposal of assets	2.27	2.27
Balance as at March 31, 2026	0.27	0.27
III. Net carrying amount (I-II)	-	-
I. Gross Carrying Amount		
Balance as at March 31, 2024	2.54	2.54
Additions	0.02	0.02
Disposals	-	-
Balance as at March 31, 2025	2.56	2.56
II. Accumulated amortisation		
Balance as at March 31, 2024	2.40	2.40
Amortisation expense for the year	0.10	0.10
Eliminated on disposal of assets	-	-
Balance as at March 31, 2025	2.50	2.50
III. Net carrying amount (I-II)	0.06	0.06

NOTE NO. 4 - INVESTMENTS

	Rs. in Crores	
Particulars	As at March 31, 2026	As at March 31, 2025
Investment in Equity Instruments (fully paid-up) Unquoted		
In Joint Venture company - Mahindra Top Greenhouses Private Limited - Refer Note No. 34	-	-
Total	-	-

	Rs. in Crores	
Other Disclosures:	As at March 31, 2026	As at March 31, 2025
Aggregate amount of unquoted investments (Gross)	1.80	1.80
Aggregate amount of impairment in value of investments	1.80	1.80
Aggregate amount of unquoted investments (Net)	-	-

Note for Impairment:

The Company has entirely recognised an impairment loss of Rs. 1.80 Crores on investment in joint venture considering the performance of its Joint Venture entity.

NOTE NO. 5 - TRADE RECEIVABLES

Particulars	As at March 31, 2026		Rs. in Crores As at March 31, 2025	
	Current	Non Current	Current	Non Current
Unsecured, considered good	216.92	30.14	173.36	0.65
Trade Receivables which have significant increase in credit risk	12.18	6.87	—	2.46
Trade Receivables - credit impaired	0.93	—	27.18	1.20
	230.03	37.01	200.54	4.31
Less: Loss Allowance	(13.11)	(6.87)	(27.18)	(1.20)
Total	216.92	30.14	173.36	3.11

Refer Note 24 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related disclosures.

The Company applies the simplified approach to provide for expected credit losses prescribed by IND AS 109, which permits the use of the lifetime expected credit loss provision for all trade receivables. The company has expected credit losses based on a provision matrix which uses historical credit loss experience of the Company.

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Refer Note 29 for disclosures relating to receivables from related parties.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Trade receivables are hypothecated against the working capital facilities provided by the bank.

Refer Note 5A for trade receivables ageing schedule.

When the impairment is calculated under the simplified approach for trade receivables, an entity is not required to separately track changes in credit risk of trade receivables as the impairment amount represents "lifetime" expected credit loss. Accordingly, the disclosure of trade receivables in the manner as required by Schedule III for significant increase in credit risk is not required except when a company has a trade receivable for which credit risk is assessed individually. Further, the disclosure of 'trade receivables – credit impaired' will be made if such trade receivables meet the definition of 'credit impaired' as per Ind AS 109.

NOTE NO. 6 - OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026		Rs. in Crores As at March 31, 2025	
	Current	Non-Current	Current	Non-Current
Carried at amortised cost:				
Security deposits	1.04	0.96	0.72	0.95
Earmarked balances with banks	—	1.12	—	0.17
Balances with banks - on margin accounts	—	—	—	0.36
Total	1.04	2.09	0.72	1.48

NOTE NO. 5A - TRADE RECEIVABLES AGEING SCHEDULE UNDER NON-CURRENT ASSETS AND CURRENT ASSETS AS ON 31ST MARCH 2026

Trade Receivables ageing schedule under Non-current assets as on 31st March 2026

Rs. in Crores								
Outstanding for following periods from invoice date								
Sr. No.	Particulars	Not Due	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	0.23	13.32	5.07	11.33	0.19	0.00	30.14
ii	Undisputed Trade Receivables – which have significant increase in credit risk	—	—	—	1.44	3.00	2.43	6.87
iii	Undisputed Trade Receivables – credit impaired	—	—	—	—	—	—	—
iv	Disputed Trade receivables – considered good	—	—	—	—	—	—	—
v	Disputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	—	—	—
vi	Disputed Trade Receivables – credit impaired	—	—	—	—	—	—	—
	Total	0.23	13.32	5.07	12.77	3.19	2.43	37.01
Less: Loss Allowance								(6.87)
Net outstanding for following periods from invoice date								30.14

Trade Receivables ageing schedule under Current assets as on 31st March 2026

Rs. in Crores

Outstanding for following periods from invoice date								
Sr. No.	Particulars	Not Due	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	2.76	105.11	40.12	49.61	16.83	0.97	215.39
ii	Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	3.18	9.00	12.18
iii	Undisputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
iv	Disputed Trade receivables – considered good	–	–	–	–	–	–	–
v	Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
vi	Disputed Trade Receivables – credit impaired	–	–	–	–	–	0.93	0.93
	Total	2.76	105.11	40.12	49.61	20.01	10.90	228.50
Less: Loss Allowance								(13.11)
Add: Unbilled								1.53
Net outstanding for following periods from invoice date								216.92

Trade Receivables ageing schedule under Non-current assets as on 31st March 2026

Rs. in Crores

Outstanding for following periods from invoice date								
Sr. No.	Particulars	Not Due	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	–	0.02	0.28	0.01	0.03	0.31	0.65
ii	Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	2.46	2.46
iii	Undisputed Trade Receivables – credit impaired	–	–	–	–	–	1.20	1.20
iv	Disputed Trade receivables – considered good	–	–	–	–	–	–	–
v	Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
vi	Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
	Total	–	0.02	0.28	0.01	0.03	3.97	4.31
Less: Loss Allowance								(1.20)
Add: Unbilled								–
Net outstanding for following periods from invoice date								3.11

Trade Receivables ageing schedule under Current assets as on 31st March 2025

Rs. in Crores

Outstanding for following periods from invoice date								
Sr. No.	Particulars	Not Due	Less than 6 months	6 months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	Undisputed Trade receivables – considered good	0.36	99.67	16.66	48.69	5.46	0.53	171.38
ii	Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
iii	Undisputed Trade Receivables – credit impaired	–	–	–	–	5.65	18.40	24.05
iv	Disputed Trade receivables – considered good	–	–	–	–	–	–	–
v	Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
vi	Disputed Trade Receivables – credit impaired	–	–	–	–	–	3.13	3.13
	Total	0.36	99.67	16.66	48.69	11.11	22.06	198.56
Less: Loss Allowance								(27.18)
Add: Unbilled								1.98
Net outstanding for following periods from invoice date								173.36

NOTE NO. 7 - CURRENT TAX AND DEFERRED TAX**(a) Income Tax recognised in profit or loss**

Particulars	Rs. in Crores	
	Year ended March 31, 2026	Year ended March 31, 2025
Current Tax:		
In respect of current year	3.41	0.52
In respect of prior years	0.03	—
Deferred Tax:		
In respect of current year	0.86	2.98
In respect of prior years	—	—
Total income tax expense recognised in the current year	4.30	3.50

(b) Income tax recognised in other Comprehensive income (OCI)

Particulars	Rs. in Crores	
	Year ended March 31, 2026	Year ended March 31, 2025
Deferred Tax		
Remeasurement of defined benefit obligations	(0.37)	0.06
	(0.37)	0.06
Income taxes related to items that will not be reclassified to profit or loss	0.09	(0.01)
Total	(0.28)	0.05

(c) Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit/(loss) before tax after exceptional items	16.99	10.71
Income tax expense calculated at 25.17% (31 March 2024: 25.17%)	4.28	2.70
Effect of expense that is non-deductible in determining taxable profit	—	0.72
Others	0.00	0.08
	4.28	3.50
Adjustments recognised in the current year in relation to the current tax of prior years	0.03	—
Income tax expense recognised in profit or loss	4.30	3.50

The tax rate used for the March 31, 2026 and March 31, 2025 reconciliations above is the corporate tax rate of 25.17% on taxable profits under Indian Income Tax Act, 1961.

(d) Movement in deferred tax assets / (Liabilities) for the year ended March 31, 2026

Particulars	Rs. in Crores			
	Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment	1.39	(0.23)	—	1.16
Right of Use Assets	0.70	(0.01)	—	0.69
	2.09	(0.24)	—	1.85
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	0.43	0.48	0.09	1.00
Provision for receivables and advances	7.26	(2.11)	—	5.15
Deferred tax asset on carried loss	—	—	—	—
Other items (TDS on Commission disallowed, Unpaid bonus, Provision allowable on payment basis)	2.65	0.54	—	3.19
	10.34	(1.09)	0.09	9.34
Net Deferred Tax Asset/(Liabilities)	8.25	(0.85)	0.09	7.49
Total	8.25	(0.85)	0.09	7.49

(e) Movement in deferred tax assets / (Liabilities) for the year ended March 31, 2025

Particulars	Rs. in Crores			
	Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing Balance
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment	1.65	(0.26)	—	1.39
Right of Use Assets	—	0.70	—	0.70
	1.65	0.44	—	2.09
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	0.51	(0.06)	(0.01)	0.43
Provision for receivables and advances	9.77	(2.51)	—	7.26
Deferred tax asset on carried loss	0.20	(0.20)	—	—
Other items (TDS on Commission disallowed, Unpaid bonus, Provision allowable on payment basis)	2.41	0.24	—	2.65
	12.90	(2.54)	(0.01)	10.34
Net Deferred Tax Asset/(Liabilities)	11.25	(2.98)	(0.01)	8.25
Total	11.25	(2.98)	(0.01)	8.25

NOTE NO. 8 - OTHER NON FINANCIAL ASSETS

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-Current	Current	Non-Current
(a) Prepayments	0.37	0.03	0.35	0.03
(b) Balances with government authorities	14.84	1.50	16.80	0.11
(i) VAT credit receivable	—	0.11	—	0.11
(ii) GST credit receivable	14.84	1.38	16.80	—
(c) Contract Assets	15.20	—	12.86	—
(d) Others				
(i) Capital advances	—	—	—	—
(ii) Advance to Creditors				
Considered Good	1.29	—	1.09	—
Doubtful	—	0.22	—	0.22
Less: Provision for Doubtful advances	—	(0.22)	—	(0.22)
	1.29	—	1.09	—
(iii) Advances to employees				
Considered Good	0.01	—	—	—
Doubtful	0.25	—	0.25	—
Less: Provision for Doubtful advances	(0.25)	—	(0.25)	—
	0.01	—	—	—
(iv) Balance with LIC (Gratuity)	—	—	1.20	—
Total	31.71	1.53	32.30	0.15

NOTE NO. 9 - INVENTORIES**[Lower of cost and net realisable value]**

Particulars	Rs. in Crores	
	As at March 31, 2026	As at March 31, 2025
(a) Raw materials and components*	18.72	21.28
(b) Work-in-progress	3.88	3.08
(c) Finished goods**	14.04	16.88
(d) Stock-in-trade of goods acquired for trading	0.09	0.46
Total	36.73	41.70

All inventories are pledged as security for credit facilities from banks.

Mode of valuation of inventories is stated in Note 1(l).

*The amount of goods in transit as on March 31 2026 is of Rs. Nil crores. (As on March 31, 2025 Rs. 0.84 crores).

**Out of the above, Rs. 1.54 crores are lying with third parties (year ended March 31, 2025 Rs. 1.42 crores) and Rs. 3.50 crores is related to unrecognised revenue. (year ended March 31, 2025 Rs. 2.30 crores).

The amount of inventories recognised as an expense is Rs. 140.38 crores (for the year ended 31 March 2025 Rs. 125.49 crores) including Rs. 3.05 crores (for the year ended 31 March 2025 Rs. 0.24 crores) in respect of write down of inventories to net realisable value, and has been reduced by Rs. 0.27 crores (for the year ended 31 March 2025 - Rs. 0.12 crores) in respect of reversal of such write downs. Reversal in provision is due to sale and/or consumption of inventories provided for in earlier years.

NOTE NO. 10 - CASH AND BANK BALANCES

Particulars	Rs. in Crores	
	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Balances with banks - Current and Cash Credit Accounts	0.03	1.69
Total Cash and cash equivalents	0.03	1.69
Other Bank Balances		
Earmarked balances with banks	1.30	1.06
Balances with Banks - on margin accounts	—	0.85
Interest accrued on deposits	0.27	0.19
Total Other Bank Balances	1.57	2.10

NOTE NO. 11 A - EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Rs. in Crores	No. of shares	Rs. in Crores
<u>Authorised</u>				
Equity shares of Rs. 10 each	32,000,000	32.00	32,000,000	32.00
Preference share of Rs. 100 each	1,800,000	18.00	1,800,000	18.00
<u>Issued</u>				
Equity shares of Rs. 10 each	2,79,44,419	27.94	2,79,36,141	27.94
<u>Subscribed and fully paid up</u>				
Equity shares of Rs. 10 each	2,79,42,469	27.94	2,79,34,191	27.93
Forfeited shares (Amount originally paid up)*	1,950	—	1,950	—
Total		27.94		27.93

Fully paid equity shares, which have a per value of Rs. 10, carry one vote per share and carry a right to dividends.

* Amount is below rounding off norm

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars		Opening Balance	Issued during the year under ESOP Scheme	Rs. in Crores
				Closing Balance
Equity share-Issued, Subscribed and Paid-up:				
March 31, 2026	No. of Shares	2,79,34,191	8,278	2,79,42,469
	Amount	27.93	0.01	27.94
March 31, 2025	No. of Shares	2,79,12,808	21,383	2,79,34,191
	Amount	27.91	0.02	27.93

Rights, preferences and restrictions attached to equity shares

The Company is having only one class of equity shares having par value of Rs. 10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shares held by the holding company

Particulars	As at March 31, 2026	As at March 31, 2025
Mahindra and Mahindra Ltd, the Holding Company (No. of shares)	1,51,44,433	1,51,44,433

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
Mahindra and Mahindra Limited	1,51,44,433	54.20%	1,51,44,433	54.21%

(iv) Shares reserved for issuance as follows: (Refer Note No. 20)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount of Shares	No. of shares	Amount of Shares
Outstanding employee stock options available for grant.	2,40,978	24,09,780	2,49,256	24,92,560

(v) Details of shares held by promoter at the end of the year:

Name of promoter	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Mahindra and Mahindra Limited	1,51,44,433	54.20%	1,51,44,433	54.21%
% Change during the year		0.00%		0.00%

NOTE NO. 11B - OTHER EQUITY

Particulars	Rs. in Crores	
	As at March 31, 2026	As at March 31, 2025
Capital Reserve	0.40	0.40
Securities Premium	95.49	95.37
General Reserve	4.25	4.25
Share based payments (ESOP)	0.16	0.26
Retained Earnings	56.81	44.40
Total	157.11	144.68

Nature of Reserves

Capital Reserve	- Capital reserve mainly represents the amount of net assets acquired over and above consideration paid consequent to the Scheme of Arrangement.
Securities Premium	- Securities premium reserve is used to record the premium on issue of shares. The fair value of employee stock options is recognised in Securities Premium once the shares have been allotted on exercise of the options. The reserve can be utilised only for limited purpose such as issuance of bonus shares in accordance with the provision of the Companies Act, 2013.
General Reserve	- The general reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013.
Share based payments (ESOP)	- The Employee Stock Options Outstanding represents reserve in respect of equity settled share options granted to the company's employees in pursuance of the Employee Stock Option Plan.
Retained earnings:	- Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to / from other reserves from time to time. The reserve can be utilized or distributed by the Company in accordance with the provisions of the Companies Act, 2013.

NOTE NO. 12 - OTHER CURRENT FINANCIAL LIABILITIES

Particulars	Rs. in Crores	
	As at March 31, 2026	As at March 31, 2025
Carried at Amortised Cost:		
Interest payables to vendors/others	0.03	—
Unclaimed Dividend *	0.17	0.20
Security Deposits	5.42	5.18
Employee benefits payable	3.99	4.08
Capital Creditors	0.02	0.52
Others **	0.07	0.42
Total	9.70	10.40

Notes:

* There are no amounts due for transfer to Investor Education and Protection Fund.

** Others include Gujarat Green Revolution Company Limited - farmers share payable.

NOTE NO. 13 - CURRENT BORROWINGS

Particulars	Rs. in Crores	
	As at March 31, 2026	As at March 31, 2025
Secured (Carried at Amortised Cost):		
Secured Borrowings - at amortised cost		
Loans repayable on demand from Bank	25.18	5.00
Unsecured Borrowings - at amortised cost		
Loans from related parties	20.00	20.00
Interest accrued on borrowings	0.03	0.19
Total	45.21	25.19

Reconciliation of movement in borrowings to cash flows from financing activities as per Ind AS-7

Particulars	Rs. in Crores	
	As at March 31, 2026	As at March 31, 2025
Opening Balance		
— Current borrowings	25.19	15.42
Cash flow movements		
— Net increase in Loans repayable on demand and cash credit	124.99	20.00
— Net (decrease) in Loans repayable on demand and cash credit	(105.00)	(10.42)
Non-cash movements		
— Interest accrued on borrowings	0.03	0.19
Closing Balance		
— Current borrowings	45.21	25.19

BORROWING NOTE:

- Company have filed quarterly returns/statement with Banks and same are in agreement with the books of accounts. There are no material discrepancies found.
- Working capital facilities are secured by hypothecation of Inventory & Trade receivable.
- The Company has availed working capital facilities from Banks to Rs. 25.18 Crores (March 31, 2025 - Rs. 5 Crores) with the interest rates which are linked to Repo rate with spread ranging from 0% p.a. to 2% p.a. for the purpose of working capital requirements.
- The Company has availed inter corporate deposit from holding company (Mahindra and Mahindra Limited) of Rs. 20 Crores (March 31, 2025 - Rs. 20 Crores) with the interest rates of 7.53% and repayable within 6 to 12 months from date of availment for the purpose of working capital requirements.

NOTE NO. 14 - PROVISIONS

Particulars	Rs. in Crores			
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
	Current	Non-Current	Current	Non-Current
a. Provision for employee benefits				
Compensated absences	2.50	—	2.11	—
b. Other Provisions				
Warranty	0.31	0.91	0.24	0.72
c. Provision for Gratuity	0.23	—	—	—
Total	3.04	0.91	2.35	0.72

Details of movement in Warranty Provisions is as follows:

		Rs. in Crores	
Particulars	Rs. in Crores	Particulars	As at March 31, 2026
Balance at March 31, 2024	0.66		As at March 31, 2025
Provisions recognised during the year	0.39	Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as below:	
Provision utilised during the year	(0.10)	(a) Dues remaining unpaid as at 31 March 2026 & 31 March 2025	
Unused amounts reversed during the year	—	Principal	—
Unwinding of discount	0.04	Interest on the above	—
Balance at March 31, 2025	0.99	(b) Interest paid in terms of Section 16 of the Act, along with the amount of payment made to the supplier beyond the appointed day during the year	
Provisions recognised during the year	0.44	Principal paid beyond the appointed date	—
Provision utilised during the year	(0.07)	Interest paid in terms of Section 16 of the Act	—
Unused amounts reversed during the year	(0.13)	(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	—
Unwinding of discount	(0.01)	(d) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	—
Balance at March 31, 2026	1.22	(e) Amount of interest accrued and remaining unpaid as at March 31	—

Warranty Claims:

Provision for warranty represents present value of management's best estimate of the future outflow of economic benefits that will be required in respect of sale of certain products, the estimated cost of which is accrued at the time of sale. Management estimates the related provision for future warranty claims based on historical warranty claim information and is adjusted regularly to reflect new information. The products are generally covered under a free warranty period ranging from 6 months to 5 years. It is expected that most of these costs will be incurred in the next two financial years and all will have been incurred within five years after the reporting date.

NOTE NO. 15 - TRADE PAYABLES

		Rs. in Crores	
Particulars	As at March 31, 2026	As at March 31, 2025	
Current			
a) total outstanding dues of micro and small enterprises	1.44	4.08	
b) total outstanding dues of creditors other than micro and small enterprises	93.10	67.48	
Total	94.54	71.58	

Due to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. Interest is charged on the over due balances as per terms agreed with vendors.

Refer Note 29 for disclosures relating to payable from related parties.

NOTE NO. 15A - TRADE PAYABLES AGEING SCHEDULE

Ageing for trade payable outstanding as at March 31, 2026 is as follows:

		Rs. in Crores				
		Outstanding for following periods from due date of payment				
Sr. No.	Particulars	Not Due	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years
(i)	MSME	1.44	—	—	—	—
(ii)	Others	15.86	10.66	0.16	0.02	—
(iii)	Disputed dues - MSME	—	—	—	—	—
(iv)	Disputed dues - Others	—	—	—	—	—
	Total	17.30	10.66	0.16	0.02	—
	Unbilled dues (Accrued expenses)					66.40
	Total Trade Payable					94.54

Ageing for trade payable outstanding as at March 31, 2025 is as follows:

		Outstanding for following periods from due date of payment					Rs. in Crores
Sr. No.	Particulars	Not Due	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
(i)	MSME	4.08	—	—	—	—	4.08
(ii)	Others	7.48	10.71	0.16	0.02	—	18.36
(iii)	Disputed dues - MSME	—	—	—	—	—	—
(iv)	Disputed dues - Others	—	—	—	—	—	—
	Total	11.55	10.71	0.16	0.02	—	22.44
	Unbilled dues (Accrued expenses)						49.14
	Total Trade Payable						71.58

NOTE NO. 16 - OTHER CURRENT LIABILITIES

		Rs. in Crores	
Particulars	As at March 31, 2026	As at March 31, 2025	
(a) Contract liability	11.64	7.72	
(b) Others			
i) Statutory dues			
— taxes payable (other than income taxes)	0.59	0.69	
— Employee recoveries and employer contributions	0.09	0.08	
Total	12.32	8.49	

NOTE NO. 17 - REVENUE FROM OPERATIONS

		Rs. in Crores	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	
From contract with customers for goods & services			
(a) Revenue from Sale of Products	310.54	271.49	
(b) Revenue from Sale of Services	1.30	0.93	
(c) Other operating revenue	0.25	0.25	
Total	312.09	272.67	

		Rs. in Crores	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	
(i) Sale of products comprises <u>Manufactured goods</u>	310.54	271.49	
Total - Sale of products	310.54	271.49	
(ii) Sale of services comprises <u>Installation Services</u>	1.30	0.93	
Total - Sale of services	1.30	0.93	
(iii) Other operating revenues comprise: <u>Sale of scrap</u>	0.25	0.25	
Total - Other operating revenues	0.25	0.25	

Disaggregation of revenue from contracts with customers

		Rs. in Crores	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	
Products transferred at a point in time	244.24	224.26	
Products and services transferred over time	67.85	48.41	
Total	312.09	272.67	

Reconciliation of revenue recognised with contract price

		Rs. in Crores	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	
Revenue from contract with customer as per the contract price	317.35	281.24	
Adjustments made to contract price			
— Trade discounts, volume rebates, return etc.	5.79	3.90	
— Deferment of revenue	7.19	4.68	
— Recognition of revenue out of opening balance of contract liability	7.72	—	
Revenue from contract with customer as per the standalone statement of profit and loss	312.09	272.67	

Changes in contract assets are as follows:

		Rs. in Crores	
Particulars	As at March 31, 2026	As at March 31, 2025	
Balance at the beginning of the year	12.86	2.83	
— Invoices raised that were included in the contract assets balance at the beginning of the year	(7.10)	(2.83)	
— Increase due to revenue recognised during the year, excluding amounts billed during the year.	9.44	12.86	
Balance at the end of the year	15.20	12.86	

Changes in contract liability are as follows:

Particulars	Rs. in Crores	
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	7.72	1.77
– Addition during the year	11.64	7.72
– Revenue recognised during the year from opening contract liability	(7.72)	(1.77)
Balance at the end of the year	11.64	7.72

Segmental information

Geographical Information:

Particulars	Rs. in Crores			
	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Domestic	Overseas*	Domestic	Overseas*
Revenue from contract with customer	311.62	0.47	271.51	1.16
Total Revenue	311.62	0.47	271.51	1.16

* Countries in African Continent

The company recognises revenue as per IND AS 115 'Revenue from contracts with customers'.

Accordingly, the Company recognises revenue when it transfers control of a product or service to a customer as and when it satisfies the performance obligation by transferring promised goods or services to a customer and customer obtains the control or benefit of the same.

The revenue is recognised on satisfaction of performance obligation / transferring control to the customer and hence the same is recognised at a point in time. The company believes that above disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors. The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is Rs. 53.30 Crores out of which 100% is expected to be recognised as revenue in the next year. No consideration from contracts with customers is excluded from the amount mentioned above.

NOTE NO. 18 - OTHER INCOME

Particulars	Rs. in Crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Interest Income - On financial assets carried at amortised cost		
1) Bank deposits	0.13	0.11
2) Interest on Security Deposit	0.05	0.05
(b) Interest on tax refunds	0.15	0.05
(c) Liabilities no longer required written back	3.01	1.85
(d) Miscellaneous income	0.36	0.36
Total	3.70	2.42

NOTE NO. 19 (a) - COST OF MATERIALS CONSUMED

Particulars	Rs. in Crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	21.28	24.19
Add: Purchases	134.01	120.92
	155.29	145.11
Less: Closing stock	18.72	21.28
Cost of materials consumed	136.57	123.83

NOTE NO. 19 (b) PURCHASES OF STOCK-IN-TRADE

Particulars	Rs. in Crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Stock-in-trade - Pumps, Greenhouses & Landscape	1.40	1.81
Total	1.40	1.81

NOTE 19 (C) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Rs. in Crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
<u>Inventories at the end of the year:</u>		
Finished goods	14.04	16.88
Work-in-progress	3.88	3.08
Stock-in-trade	0.09	0.46
	18.01	20.42
<u>Inventories at the beginning of the year:</u>		
Finished goods	16.88	14.81
Work-in-progress	3.08	4.92
Stock-in-trade	0.46	0.54
	20.42	20.27
Changes in inventories		
Finished goods	2.84	(2.07)
Work-in-progress	(0.80)	1.84
Stock-in-trade	0.37	0.08
Net decrease/(increase)	2.41	(0.15)

NOTE NO. 20 - EMPLOYEE BENEFITS EXPENSE

Particulars	Rs. in Crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Salaries and wages, including bonus	30.70	28.34
(b) Contribution to provident and other funds (Refer Note No. 28)	2.45	1.78
(c) Share based payment transactions expenses	0.02	0.05
(d) Staff welfare expenses	1.49	1.64
Total Employee Benefit Expense	34.66	31.81

Pursuant to the "Employees Stock Option Scheme – 2014" (ESOS) approved by the Shareholders in the Annual General Meeting held on July 31, 2014, the Company had granted 80,424, 3,228, 1,33,432, 11,129, 80,110 and 71,459 Stock Options to the eligible employees on October 28, 2014, October 31, 2015, November 22, 2016,

November 22, 2017, February 28, 2019 and March 12, 2021 respectively as per the recommendations of the Nomination and Remuneration Committee, at an exercise price of Rs. 10/- each. In respect of the options granted in 2014, 2016, 2017, 2019 and 2021 the equity settled options vest in 5 tranches of 20% each upon the expiry of 12 months, 24 months, 36 months, 48 months and 60 months, respectively from the date of grant. Each tranche is exercisable within one year from the respective date of vesting. The number of options exercisable in each tranche is minimum 20% of the options vested, except in case of the last date of the exercise, where the employee can exercise all options vested but not exercised till that date. In respect of options granted in 2015, the equity settled options vest in 4 tranches of 25% each upon the expiry of 12 months, 24 months, 36 months and 48 months, respectively from the date of grant. Each tranche is exercisable within one year from the respective date of vesting. The number of options exercisable in each tranche is minimum 25% of the options vested, except in case of the last date of the exercise, where the employee can exercise all options vested but not exercised till that date.

The difference between the fair price of the share underlying the options granted on the date of grant of option and the exercise price of the option representing share based payment expenses is expected over the vesting period.

		Number of Shares	Grant Date	Expiry Date	Exercise Price	Fair value at Grant Date
Equity Settled						
1	Series 1 Granted on October 28, 2014	80,424	October 28, 2014	October 28, 2019	10	170.97
2	Series 2 Granted on October 31, 2015	3,228	October 31, 2015	October 31, 2019	10	170.97
3	Series 3 Granted on November 22, 2016	133,432	November 22, 2016	November 22, 2021	10	131.75
4	Series 4 Granted on November 22, 2017	11,129	November 22, 2017	November 22, 2022	10	169.43
5	Series 5 Granted on February 28, 2019	80,110	February 28, 2019	February 28, 2024	10	83.51
6	Series 6 Granted on March 12, 2021	71,459	March 12, 2021	March 12, 2026	10	144.09

Movement in Share Options

Particulars	Year ended 31 March, 2026		Year ended 31 March, 2025	
	Number of Shares	Weighted average exercise price	Number of Shares	Weighted average exercise price
1 Outstanding at the beginning of the year	16,562	10	37,945	10
2 Granted during the year	–	10	–	10
3 Exercised during the year	(8,278)	10	(21,383)	10
4 Expired during the year	–	10	–	10
5 Outstanding at the end of the year	8,284	10	16,562	10

Options vested but not exercised on 31st March, 2026 - 8,284 options

Share Options Exercised in the Year

Particulars	Year end March 31, 2026			Year end March 31, 2025		
	Number Exercised	Exercise Date	Share Price at Exercise Date	Number Exercised	Exercise Date	Share Price at Exercise Date
Equity Settled						
1 Series 5 Granted on February 28, 2019	–	–	–	13,105	April 23 2024	145.02
2 Series 6 Granted on March 12, 2021	8,278	April 23 2024	145.02	8,278	April 23 2024	145.02

The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans were as follows.

Share Option Programmes

Particulars	Series 1		Series 2		Series 3		Series 4		Series 5		Series 6	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Share price at grant date	177.35	177.35	158.30	158.30	138.75	138.75	176.25	176.25	92.90	92.90	157.50	157.50
Exercise price	10	10	10	10	10	10	10	10	10	10	10	10
Expected volatility (weighted-average)	55%	55%	55%	55%	49%	49%	46%	45%	42%	41%	50%	–
Expected life/Option Life (weighted-average)	5.5 Years	5.5 Years	5.5 Years	5.5 Years	5.5 Years	5.5 Years	5.5 Years	5.0 Years	4.5 Years	4.0 Years	3.5 Years	–
Expected dividends yield	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	0.54%	0.54%	0.76%	–
Risk-free interest rate (based on government bonds)	8.06%	8.06%	8.06%	8.06%	6.33%	6.33%	6.94%	6.89%	7.19%	7.13%	5.00%	–

Expected early exercise option is not considered in the assumption at the time of valuation. Hence relevant disclosure is not applicable.

The fair value of the employee share options has been measured using the Black-Scholes option Pricing formula.

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term. The expected term of the instruments has been based on historical experience and general option holder behaviour.

NOTE NO. 21 - FINANCE COST

Particulars	Rs. in Crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Interest expense on financial liabilities measured at amortised cost		
– On credit facilities from Banks	1.44	2.06
– On trade creditors	0.01	–
– On related party Loan	1.62	0.13
(b) Interest expense on Lease Rental (Refer Note 26)	0.01	0.03
(c) Interest expense on delayed payment of taxes	0.05	–
(d) Interest expense on other borrowing cost		
Processing fees / Guarantee Commission	0.01	0.02
Unwinding of discount on provisions	0.00	0.04
Total finance costs	3.14	2.28

Particulars	Rs. in Crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Expenses		
On Financial Liability at Amortised Cost	3.07	2.19

NOTE NO. 22 - OTHER EXPENSES

Particulars	Rs. in Crores	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Stores consumed	1.11	0.76
Power & Fuel	4.76	4.94
Rent including lease rentals	3.12	3.00
Rates and taxes	0.02	0.15
Insurance	0.33	0.23
Repairs and maintenance - Buildings	0.06	0.01
Repairs and maintenance - Machinery	0.87	1.68
Repairs and maintenance - Others	0.38	0.40
Commission on sales	20.97	20.18
Freight outward	8.95	8.76
Travelling and Conveyance Expenses	4.97	4.54
Subcontracting, Hire and Service Charges	10.93	9.87
Expected Credit Loss	5.67	6.31
Net loss on foreign currency transactions	0.01	0.06
Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	0.21	0.20
(ii) For Other Services	0.25	0.21
(iii) For Reimbursement of Expenses	0.03	0.02
Legal and other professional costs	3.58	3.35
Site Expenses	44.33	32.23
Provision for warranty	0.29	0.36
Loss on sale / written off assets	0.04	0.01
Directors' Fees and Commission	0.11	0.09
Other General Expenses	4.47	4.06
Total other expenses	115.46	101.44

NOTE NO. 23 - EARNINGS PER SHARE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit for the year for basic and diluted EPS (Rs. in Crores)	12.69	7.21
Weighted average number of Equity shares used in computing basic EPS	27,942,105	27,932,899
Effect of potential Equity share on employee stock options	7,677	15,299
Weighted average number of equity shares used in computing of diluted EPS	27,949,783	27,948,198
Basic Earnings per share (Rs.) (Face value of Rs. 10 per share)	4.54	2.58
Diluted Earnings per share (Rs.) (Face value of Rs. 10 per share)	4.54	2.58

NOTE NO. 24 - FINANCIAL INSTRUMENTS**I Capital management**

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern.
- to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

II Categories of financial assets and financial liabilities

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Net Debt and Equity is given in the table below:

Particulars	Rs. in Crores	
	As at March 31, 2026	As at March 31, 2025
Total Shareholders' Equity as reported in Balance Sheet	185.05	172.61
Net Debts		
- Short term debt	45.21	25.19
Gross Debt	45.21	25.19
Less:		
- Cash and cash equivalents	0.03	1.69
Net Debts	45.18	23.50
Total Capital deployed	230.23	196.11

Particulars	Rs. in Crores			
	As at March 31, 2026			
	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Trade Receivables	30.14	–	–	30.14
Other Financial Assets	2.09	–	–	2.09
Current Assets				
Trade Receivables	216.92	–	–	216.92
Cash and Cash Equivalents	0.03	–	–	0.03
Other Bank Balances	1.57	–	–	1.57
Other Financial Assets	1.04	–	–	1.04
Non-current Liabilities				
Lease Liability	0.04	–	–	0.04
Current Liabilities				
Lease Liability	0.06	–	–	0.06
Borrowings	45.21	–	–	45.21
Trade Payables	94.54	–	–	94.54
Other Financial Liabilities	9.70	–	–	9.70

Rs. in Crores

As at March 31, 2025

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Trade Receivables	3.11	—	—	3.11
Other Financial Assets	1.48	—	—	1.48
Current Assets				
Trade Receivables	173.36	—	—	173.36
Cash and Cash Equivalents	1.69	—	—	1.69
Other Bank Balances	2.10	—	—	2.10
Other Financial Assets	0.72	—	—	0.72
Non-current Liabilities				
Lease Liability	0.10	—	—	0.10
Current Liabilities				
Lease Liability	0.11	—	—	0.11
Borrowings	25.19	—	—	25.19
Trade Payables	71.58	—	—	71.58
Other Financial Liabilities	10.40	—	—	10.40

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK**Credit risk management**Definition of default

The financial services business considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower becomes 90 days past due on its contractual payments.

Credit risk arises when a counterparty defaults on its contractual obligations to pay, resulting in financial loss to the Company. The company has dealings with government organisation for subsidy related transaction and with private parties. For private non government parties credit limits are set quarterly. The Company has adopted a policy of only dealing with creditworthy non government parties and obtaining security cheques, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and credit worthiness of such parties are continuously monitored and controlled by counterparty limits that are reviewed by Credit Control function based on the approved process.

No interest is charged on overdue balance.

Trade receivables consist of a large number of customers, spread across geographical areas. On going credit evaluation is performed on the financial condition of accounts receivable. There are no non government customers who represent more than 5% of the total balance of trade receivable.

The Company applies the simplified approach to provide expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

The loss allowance provision is determined as follows:

Rs. in Crores

As at March 31, 2026

Particulars	Not due	Less than 1 Year	Non-Current	Total
Project				
Expected loss rate	0.00%	5.87%	18.94%	
Gross carrying amount	1.64	194.99	31.64	228.27
Loss allowance provision	—	11.44	5.99	17.43
Non Project				
Expected loss rate	0.00%	5.23%	16.36%	
Gross carrying amount	1.36	32.04	5.37	38.77
Loss allowance provision	—	1.68	0.88	2.56
Contract Assets	15.20	—	—	15.20

Rs. in Crores

As at March 31, 2025

Particulars	Not due	Less than 1 Year	Non-Current	Total
Project				
Expected loss rate	0.00%	11.92%	26.29%	
Gross carrying amount	2.50	178.18	3.88	184.56
Loss allowance provision	–	21.23	1.02	22.25
Non Project				
Expected loss rate	–	29.96%	41.86%	
Gross carrying amount	–	19.86	0.43	20.29
Loss allowance provision	–	5.95	0.18	6.13
Contract Assets	12.86	–	–	12.86

Reconciliation of loss allowance provision for Trade Receivables

Rs. in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Balance as at beginning of the year	28.38	38.36
Impairment losses recognised in the year based on lifetime expected credit loss		
– On receivables originated in the year	5.67	6.31
– Amounts written off during the year as uncollectible (Bad Debts)	(14.07)	(16.29)
– Amounts Recovered during the year	–	–
Balance at end of the year	19.98	28.38

The loss allowance provision has changed during the year due to recovery from debtors and business circumstances.

Cash & Cash equivalents

The Company held cash and cash equivalents with credit worthy banks of Rs. 0.03 Crores as at 31 March 2026 (Rs. 1.69 Crores as at 31 March 2025) and fixed deposits of Rs. 1.79 Crores as at 31 March 2026 (Rs. 2.10 Crores as at 31 March 2025).

LIQUIDITY RISK**(i) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short - medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include 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 the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Rs. in Crores

Particulars	Total	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities					
March 31, 2026					
Non-interest bearing	104.34	104.30	0.04	–	–
Interest bearing	45.21	45.21	–	–	–
Total	149.55	149.51	0.04	–	–
March 31, 2025					
Non-interest bearing	82.17	82.07	0.10	–	–
Interest bearing	25.19	25.19	–	–	–
Total	107.36	107.26	0.10	–	–

(iii) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Rs. in Crores				
	Total	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial assets					
March 31, 2026					
Non-interest bearing	248.56	217.05	31.51	—	—
Fixed interest rate instruments	3.23	1.39	1.12	—	0.72
Total	251.79	218.44	32.64	—	0.72
March 31, 2025					
Non-interest bearing	179.76	175.88	3.87	—	—
Fixed interest rate instruments	2.70	1.46	0.53	—	0.72
Total	182.46	177.34	4.40	—	0.72

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. As at the year end, there were no material foreign currency exposure.

The currency profile of financial assets and financial liabilities as at 31 March 2026 and 31 March 2025 are as below:

Exposure to foreign currency liabilities	Rs. in Crores			
	Trade receivables		Trade payables	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
USD	0.00	0.01	—	0.00
Equivalent INR	0.04	0.46	—	0.25

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's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from banks.

Exposure to interest rate

The Company's main interest rate risk arises from short term borrowings with variable interest rate and fixed interest rate carrying investments like fixed deposits with banks, which exposes the Company to cash flow interest rate risk.

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed rate instruments		
Financial assets (bank deposits)	3.23	2.70
Financial liabilities (Short term borrowings)	20.00	20.00
Variable rate instruments		
Financial liabilities (Short term borrowings)	25.21	5.19

Rs. in Crores

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate bank deposits and inter corporate deposit are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis for floating rate liabilities is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole period. A reasonable possible change of 100 basis points (100 bps) in interest rate at the reporting date would have increased / (decreased) profit after tax and equity by the amount shown below:

Rs. in Crores

Particulars	Profit or (loss)		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
As at March 31, 2026				
Variable-rate instruments	(0.25)	0.25	(0.18)	0.18
As at March 31, 2025				
Variable-rate instruments	(0.05)	0.05	(0.04)	0.04

Policy for write off of Financial Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the counter parties does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

NOTE NO. 25 - FAIR VALUE MEASUREMENT

The Company consider that the carrying amounts of financial assets and financial liabilities that are not measured at fair value, recognised in the financial statement approximate their fair values. All financial instruments are classified as Level 3.

NOTE NO. 26 - LEASES (REFER NOTE 2B)

In adopting Ind AS 116, the Company has applied the below practical expedients:

The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

The Company has treated the leases with remaining lease term of less than 12 months as if they were "short term leases".

The Company has excluded the initial direct costs from measurement of the right-of-use asset at the date of transition.

The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.

On transition to Ind AS 116, the Company has followed the Modified Retrospective Approach, accordingly recognised right-of-use assets amounting to Rs. 360.55 lakhs, lease liabilities amounting to Rs. 55.21 lakhs as at April 1, 2019. The Company has discounted lease payments using the applicable incremental borrowing rate as at April 1, 2019, which is 8.50% for measuring the lease liability. In view of this, the operating lease rent which was hitherto accounted under 'Other expenses' in previous periods has now been accounted as depreciation and finance costs.

The following is the movement in lease liabilities

Rs. in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Lease liabilities	0.21	0.47
Additions during the year	—	—
Finance cost	0.01	0.03
Termination of lease during the year	—	(0.16)
Payment of lease liabilities	(0.12)	(0.13)
Closing Balance	0.10	0.21

The following is the break-up of current and non-current lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Current lease liabilities	0.06	0.11
Non-current lease liabilities	0.04	0.10
Closing Balance	0.10	0.21

**Carrying Value of Right of use assets
(Refer Note 2B)**

2.85 3.00

The table below provides details regarding the contractual maturities of lease liabilities

Rs. in Crores

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	0.06	0.11
One to Three years	0.04	0.10

Rental expense recorded for short-term leases Rs. 3.12 Crores (Previous Year: Rs. 3 Crores) for the year ended 31st March, 2026.

NOTE NO. 27 - OPERATING SEGMENT

The Company is engaged in the business of Precision Farming Products and Services. The Information reported to the chief operating decision maker (CODM) [Viz, The Managing Director] for assessment of performance of business and allocation of resources is under this segment.

Accordingly, The Company has identified a single segment under Ind AS 108 - "Operating Segments".

Refer Note 17 for the analysis of revenue from it major products and services.

There is no single customer contributing 10% or more of total revenue.

NOTE NO. 28 - EMPLOYEE BENEFITS**(a) Defined Contribution Plan:**

The Company's contribution to Provident Fund Rs. 1.12 Crores (year ended March 31, 2025 : Rs. 1.09 Crores) and Superannuation Fund Rs. 0.25 Crores (year ended March 31, 2025 : Rs. 0.42 Crores) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

Through its defined plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to government bond yields; if plan assets under perform compared to the government bond discount rate, this will create or increase a deficit. The defined benefit plans hold on investment with LIC, which are expected to perform in line with government bonds in the long-term.

The company believes that due to the long-term nature of the plan liabilities, investments of funds with LIC is an appropriate element of the Company's long term strategy to manage the plans efficiently.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan assets.

Life expectancy

The plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities.

Defined benefit plans - as per actuarial valuation

Rs. in Crores		
Particulars	Funded Plan	
	Gratuity	
	2026	2025
Ia. Expense recognised in the Statement of Profit and Loss		
1. Current service cost	0.63	0.29
2. Interest cost	0.24	0.22
3. Expected return on plan assets	(0.45)	(0.32)
	<u>0.42</u>	<u>0.18</u>
Ib. Included in other Comprehensive Income		
1. Return on plan assets	(0.10)	0.04
2. Actuarial (Gain)/Loss on account of:		
– Demographic Assumptions	–	(0.08)
– Financial Assumptions	0.54	0.06
– Experience Adjustments	(0.07)	(0.08)
	<u>0.37</u>	<u>(0.06)</u>
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amount included in net interest expense)	(0.10)	0.04
Actuarial gains and loss arising from changes in financial assumptions	0.54	0.06
Actuarial gains and loss arising from experience adjustments	(0.07)	(0.08)
Others (describe)		
– Demographic Assumptions	–	(0.08)
Actuarial gains and loss arising from components of defined benefit costs recognised in other comprehensive income	<u>0.37</u>	<u>(0.06)</u>
Total	<u>0.79</u>	<u>0.12</u>

Rs. in Crores		
Particulars	Funded Plan	
	Gratuity	
	2026	2025
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31st March	6.86	3.72
2. Fair value of plan assets as at 31st March	6.63	4.92
3. Surplus/(Deficit)	(0.23)	1.20
4. Current portion of the above	–	–
5. Non current portion of the above	(0.23)	1.20
II. Change in the obligation during the year		
1. Present value of defined benefit obligation at the beginning of the year	3.72	3.75
2. Expenses Recognised in Profit and Loss Account		
– Current Service Cost	0.63	0.29
– Interest Cost	0.24	0.22
– Past Service Cost -(Vested Benefits)	2.29	–
3. Recognised in Other Comprehensive Income Remeasurement gains / (losses)		
– Actuarial Gain (Loss) arising from:	–	–
– Demographic Assumptions	–	(0.09)
– Financial Assumptions	0.54	0.06
– Experience Adjustments	(0.07)	(0.08)
4. Benefit payments	(0.48)	(0.43)
5. Present value of defined benefit obligation at the end of the year	<u>6.86</u>	<u>3.72</u>
III. Change in fair value of assets during the year		
1. Fair value of plan assets at the beginning of the year	4.92	4.57
2. Adjustment to Opening Fair Value of the Asset	–	0.07
3. Expenses Recognised in Profit and Loss Account		
– Expected return on plan assets	0.36	0.32
4. Recognised in Other Comprehensive Income Remeasurement gains/ (losses)	–	–
– Actual Return on plan assets in excess of the expected return	–	(0.04)
– Others (specify)	0.10	–

Rs. in Crores			
Particulars		Funded Plan	
		Gratuity	
		2026	2025
5.	Contributions by employer (including benefit payments recoverable)	1.26	—
6.	Benefit payments	—	—
7.	Fair value of plan assets at the end of the year	6.64	4.92
IV. The Major categories of plan assets			
—	Funds Managed By Insurer (LIC of India)	6.64	4.92
V. Actuarial assumptions			
1.	Discount rate	6.44%	6.35%
2.	Expected rate of return on plan assets	6.00%	6.00%
3.	Salary escalation	6.00%	3.00%
4.	Mortality Rate disclosure	IALM (2012–14) Ult.	IALM (2012–14) Ult.
5.	Attrition rate	17.74%	17.23%

The sensitivity analysis of the defined benefit obligation to changes in the weighted principal assumptions is:

Rs. in Crores				
Impact on defined benefit obligation				
Principal assumption		Changes in assumption	Increase in assumption	Decrease in assumption
Discount rate	2026	1.00%	0.22	0.24
	2025	1.00%	0.11	0.11
Salary growth rate	2026	1.00%	0.20	0.19
	2025	1.00%	0.10	0.09

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

Rs. in Crores		
Maturity profile of defined benefit obligation:	2026	2025
Within 1 year	1.61	1.03
1 - 2 year	1.29	0.60
2 - 3 year	1.02	0.59
3 - 4 year	0.97	0.48
4 - 5 year	0.84	0.48
5 - 10 year	2.17	1.15

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Rs. in Crores		
	2026	2025
Weighted average remaining duration of Defined Benefit Obligation (No of Years)	3.14	3.59
Rs. in Crores		
	2026	2025
Expected contribution to the plan for next financial year:	1.61	1.03

NOTE NO. 29 - RELATED PARTY DISCLOSURES

Name of the parent Company	Relationship
Mahindra and Mahindra Limited	Parent Company
Other related parties with whom transaction have been undertaken	
Mahindra Agri Solutions Limited	Fellow subsidiary
Mahindra Lifespace Developers Limited	Fellow subsidiary
Mahindra Integrated Business Solutions Private Limited	Fellow subsidiary
Marvel Solren Private Limited	Fellow subsidiary
Mahindra & Mahindra Financial Services Limited	Fellow subsidiary
Mahindra Top Greenhouses Private Limited	Joint Venture
Mr. Ramesh Ramachandran	Key Management Personnel (Managing Director)
Mr. Abhijit Page	Key Management Personnel (Chief Executive Officer)
Ms. Sunetra Ganesan	Key Management Personnel (Chief Financial Officer) - Till 30th April 2025
Mr. Giriraj Mohta	Key Management Personnel (Chief Financial Officer) - From 1st May 2025
Mr. Ratnakar Nawghare	Key Management Personnel (Company Secretary)

Details of transaction between the Company and its related parties are disclosed below:

Rs. in Crores		
Nature of transactions with Related Parties	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of goods		
Mahindra and Mahindra Limited - Auto Division	0.06	—
Purchase of Goods & Services		
Marvel Solren Pvt Ltd	0.17	0.18
Purchase of Vehicle		

Rs. in Crores

Nature of transactions with Related Parties	For the year ended March 31, 2026	For the year ended March 31, 2025
Mahindra and Mahindra Ltd	–	0.28
Interest on Inter Corporate Deposits		
Mahindra and Mahindra Ltd	1.62	0.13
Inter Corporate Deposits Taken		
Mahindra and Mahindra Ltd	45.00	20.00
Inter Corporate Deposits Repaid		
Mahindra and Mahindra Ltd	45.00	–
Remuneration		
Mr. Ramesh Ramachandran*	0.24	0.24
Mr. Abhijit Page	0.91	0.97
Ms. Sunetra Ganesan	0.21	0.80
Mr. Giriraj Mohta	0.76	–
Mr. Ratnakar Navghare	0.33	0.36
Business Support Services		
Mahindra and Mahindra Limited	1.39	1.25
Mahindra and Mahindra Limited - Farm Division	–	0.03
Reimbursement of Expenses to		
Mahindra & Mahindra Financial Services Limited - (Lease Expenses)	0.03	–
Reimbursement of Expenses from		
Mahindra Top Greenhouses Private Limited	–	0.00
Mahindra and Mahindra Limited - Tractor Division (Transfer of employees)	0.43	–

Rs. in Crores

Nature of transactions with Related Parties	For the year ended March 31, 2026	For the year ended March 31, 2025
Professional Fees		
Mahindra and Mahindra Limited	0.28	0.47
Mahindra Integrated Business Solutions Pvt Ltd	0.02	0.02

Rs. in Crores

Nature of Balances with Related Parties	As at March 31, 2026	As at March 31, 2025
Trade payables		
Mahindra and Mahindra Limited (HO)	0.67	0.41
Mahindra Integrated Business Solutions Pvt Ltd	0.00	0.00
Mahindra Agri Solutions Ltd	0.09	0.02
Mahindra & Mahindra Financial Services Limited	0.02	–
Marvel Solren Pvt Ltd	0.01	–
Trade Receivables		
Mahindra Lifespace Developers Ltd	0.03	0.03
ICD Payable		
Mahindra and Mahindra Limited (HO) - Principal	20.00	20.00
Mahindra and Mahindra Limited (HO) - Interest	0.01	0.13

* Company has incurred Rs. 0.24 Crores (March 31, 2025 Rs. 0.24 Crores) for key managerial personnel services provided by Mahindra Agri Solutions Limited.

The noting of the Inter Corporate Deposit (ICD) of Rs. 20 Crore taken on 30 March 2026 (aggregate of Rs. 45 Crores during the year ended 31 March 2026) will be placed before the shareholders at the forthcoming meeting. The said ICD has since been repaid in full on 9 April 2026.

Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Rs. in Crores

Particulars	Year ended March 31, 2026						Year ended March 31, 2025					
	Directors	Managing Director	Chief Executive Officer	Chief Financial Officer	Company Secretary	Total	Directors	Managing Director	Chief Executive Officer	Chief Financial Officer	Company Secretary	Total
Remuneration	–	0.24	0.91	0.97	0.33	2.45	–	0.24	0.97	0.80	0.36	2.37
Fees for attending board committee meetings	0.08	–	–	–	–	0.08	0.09	–	–	–	–	0.09
Commission to independent directors	0.03	–	–	–	–	0.03	–	–	–	–	–	–
Share-based payment	–	–	–	–	–	–	–	–	–	–	–	–

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

NOTE NO. 30 - CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities (to the extent not provided for)	Rs. in Crores	
	As at March 31, 2026	As at March 31, 2025
Contingent liabilities		
Claims against the Company not acknowledged as debt:		
(i) Demands against the Company, relating to issues of availment of credits, valuation, deductibility and taxability in respect of which the company is in appeal / Department is in appeal:		
– Income tax matters	2.65	3.20
– Excise duty	–	2.38
– Service Tax	32.80	28.96
– Sales Tax	0.09	0.09
– Goods and Service Tax (GST)	5.86	12.36
(ii) Other Claims	0.29	0.27
Total	41.70	47.26

Note: In respect of items mentioned above the timing of outflows of economic benefits is not practical to be ascertained, till the matters are decided by relevant authorities.

The Company's pending litigations comprise of claims against the Company and pertaining to proceedings pending with various direct tax, indirect tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its standalone financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

Additional regulatory information**NOTE NO. 34A - RATIO ANALYSIS AND ITS ELEMENTS**

Ratio	Numerator	Denominator	FY 2026	FY 2025	% Change	Remarks
Debtors Turnover (Days)	Average Debtors	Net Sales	276	263	5.1%	No major change
Inventory Turnover (Times)	COGS	Average Inventory	3.58	2.91	22.9%	On account of increase in operation and profits of the Company
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	7.71	8.20	-5.9%	No major change
Current Ratio (Times)	Total Current Assets	Total Current Liabilities	1.74	2.13	-18.5%	No major change
Debt Equity Ratio (Times)	Debt	Shareholders Equity	0.24	0.15	67.4%	Due to increase in current borrowings during the year.
Net Profit Margin (%)	PAT	Net Sales	4.1%	2.6%	53.8%	On account of increase in operation and profits of the Company
Return on Equity (%)	PAT	Net Worth	7.1%	4.4%	61.7%	On account of increase in operation and profits of the Company
Trade Payable Turnover (Days)	Average Trade Payables	Net Purchases	226	201	12.8%	No major change
Return on Capital employed	EBIT	Capital Employed	9.6%	6.6%	46.3%	On account of increase in operation and profits of the Company
Working Capital Turnover Ratio	Net Sales	Average Working Capital	2.55	2.04	25.2%	On account of increase in operation and profits of the Company
Return on Investments	Income generated from invested fund	Average invested funds in treasury investment	5.8%	6.2%	-6.8%	No major change

NOTE NO. 31 - COMMITMENTS

Particulars	Rs. in Crores	
	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for in respect of Tangible assets.	0.15	–

NOTE NO. 32 - DIVIDEND

The Board has recommended a dividend of Rs. Nil per equity share (FY 24-25 Rs.- Nil Per equity share).

NOTE NO. 33 - EVENT OCCURRING AFTER THE REPORTING PERIOD

No material events have occurred between the Balance sheet date and before the date of approval of financials statements by Board of Directors.

NOTE NO. 34 DISCLOSURE OF INTEREST IN JOINT VENTURE AS PER IND AS 112 AND AS PER SECTION 186 OF COMPANIES ACT, 2013.

(a) Details of the Joint Venture at the end of the reporting period are as follows:

Name of the Joint Venture	Place of incorporation & place of operation	Rs. in Crores	
		Proportion of Ownership	
		As at 31 st March	
		2026	2025
Mahindra Top Greenhouses Private limited (MTGPL)*	Nashik, India.	60%	60%

* MTGPL - Business of Protected Cultivation Technology products

NOTE NO. 34B - ADDITIONAL REGULATORY INFORMATION

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Company has 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (iv) The Company has neither declared nor paid any dividend during the year.
- (v) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (vi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (viii) The Company has reviewed the transactions to identify if there are any transactions with struck off companies. To the extent information is available, there are no such transactions.
- (ix) The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (x) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

NOTE NO. 35 - DISCLOSURE UNDER RULE 11(E) OF THE COMPANIES RULES 2014

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (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 NO. 36 - EXCEPTIONAL ITEMS

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively "new Labour Codes") - consolidating 29 existing labour laws. In accordance with the new Labour Codes, the Company has estimated the incremental impact on retiral benefits to be Rs. 2 Crore. This has been presented under "Exceptional Items" in the standalone statement of profit and loss. The Company continues to monitor developments on the Rules to be notified by regulatory authorities, including clarifications/ additional guidance from authorities and will continue to assess the accounting implications, basis such developments/guidance.

NOTE NO. 37 - APPROVAL OF STANDALONE FINANCIAL STATEMENTS

The standalone financial statements of the Company were approved by the Board of Directors and authorised for issue on April 21, 2026.

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Sucheta Kolhatkar
Partner
Membership no. 114192

Place: Nashik
Date: April 21, 2026

For and on behalf of the Board of Directors

Ramesh Ramachandran
Managing Director
DIN-09562621
Place: Nashik

Abhijit Page
Chief Executive Officer
Place: Nashik

R. V. Nawghare
Company Secretary
Membership no. A8458
Place: Nashik
Date: April 21, 2026

Ami Goda
Director
DIN-09136149
Place: Nashik
Giriraj Mohta
Chief Financial Officer
Place: Nashik

INDEPENDENT AUDITOR'S REPORT

To the Members of Mahindra Top Greenhouses Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Mahindra Top Greenhouses Private Limited** (the "Company") which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India relating to the liquidation basis of accounting, of the state of affairs of the Company as at 31 March 2026, and its loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter(s)

- a. We draw attention to Note 13 to the financial statements, which explains that in view of decision of the Board of Directors of the Company to discontinue company's business operations, the going concern assumption is not appropriate for the preparation of financial statements of the Company as at and for the year ended 31 March 2026. Accordingly, the financial statements of the Company have been prepared on a liquidation basis i.e. assets are measured at lower of carrying amount and estimated net realisable values and liabilities are stated at their estimated settlement amounts in the financial statements.

Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit loss and

other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India relating to the liquidation basis of accounting, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

an opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. In the present case, liquidation basis of accounting has been used since the Management and Board of Directors have concluded that the use of going concern basis is not appropriate in the facts and circumstances as stated in Note 13.
- 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 Page 2 of 4 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. The report does not include a statement on the matters specified on paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act as applicable to liquidation basis of accounting.
- e. The matter that financial statements have been prepared on a liquidation basis as described in the Emphasis of Matter paragraph above, in our opinion, has an adverse effect on the functioning of the Company.
- f. On the basis of the written representations received from the directors as on 1 April, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- g. The Company has been exempted from the requirement of its auditor reporting on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls (clause (i) of Section 143(3)).

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

- a. The Company does not have any pending litigations which would impact its financial position.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 14(C) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other

persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 14(C) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, the Company has used an 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- C With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Sucheta Kolhatkar

Partner

Membership No.: 114192

ICAI UDIN: 26114192QNKNFE2285

Place: Nashik

Date: 21 April 2026

BALANCE SHEET AS AT MARCH 31, 2026

Particulars	Note No.	Rs. in Lakhs	
		As at March 31, 2026	As at March 31, 2025
ASSETS			
I CURRENT ASSETS			
(a) Financial Assets			
(i) Cash and Cash Equivalents	2 (a)	3.08	1.42
(ii) Other Bank Balances	2 (b)	—	4.26
Total Current Assets		3.08	5.68
II Total Assets		3.08	5.68
EQUITY AND LIABILITIES			
III EQUITY			
(a) Equity Share Capital	3	300.00	300.00
(b) Other Equity		(297.29)	(295.60)
Total Equity		2.71	4.40
V CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Trade Payables			
a) total outstanding dues of micro and small enterprises			
b) total outstanding dues of creditors other than micro and small enterprises	4	0.37	1.28
Total Current Liabilities		0.37	1.28
VI Total Liabilities (V+VI)		0.37	1.28
VII Total Equity and Liabilities (IV+VII)		3.08	5.68
The accompanying notes 1 to 15 are an integral part of the Financial Statements		1-15	

In terms of our report attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022

For and on behalf of the Board of Directors**Sucheta Kolhatkar**

Partner

Membership no. 114192

Place : Nashik

Date : April 21, 2026

Giriraj Mohta

Chief Financial Officer

Place : Nashik

Date : April 17, 2026

Abhijit Page

Director

DIN-08797913

Place : Nashik

Date : April 17, 2026

Meghnad Mitra

Director

DIN-01802612

Place : Nashik

Date : April 17, 2026

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

Particulars	Note No.	For the year ended March 31, 2026	Rs. in Lakhs For the year ended March 31, 2025
II Other Income	5	0.16	0.39
III Total Income (I+II)		0.16	0.39
IV EXPENSES			
(d) Other expenses	6	1.85	2.42
Total Expenses (IV)		1.85	2.42
V Loss before tax (III-IV)		(1.69)	(2.03)
VI Tax Expense		–	–
VII Loss after tax for the period (V-VI)		(1.69)	(2.03)
VIII Other comprehensive income		–	–
IX Loss for the year (VII+VIII)		(1.69)	(2.03)
X Earnings per equity share			
Basic and Diluted (Face value Rs. 10 per share)	7	(0.06)	(0.07)
The accompanying notes 1 to 15 are an integral part of the Financial Statements	1-15		

In terms of our report attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022

For and on behalf of the Board of Directors**Sucheta Kolhatkar**

Partner

Membership no. 114192

Place : Nashik

Date : April 21, 2026

Giriraj Mohta

Chief Financial Officer

Place : Nashik

Date : April 17, 2026

Abhijit Page

Director

DIN-08797913

Place : Nashik

Date : April 17, 2026

Meghnad Mitra

Director

DIN-01802612

Place : Nashik

Date : April 17, 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

Particulars	For the year ended March 31, 2026	Rs. in Lakhs For the year ended March 31, 2025
Cash flow from operating activities		
Loss before tax for the year	(1.69)	(2.03)
Adjustments for:		
Interest Income	(0.16)	(0.09)
	(1.85)	(2.12)
Movements in working capital:		
(Decrease) in trade receivables	(0.91)	(1.93)
(Decrease) in other Financial and Non financial current liabilities	–	(0.12)
	(0.91)	(2.05)
Cash used in operations	(2.76)	(4.17)
Net cash (used) in operating activities	(2.76)	(4.17)
Cash flows from investing activities		
Fixed deposits matured during the year	4.26	–
Interest received	0.16	0.09
Net cash generated from investing activities	4.42	0.09
Net decrease in cash and cash equivalents	1.66	(4.08)
Cash and cash equivalents at the beginning of the year	1.42	5.50
Cash and cash equivalents at the end of the year	3.08	1.42
The accompanying notes 1 to 15 are an integral part of the Financial Statements	1-15	

In terms of our report attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022

For and on behalf of the Board of Directors**Sucheta Kolhatkar**

Partner

Membership no. 114192

Place : Nashik

Date : April 21, 2026

Giriraj Mohta

Chief Financial Officer

Place : Nashik

Date : April 17, 2026

Abhijit Page

Director

DIN-08797913

Place : Nashik

Date : April 17, 2026

Meghnad Mitra

Director

DIN-01802612

Place : Nashik

Date : April 17, 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

A. Equity share capital	No. of Equity Shares	Rs. in Lakhs
		Total
As at March 31, 2024	3,000,000.00	300.00
Restated Balance as at March 31 2024	3,000,000.00	300.00
Issue of equity shares	—	—
As at March 31, 2025	3,000,000.00	300.00
Restated Balance as at March 31 2025	3,000,000.00	300.00
Issue of equity shares	—	—
As at March 31, 2026	3,000,000.00	300.00

B. Other Equity

Particulars	Retained Earnings	Rs. in Lakhs
		Total
Balance as at March 31, 2024	(293.57)	(293.57)
Loss for the year	(2.03)	(2.03)
Balance as at March 31, 2025	(295.60)	(295.60)
Loss for the year	(1.69)	(1.69)
Balance as at March 31, 2026	(297.29)	(295.60)

See accompanying notes to the financials statements.

1-24

Retained earnings: Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years.

The reserve can be utilized or distributed by the Company in accordance with the provisions of the Companies Act, 2013.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022

Sucheta Kolhatkar

Partner

Membership no. 114192

Place : Nashik

Date : April 21, 2026

For and on behalf of the Board of Directors**Giriraj Mohta**

Chief Financial Officer

Place : Nashik

Date : April 17, 2026

Abhijit Page

Director

DIN-08797913

Place : Nashik

Date : April 17, 2026

Meghnad Mitra

Director

DIN-01802612

Place : Nashik

Date : April 17, 2026

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Note No. 1 - Corporate information and material accounting policies

A. Corporate Information

Mahindra Top Greenhouses Private Limited was incorporated on November 16, 2018 under the Companies Act, 2013. It is engaged in the business of Protected cultivation Technology products. The Company is a joint venture of Mahindra EPC Irrigation Limited and Top Greenhouses Ltd., Israel.

B. Statement of compliance

- i) The financial statements have been prepared on liquidation basis as the going concern assumption is no longer appropriate. Refer note 13 on Going Concern.
- ii) The company does not have an intention to carry out operations and hence the going concern assumption is no longer appropriate. Thus, the financial statements are prepared and presented under liquidation basis of accounting whereby the carrying values of all assets have been stated at their realizable value and all liabilities have been stated at their settlement values as at 31 March 2025 and 31 March 2026.
- iii) These financial statements were approved by the Company's Board of Directors and authorised for issue on 17 April 2026.

C. Basis of preparation and presentation

The financial statements have been prepared on liquidation basis as the going concern assumption is no longer appropriate. Refer Note 13 on going concern.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such basis.

In addition, for financial reporting purposes, fair value measurements are categorised 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 (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within 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.

D. Functional and presentation currency

These financial statements are presented in Indian Rupees ('Rupees') which is also the Company's functional currency. All amounts are rounded-off to the nearest rupee in lakhs (two decimals), unless otherwise indicated.

E. Other income:

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

These income are recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably.

F. Financial instruments:

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

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

Classification and subsequent measurement

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets:

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (contd.)Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

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

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

G. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an on going basis. Revisions to estimates are recognised prospectively.

Following are areas that involved a higher degree of estimate and judgement or complexity in the carrying amount of some assets and liabilities.

- Provision for warranty claims (Refer Note 9)
- Going Concern (Refer Note 13)

Detailed information about each of these estimates and judgements that have a significant risk of resulting in material adjustment within the next financial year is included in relevant notes for the above items.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (contd.)**Note No. 2 (a) - Cash and Cash Equivalents**

Particulars	As at March 31, 2026	Rs. in Lakhs As at March 31, 2025
Cash and cash equivalents		
Balance with bank		
- Current Accounts	3.08	1.42
Total Cash and cash equivalents	3.08	1.42

Note No. 2 (b) - Other Bank Balances

Particulars	As at March 31, 2026	Rs. in Lakhs As at March 31, 2025
Other Bank Balances		
- Interest accrued on deposits	-	0.51
- Fixed Deposits with original maturity more than 3 months but less than 12 months*	-	3.75
Total Other Bank Balances	-	4.26

* The company has a lien on its bank deposits aggregating to NIL (31st March 2025 Rs. 3.75 lakhs).

Note No. 3 - Equity Share Capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
Authorised				
Equity shares of Rs. 10 each	3,000,000	300.00	3,000,000	300.00
Issued				
Equity shares of Rs. 10 each	3,000,000	300.00	3,000,000	300.00
Subscribed and fully paid up				
Equity shares of Rs. 10 each	3,000,000	300.00	3,000,000	300.00
Total	3,000,000	300.00	3,000,000	300.00

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars		Opening Balance	Issued during the year	Rs. in Lakhs Closing Balance
Equity shares	No. of Shares	3,000,000	-	3,000,000
	Amount	300.00	-	300.00

Rights, preferences and restrictions attached to equity shares

The Company is having only one class of equity shares having par value of Rs. 10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Details of shares held by each promoter at the end of the year:

31 March 2026

Name of promoter	As at March 31, 2026		As at March 31, 2025		% Change
	Number of shares	% of shares	Number of shares	% of shares	
Equity shares					
Mahindra EPC Irrigation Limited	1,800,000	60.00%	1,800,000	60.00%	0.0%
Top Greenhouses Limited, Israel	1,200,000	40.00%	1,200,000	40.00%	0.0%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (contd.)

31 March 2025

Name of promoter	As at March 31, 2025		As at March 31, 2024		% Change
	Number of shares	% of shares	Number of shares	% of shares	
Equity shares					
Mahindra EPC Irrigation Limited	1,800,000	60.00%	1,800,000	60.00%	0.0%
Top Greenhouses Limited, Israel	1,200,000	40.00%	1,200,000	40.00%	0.0%

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Authorised				
Mahindra EPC Irrigation Limited	1,800,000	60.00%	1,800,000	60.00%
Top Greenhouses Limited, Israel	1,200,000	40.00%	1,200,000	40.00%

Note No. 4 - Trade Payables

Particulars	Rs. in Lakhs	
	As at March 31, 2026	As at March 31, 2025
Current		
Trade payable - Micro and small enterprises		
Trade payable - Other than micro and small enterprises		
Unbilled dues (Accrued Expenses)	0.37	1.28
Total	0.37	1.28

Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 are as below:

(a) Dues remaining unpaid as at March 31		
Principal	-	-
Interest on the above	-	-
(b) Interest paid in terms of Section 16 of the Act, along with the amount of payment made to the supplier beyond the appointed day during the period		
Principal paid beyond the appointed date	-	-
Interest paid in terms of Section 16 of the Act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the period	-	-
(d) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
(e) Amount of interest accrued and remaining unpaid as at March 31	-	-
Due to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		

Note No. 4 - Trade payables Ageing Schedule

Ageing for trade payable outstanding as at March 31, 2026 is as follows:

Sr. No.	Particulars	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	
i	MSME	-	-	-	-	-
ii	Others	-	-	-	-	-
iii	Disputed dues - MSME	-	-	-	-	-
iv	Disputed dues - Others	-	-	-	-	-
	Total	-	-	-	-	-
v	Unbilled					0.37
	Total					0.37

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (contd.)

Ageing for trade payable outstanding as at March 31, 2025 is as follows :

		Outstanding for following periods from due date of payment				Rs. in Lakhs
Sr. No.	Particulars	Less than 1 year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
i	MSME	—	—	—	—	—
ii	Others	—	—	—	—	—
iii	Disputed dues - MSME	—	—	—	—	—
iv	Disputed dues - Others	—	—	—	—	—
	Total	—	—	—	—	—
v	Unbilled					1.28
	Total					1.28

Note No. 5 - Other Income

		Rs. in Lakhs	
		For the year ended March 31, 2025	For the year ended March 31, 2024
Particulars			
(a) <u>Interest Income - On financial assets carried at amortised cost</u>			
1) Bank deposits		0.16	0.09
(b) Interest on Income Tax refunds		—	—
(c) Other Income*		—	0.30
Total		0.16	0.39

* Other Income - Excess provision written back

Note No. 6 - Other Expenses

		Rs. in Lakhs	
		For the year ended March 31, 2025	For the year ended March 31, 2024
Particulars			
Rates and taxes		0.05	0.34
Auditors remuneration and out-of-pocket expenses			
(i) As Auditors		0.25	2.00
Legal and other professional costs		0.29	0.04
Sundry Balances Written Off		1.26	0.00
Other General Expenses		(0.00)	0.04
Total Other Expenses		1.85	2.42

Note No. 7 - Earnings per Share

		Rs. in Lakhs	
		For the year ended March 31, 2025	For the year ended March 31, 2024
Particulars			
Loss for the year for basic and diluted EPS (Rs. in Lakhs)		(1.69)	(2.03)
Weighted average number of Equity shares used in computing basic EPS		3,000,000	3,000,000
Weighted average number of equity shares used in computing of diluted EPS		3,000,000	3,000,000
Basic and Diluted Earnings per share (Rs.) (Face value of Rs. 10 per share)		(0.06)	(0.07)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (contd.)**Note No. 8 - Financial Instruments****I Capital management**

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern.
- to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	Rs. in Lakhs	
	March 31, 2026	March 31, 2025
Equity	2.71	4.40
Less: Cash and cash equivalents	(3.08)	(1.42)
	<u>(0.37)</u>	<u>2.98</u>

II Categories of financial assets and financial liabilities

Particulars	Rs. in Lakhs			
	As at March 31, 2026			Total
	Amortised Costs	FVTPL	FVOCI	
Current Assets				
Cash and Cash Equivalents	3.08	—	—	3.08
Current Liabilities				
Trade Payables	0.37	—	—	0.37

Particulars	Rs. in Lakhs			
	As at March 31, 2025			Total
	Amortised Costs	FVTPL	FVOCI	
Current Assets				
Cash and Cash Equivalents	1.42	—	—	1.42
Current Liabilities				
Trade Payables	1.28	—	—	1.28

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK**Credit risk management**

Credit risk arises when a counterparty defaults on its contractual obligations to pay, resulting in financial loss to the Company. For parties credit limits are set quarterly. The Company has adopted a policy of only dealing with creditworthy parties and obtaining security cheques, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and credit worthiness of such parties are continuously monitored.

Cash and cash equivalents and fixed deposits

The Company held cash and cash equivalents with credit worthy banks and financial institutions of Rs. 3.08 lakhs as at 31 March 2026 (31 March 2025: Rs. 1.42 lakhs) and fixed deposits of Rs. NIL lakhs as at 31 March 2026 (31 March 2025: Rs. 3.75 Lakhs)

The cash and cash equivalents and fixed deposit are held with bank and financial institution counterparties, which are rated AA- to AA+, based on CRISIL ratings.

LIQUIDITY RISK**(i) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short - medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include 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 the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (contd.)**EXPOSURE TO LIQUIDITY RISK**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

31 March 2026	Notes	Carrying amount	Total	Contractual cash flows		
				Payable within 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	4	0.37	0.37	0.37	–	–
		0.37	0.37	0.37	–	–
31 March 2025	Notes	Carrying amount	Total	Contractual cash flows		
				Payable within 1 year	1-5 years	More than 5 years
Non-derivative financial liabilities						
Trade payables	4	1.28	1.28	1.28	–	–
		1.28	1.28	1.28	–	

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Note No. 9 - Related Party Disclosures

Name of the Company	Relationship
Mahindra EPC Irrigation Limited (Formerly known as EPC Industries Limited)	JV Partner
Top Greenhouses Limited	JV Partner
Top Greenhouse Technologies Private Limited	A Subsidiary of Top Greenhouses Limited

Key Managerial Personnel

Meghnad Mitra	Director
Abhijit Page	Director
Asaf Elyahu	Director
Amiram Regev	Director
Giriraj Mohta	CFO

Note No. 10 - Current Tax and Deferred Tax

The company has incurred loss for the period in books as well as per income tax provisions. Considering the company is incurring loss, and non existence of reasonable certainty, therefore company has not recognized deferred tax assets on carry forward losses.

Note No. 11 - Segment

The company operates in only one business segment viz Business of Protected cultivation Technology products and services in India. The information reported to chief operating and decision maker (CODM) (viz Board of Director) for the assessment of performance of business and allocation of resources is under this segment. Accordingly, the company has identified the single segment under 108 – Operating segments.

The company's revenues consists of more than 10% from the one customer during the year 31 March 2026 (NIL) and 31 March 2025 (NIL).

Note No. 12 - Contingent Liabilities and Commitments

There are no Contingent liabilities and Commitments.

Note No. 13 - Going Concern -Assumption

The company does not have an intention to carry out operations and hence the going concern assumption is no longer appropriate. Thus, the financial statements are prepared and presented under liquidation basis of accounting whereby the carrying values of all assets have been stated at their realizable value and all liabilities have been stated at their settlement values as at 31 March 2026.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (contd.)**Note 14 - (A) Additional Regulator Information - Ratio Analysis and its elements**

Ratio	Numerator	Denominator	Ratios			Reasoning
			FY 2026	FY 2025	% Change	
Current Ratio (Times)	Current Assets	Current Liabilities	8.3	4.4	87.6%	Fixed Deposit encashed during the year.
Gross Profit Margin (%)	Gross Profit	Net Sales	0.0%	0.0%	25.0%	Not applicable
Return on Equity (%)	Net Profit after Taxes - Preference Dividend (if any)	Average share holders equity	-47.5%	-2.8%	1597.3%	No revenue during the year and hence only expenses represent return on Equity

Note 14 - (B)

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Company has 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (iv) The Company has neither declared nor paid any dividend during the year.
- (v) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (vi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (viii) The Company has reviewed the transactions to identify if there are any transactions with struck off companies. To the extent information is available, there are no such transactions.
- (ix) The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (x) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

Note 14 (C) - Disclosure under Rule 11(e) of the Companies Rules 2014

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (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 No. 15 - Event occurring after the Reporting period

No material events have occurred between the Balance sheet date and before the approvals of financials statements by Board of Directors.

In terms of our report attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No : 101248W/W-100022

Sucheta Kolhatkar

Partner

Membership no. 114192

Place : Nashik

Date : April 21, 2026

For and on behalf of the Board of Directors

Giriraj Mohta

Chief Financial Officer

Place : Nashik

Date : April 17, 2026

Abhijit Page

Director

DIN-08797913

Place : Nashik

Date : April 17, 2026

Meghnad Mitra

Director

DIN-01802612

Place : Nashik

Date : April 17, 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS MAHINDRA HZPC PRIVATE LIMITED

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Mahindra HZPC Private Limited** ("the Company"), which comprises of the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("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 Standard) 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, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures but does not include the financial statements and our Auditors' Report thereon.

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

In connection with our audit of the Standalone 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 Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with accounting principles generally accepted in India, including the accounting standards' specified under section 133 of the Act read with the companies (Indian Accounting Standard) Rules, 2015 as amended ("Ind AS").

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting the 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 the Audit conducted in accordance with Standards on Auditing (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 aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these Standalone financial statements.

As part of Audit in accordance with Standards on Auditing (SAs), we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 identified 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 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations gives to us, we give in "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;
- c. The Balance Sheet, the Statement of Profit and Loss and including Other Comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act;
- 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 controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements;
- g. In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, the provisions of Section 197 of the Act related to managerial remuneration are not applicable,
- 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 information and according to the explanations given to us:
 - i) The Company does not have any pending litigations, which would impact its financial position.
 - 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, 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-clauses (a) and (b) contain any material misstatement;
- v) The Company has not declared/paid/declared and paid any dividend during the year.

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

For **GMGS & Associates**
Chartered Accountants
Firm Registration No.: 030981N

(CA Krupa A Thakker)
Partner
M. No.: 223896
UDIN: 26223896ZCVSDQ5319
Place: Mumbai
Date: April 13th, 2026

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our Report of even date)**

- i. In respect of Company’s Property, plant and equipment and intangible Assets
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets. The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Property, plant and equipment and right-of-use assets are physically verified by the Management once in two years, which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. In accordance with the program, the company has physically verified the property, plant and equipment and right-of-use assets and no material discrepancies were noticed on such verification.
 - c) Based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties of land (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) disclosed in the financial statements included in property, plant and equipment, are held in the name of the Company as at the balance sheet date.
 - d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a) According to the information and explanations given to us, the inventory comprising of finished goods, work-in-progress, agricultural produce and packing materials has been physically verified at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records.
- b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets during the year, and the quarterly returns or statements filed by the company with bankers are materially in agreement with the unaudited books of accounts as certified by the management.
- iii. According to the information and explanations given to us, the Company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the company.
- iv. According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or securities to the parties covered under sections 185 and 186 and hence reporting under clause 3(iv) of the Order is not applicable to the company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts under section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Hence, reporting under clause 3(v) of the Order is not applicable to the company.
- vi. The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company and hence the reporting under Clause 3(vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
 - a) According to the information and explanations given to us, and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

- According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year 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 on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at March 31, 2026, which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 and hence reporting under clause 3(viii) of the Order is not applicable to the company.
- ix. a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) According to the information and explanations given to us, the company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.
- c) According to the information and explanations given to us and based on the audit procedure performed by us, the company has not availed any term loans during the year and hence reporting under clause 3(ix)(c) of the Order is not applicable to the company.
- d) In our opinion and according to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) The company does not have any subsidiaries, joint ventures or associates and hence reporting under Clauses 3(ix)(e) and 3(ix)(f) of the Order is not applicable to the company.
- x. a) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the company.
- b) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence 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) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the company.
- c) As represented to us by the Management, there were no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the company.
- xiii. In our opinion and according to the information and explanations given to us, the company is in compliance with section 188 of the Act with respect to the applicable transactions with the related parties and the details of related party transactions that have been disclosed in the Standalone financial statements as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.
- xiv. a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per the provision of the Act.
- b) The company did not have an internal audit system for the period under audit.

- xv. According to the information and explanation give to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors during the year and hence provisions of section 192 of the Act are not applicable to the Company, and hence reporting under clause 3(xv) of the Order is not applicable to the company.
- xvi. (a) In our opinion. the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) and (b) of the Order is not applicable to the company.
- (b) In our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, and hence the reporting under Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year, and hence the reporting under Clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors of the company during the year and hence reporting under Clause 3(xviii) of the Order is not applicable to the company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) under section 135(5) of the Act which are required to be transferred to the special account and hence reporting under clause 3(xx) (a) and (b) of the Order is not applicable to the company.
- xxi. The reporting under clause 3 (xxi) of the Order is not applicable in respect of audit of Standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **GMGS & Associates**
Chartered Accountants
Firm Registration No.: 030981N

(CA Krupa A Thakker)
Partner
M. No.: 223896
UDIN: 26223896ZCVSDQ5319
Place: Mumbai
Date: April 13th, 2026

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report of even date)

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

We have audited the internal financial controls with reference to financial statements of **Mahindra HZPC Private Limited** (“the Company”) as of March 31, 2026, in conjunction with our audit of the Standalone 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable

assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 with reference to financial statements

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 with reference to financial statements to future periods are subject to the risk that the internal financial control with respect to the financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements reporting and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to financial statements 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 **GMGS & Associates**
Chartered Accountants
Firm Registration No.: 030981N

(**CA Krupa A Thakker**)
Partner

M. No.: 223896
UDIN: 26223896ZCVSDQ5319
Place: Mumbai
Date: April 13th, 2026

BALANCE SHEET AS AT MARCH 31, 2026

		(₹ in Lacs)	
Particulars	Note No.	As at	As at
		March 31, 2026	March 31, 2025
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	3,547.17	3,575.04
(b) Capital work-in-progress	4	114.68	132.19
(c) Intangible Assets	5	—	—
(d) Financial Assets			
(i) Security Deposit	6	7.53	7.52
Total Non - current assets		3,669.38	3,714.75
2 Current assets			
(a) Inventories	7	7,849.57	5,672.17
(b) Financial Assets			
(i) Trade receivables	8	133.31	94.67
(ii) Cash and cash equivalents	9	0.11	0.01
(c) Current Tax Assets	10	11.68	11.10
(d) Other current assets	11	171.67	223.75
Total current assets		8,166.33	6,001.70
Total Assets		11,835.71	9,716.45
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	12	4,964.00	4,964.00
(b) Other Equity	12.2	(2,264.93)	(2,921.88)
Total equity		2,699.07	2,042.12
LIABILITIES			
2 Non-current liabilities			
(a) Provisions	13	90.27	68.76
(b) Lease liabilities	3.1	1,619.12	1,823.63
Total non-current liabilities		1,709.39	1,892.39
3 Current liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings	14	1,599.00	1,223.35
(ii) Trade payables	15		
Total outstanding dues of micro enterprises and small enterprises		57.76	60.35
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,143.71	2,952.34
(iii) Other financial liabilities	16	1.27	2.04
(b) Provisions	13	42.94	16.38
(c) Lease Liability	3.1	201.58	127.94
(d) Other current liabilities	17	1,381.00	1,399.53
Total current liabilities		7,427.26	5,781.94
Total equity and liabilities		11,835.71	9,716.45

The accompanying notes 1 to 35 are an integral part of the financial statements.

As per our report of even date

For GMGS & Associates

Chartered Accountants

Firm Registration No. 030981N

Krupa A Thakker

Partner

Membership No. 223896

Place: Mumbai

Date : April 13, 2026

Davinder Singh Dosanjh

Chief Executive Officer

For and on behalf of the Board of Directors of

Mahindra HZPC Private Limited

CIN: U01403MH2013PTC242474

Ramesh Ramachandran

Director

(DIN: 09562621)

Ami Goda

Director

(DIN: 09136149)

Devansh Taneja

Chief Financial Officer

(Membership no. 525214)

Himanshu Patel

Company Secretary

(Membership No. 78319)

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

Particulars	Note No.	(₹ in Lacs)	
		For the year ended March 31, 2026	For the year ended March 31, 2025
INCOME			
I Revenue from operations	18	9,368.21	8,666.19
II Other Income	19	52.21	28.40
III Total Income (I + II)		9,420.42	8,694.59
IV EXPENSES			
(a) Purchases of stock-in-trade	20(a)	5,924.99	4,629.18
(b) Changes in inventories of stock-in-trade and work-in-progress	20(b)	(2,294.87)	(1,187.51)
(c) Cost of packing materials consumed	20(c)	203.92	118.49
(d) Employee benefits expense	21	869.67	815.54
(e) Finance costs	22	312.09	324.78
(f) Depreciation and amortisation expense	3	373.88	347.39
(g) Other expenses	23	3,372.15	2,594.73
Total expenses (IV)		8,761.83	7,642.60
V Profit before tax (III - IV)		658.59	1,051.99
VI Tax expense			
(1) Current tax		3.39	—
(2) Deferred tax	24	—	—
Total tax expense		3.39	—
VII Profit for the year (VII - VIII)		655.20	1,051.99
VIII Other Comprehensive Income			
(i) Items that will not be recycled to profit or loss			
(a) Remeasurements gain of the defined benefit plan	25	2.32	4.92
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.58)	(1.24)
B (i) Items that may be reclassified to profit or loss		—	—
(ii) Income tax on items that may be reclassified to profit or loss		—	—
(b) Income tax on above		—	—
IX Total Comprehensive Income for the year (IX + X)		656.94	1,055.67
X Earnings per equity share			
(1) Basic	26	1.32	2.12
(2) Diluted		1.32	2.12

The accompanying notes 1 to 35 are an integral part of the financial statements.

As per our report of even date
For GMGS & Associates
Chartered Accountants
Firm Registration No. 030981N

Krupa A Thakker
Partner
Membership No. 223896
Place: Mumbai
Date : April 13, 2026

Davinder Singh Dosanjh
Chief Executive Officer

For and on behalf of the Board of Directors of
Mahindra HZPC Private Limited
CIN: U01403MH2013PTC242474

Ramesh Ramachandran
Director
(DIN: 09562621)

Devansh Taneja
Chief Financial Officer
(Membership no. 525214)

Ami Goda
Director
(DIN: 09136149)

Himanshu Patel
Company Secretary
(Membership No. 78319)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

Particulars	(₹ in Lacs)	
	For the Year ended March 31, 2026	For the Year ended March 31, 2025
A. Cash flow from operating activities		
Profit before tax	658.59	1,051.99
Adjustments for:		
Interest on deposit with bank	(16.32)	(16.32)
Interest expenses on borrowings/Lease	312.09	324.78
Profit on sale of mutual fund units	(13.47)	—
Gain on Lease modification	(14.39)	—
Gain on foreign currency transactions	(2.94)	—
Actuarial Gain recognised in the year (employee benefit)	1.74	3.68
Profit on sale of property, plant and equipment (net)	(1.28)	(3.20)
Provision / (reversal) for credit loss allowance	—	—
Depreciation and amortisation expense	373.88	347.39
Operating Profit before working capital changes	1,297.90	1,708.32
Adjustments for:		
Decrease/(Increase) in trade receivables	(38.64)	(19.00)
Decrease/(Increase) in inventories	(2,177.40)	(1,339.95)
Decrease/(Increase) in other assets	52.07	(20.49)
(Decrease)/Increase in trade and other payables	1,169.03	645.70
(Decrease)/Increase in provisions	48.07	12.17
	(946.86)	(721.57)
Cash generated from operations	351.04	986.75
Income tax paid	(0.58)	(7.99)
Net cash from/(used in) operating activities	350.46	978.76
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(379.77)	(606.30)
Proceeds from sale of property, plant and equipment	1.73	6.74
Purchase of mutual funds	(2,265.00)	—
Sale of mutual funds	2,278.47	—
Interest received on fixed deposits with bank	16.32	16.32
Net cash (used in)/from investing activities	(348.25)	(583.25)
C. Cash flow from financing activities		
(Repayment of)/Proceeds from borrowings	375.65	(158.93)
Payments for the principal portion of the lease liability	(65.67)	(12.52)
Payments for the interest portion of the lease liability	(198.69)	(115.72)
Interest paid	(113.40)	(108.34)
Net cash (used in)/from financing activities	(2.11)	(395.51)
Net changes in cash and cash equivalents	0.10	—
Cash and cash equivalents at the beginning of the year	0.01	0.01
Cash and cash equivalents at the end of the year (Refer Note 9)	0.11	0.01

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

As per our report of even date

For GMGS & Associates

Chartered Accountants

Firm Registration No. 030981N

Krupa A Thakker

Partner

Membership No. 223896

Place: Mumbai

Date : April 13, 2026

Davinder Singh Dosanjh

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Chief Financial Officer

(Membership no. 525214)

Himanshu Patel

Company Secretary

(Membership No. 78319)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lacs)

Particulars	Equity Share Capital	Securities Premium	Retained Earnings	Other Comprehensive Income	Total
Balance at the beginning of the year - April 1, 2025	4,964.00	667.60	(3,603.01)	13.53	2,042.12
Proceeds from Issue during the year	—	—	—	—	—
Profit for the year	—	—	655.20	—	655.20
Remeasurements gain of the defined benefit plan, net of taxes	—	—	—	1.74	1.74
Balance at the end of the year - March 31, 2026	4,964.00	667.60	(2,947.80)	15.27	2,699.07

(₹ in Lacs)

Particulars	Equity Share Capital	Securities Premium	Retained Earnings	Other Comprehensive Income	Total
Balance at the beginning of the year - April 1, 2024	4,964.00	667.60	(4,654.99)	9.85	986.46
Proceeds from Issue during the year	—	—	—	—	—
Profit for the year	—	—	1,051.99	—	1,051.99
Remeasurements gain of the defined benefit plan, net of taxes	—	—	—	3.68	3.68
Balance at the end of the year - March 31, 2025	4,964.00	667.60	(3,603.01)	13.53	2,042.12

The accompanying notes 1 to 35 are an integral part of the financial statements.

As per our report of even date

For GMGS & Associates

Chartered Accountants

Firm Registration No. 030981N

Krupa A Thakker

Partner

Membership No. 223896

Place: Mumbai

Date : April 13, 2026

Davinder Singh Dosanjh

Chief Executive Officer

For and on behalf of the Board of Directors of

Mahindra HZPC Private Limited

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Ramesh Ramachandran

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Devansh Taneja

Chief Financial Officer

(Membership no. 525214)

Himanshu Patel

Company Secretary

(Membership No. 78319)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

1 Corporate Information

Mahindra HZPC Private Limited (Joint Venture with HZPC) is engaged in the business of contract growing, corporate farming, wholesale, retail trading of potato seeds, minitubers, table potato and processing potato, tissue culture plants and services.

2 Material Accounting Policies

Statement of compliance

The Company's financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, issued by Ministry of Corporate Affairs under Section 133 of Companies Act, 2013.

2.1 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except defined benefit plans - plan assets which has been fair valued. The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency. All amounts in the financial statements are rounded off to the nearest rupee, unless otherwise stated.

2.2 Operating Cycle

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle (1 year) and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.3 Revenue recognition

"The Ministry of Corporate Affairs notified Ind AS 115 "Revenue from Contracts with Customers" in respect of accounting periods commencing on or after April 1, 2018, superseding Ind AS 11 "Construction Contracts" and Ind AS 18 "Revenue".

The Company's current revenue recognition policy is aligned to the principles enunciated in Ind AS 115 which is effective from April 1, 2018.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration (transaction price) expected to receive in exchange for those products or services.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

2.3.1 Sale of goods"

Revenue from the sale of goods is recognised upon transfer of control of promised products to customers in an amount that reflects the consideration (transaction price) expected to

receive in exchange for those products, at which time all the following conditions are satisfied:

- the company has transferred to the buyer the control of promised products to customers;
- the company has identified the contract with customer and performance obligation in the contract;
- the amount of revenue can be measured reliably;
- revenue is recognised when the division satisfy the performance obligation
- it is probable that the economic benefits associated with the transaction will flow to the company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3.2 Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. 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 through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.3.3 Other Income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

The financial statements are prepared on the accrual basis of accounting. Notwithstanding this, other income in the nature of licence fees is recognized on a cash basis, as uncertainties exist with respect to ultimate collection and the amounts cannot be measured reliably for recognition as receivables at the reporting date.

2.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.5 Employee benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income."

2.5.1 Employee Share based compensation

Certain employees of the company / holding company on deputation are covered under the stock option plans of the holding company. These plans are assessed, managed and administered by the holding company.

The fair value of options granted under the Employee stock Option scheme applicable to eligible employees of the Company is charged in the statement of Profit and loss on a straight line basis over the service period / option vesting period with a corresponding increase in equity net of reimbursements, if any."

2.6 Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period."

2.7 Property, plant and equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Freehold land is not depreciated.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is

determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

As per company policy, threshold limit for capitalisation depends on nature of purchase and Asset.

2.7.1 Intangible Assets:

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/ depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised. Intangible assets are amortized over the period of five years.

2.7.2 Impairment of non-financial assets - property, plant and equipment and intangible assets:

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets may be impaired. If any such indication exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount."

2.8 Inventories

Inventories are valued as follows:

(a) Raw materials & components and stores & spares

At cost, arrived at on FIFO basis or net realisable value, whichever is lower. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition.

(b) Traded goods

At cost arrived at on FIFO basis or net realisable value, whichever is lower. Costs are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and sale.

(c) Agricultural Produce

Agricultural produce is recognized at fair value less costs to sell at the date of harvest. Once harvested, these goods are subsequently accounts for under Ind AS 2 in the same manner as other inventories purchased from third parties.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

2.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

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

2.10 Basis for classification of current and Non current assets

The basis for classification of current and non current assets is as per Ind AS 1- Presentation of financial statement

Current and Non current assets

An entity shall classify an asset as current when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

An entity shall classify all other assets as non-current.

Current and Non current liabilities

An entity shall classify a liability as current when:

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

An entity shall classify all other liabilities as non-current.

2.11 Foreign Currency Transactions

In preparing the financial statements of entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realisation. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.12 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.

2.13 Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

2.14 Provisions for doubtful debtors

As per applicable credit policy company make a provision for doubtful debtors where outstanding remain unpaid for more than 180 days.

2.15 Biological assets and agricultural produce

The Company's operations include activities which are agricultural in nature and are subject to the recognition, measurements and disclosure requirements of Ind AS 41 - Agriculture. Biological Assets are recognised when the Company controls the assets as a result of past events and it is probable that the future economic benefits associated with the asset will flow to the Company and fair value can be measured reliably. On initial recognition and at the end of each reporting period, the biological assets are measured at fair value less cost to sell. Cost to sell includes the incremental cost to sell including commission to traders, brokers and dealers and estimated cost to transport to the market but excludes finance costs and income taxes. harvested biological assets (i.e. agriculture produce) are transferred to inventory at fair value less costs to sell when harvested.

Cost approximates fair value when little biological transformation has taken place since the costs were originally incurred or the impact of biological transformation on price is not expected to be material. Gains and losses arising on initial recognition of both biological assets and agricultural produce and any subsequent changes in fair value are recognised in the statement of Profit and Loss in the period in which they arise.

Cost for this purpose includes all direct costs incurred up to the stage of production of the respective inventories.

2.16 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

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

2.17 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with IND AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses etc. at the date of financial statements and the reported amounts of revenues and expenses for the year presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

Note No. 3 - Property, Plant & Equipment – estimated useful life

Note No. 5 - Intangible assets – impairment and estimated useful life

Note No. 7 - Fair value measurements and inventory valuation processes

Note No. 18 - Revenue Recognition – satisfaction of performance obligation and price of the performance obligation.

Note No. 29 - Recoverability of trade receivables and determining provision as per ECL model of the Company."

2.18 Leasing

The Company recognise right of use of Asset and a lease liability at the commencement date. The right-of-use asset is initially measured

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

at cost, which comprises the initial amount of lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of cost to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the company by the end of the lease term or the cost of right-of-use asset reflect that the company will exercise the purchase option. In that case the right-of-use asset will be depreciated over the life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability."

2.19 Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date when the Company commits to purchase or sell the asset

Financial assets

Recognition: Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such

as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition."

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established."

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry."

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in Balance Sheet where there is legally enforceable right to offset the recognised amounts and there is an intension to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue."

2.20 Government grants

The Company has received grant from District Horticulture Mission Society, Mohali, Punjab. The Company has deducted the grant from the carrying value of the asset. The grant is recognised in the profit and loss over the life of a depreciable asset as a reduced depreciation expense.

2.21 Going Concern

The performance of the Company in term of revenue and profitability is exceeding the budgeted expectations. Further, considering the customer response on new product varieties, order position and advance received from the customers for the next financial year, the Company is confident of its ability to meet the future funds requirements and to continue its business as a going concern.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Note No. 3 - Property, Plant and Equipment

Description of Assets	Land - Freehold	Building	Plant and Equipment	Electrical Installation and Equipment	Office Equipment	Furniture and Fixtures	Computers	Vehicles	Right of Use Asset-Vehicle	Right of Use Asset-Building	Total
I. Gross Block											
Balance as at April 1, 2025	321.77	832.70	1,222.76	124.70	27.99	104.68	74.05	85.44	82.13	1,926.33	4,802.54
Additions during the year	—	—	273.40	58.59	8.54	43.73	13.01	—	46.88	—	444.16
Sale during the year	—	—	—	—	—	—	—	(8.92)	—	—	(8.92)
Government grant/subsidy received/Adjustments during the year	—	—	—	—	—	—	—	—	(2.34)	(95.37)	(97.71)
Balance as at March 31, 2026	321.77	832.70	1,496.15	183.29	36.53	148.41	87.06	76.52	126.67	1,830.96	5,140.07
II. Accumulated depreciation											
Balance as at April 1, 2025	—	148.16	519.33	100.68	22.35	72.74	52.98	66.73	19.77	224.74	1,227.50
Reclassification of accumulated depreciation	—	—	—	—	—	—	—	—	—	—	—
Depreciation for the year	—	25.54	102.32	14.08	1.59	12.04	11.79	3.34	22.91	182.04	375.64
Disposal of Asset/Transfer	—	—	—	—	—	—	—	(8.47)	—	—	(8.47)
Adjustment for Government subsidy/grant received	—	—	—	—	—	—	—	—	—	(1.77)	(1.77)
Balance as at March 31, 2026	—	173.70	621.65	114.76	23.94	84.78	64.77	61.60	42.68	405.01	1,592.90
Net block (I-II)											
Balance as on March 31, 2025	321.77	684.53	703.42	24.02	5.64	31.94	21.07	18.70	62.35	1,701.59	3,575.04
Balance as on March 31, 2026	321.77	658.99	874.50	68.53	12.59	63.63	22.30	14.92	83.99	1,425.95	3,547.17

Note no. 3.1

(i) The following is the break-up of Current and Non-Current Lease Liabilities as at March 31, 2026:

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
Lease Liabilities	201.58	1,619.12	127.94	1,823.63
Lease Liabilities-Building	180.68	1,551.40	109.98	1,776.88
Lease Liabilities-Vehicles	20.90	67.72	17.97	46.75

(ii) The following is the movement in the lease liabilities for the year ended March 31, 2026:

Particulars	Lease Liabilities
As at 1st April, 2025	1,951.57
Additions/ Modifications	(65.21)
Finance Cost	198.69
Lease rentals paid	(264.36)
As at 31st March, 2026	1,820.70

(iii) The table provides details regarding Contractual Liabilities of Lease Liabilities as at March 31, 2026 on an undiscounted basis:

Particulars	As at 31st March, 2026
Undiscounted Future Cash Flows	
- Not later than 1 year	392.01
- Later than 1 year and not later than 5 years	1,373.54
- Later than 5 years	942.77

The Company does not face a significant Liquidity risk with regard to its Lease Liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Note 3.2 : Leases (Ind AS 116)

(A) Objective of Disclosure

The disclosures below are provided to enable users of these financial statements to assess the effect of leases, including the lease modification described herein, on the financial position, financial performance and cash flows of the Company, in accordance with the objective of Para 51 of Ind AS 116.

(B) Nature of Lease and Modification

The Company (lessee) holds a lease for Cold Storage Facility from Agram (lessor), originally commenced on 1 February 2024 for a term of 10 years (120 months), expiring 31 January 2034, for storage of agricultural produce at an original contracted capacity of 12,000 MT. Lease payments are structured on a per-kg rate basis with contractual escalation over the lease term ranging from ₹2.60 to ₹3.20 per kg.

Effective 1 February 2025, the Company entered into a modification to the above lease, reducing the contracted storage capacity from 12,000 MT to 11,200 MT, a decrease of 800 MT (6.67%). The lease term and the lessor remain unchanged. Since the modification results in a decrease in scope without adding any right to use an additional underlying asset, it does not qualify as a separate new lease under Para 44 of Ind AS 116.

(C) Accounting Treatment (Para 44–46, Ind AS 116)

In accordance with Para 44(b) read with Para 45 and 46(a) of Ind AS 116, the modification has been accounted for in two steps effective 1 February 2025:

Step 1 – Proportionate reduction in scope: The carrying amounts of the ROU Asset and the Lease Liability were reduced proportionately by 6.67% (800/12,000), being the ratio of the decrease in scope. The excess of the reduction in Lease Liability over the reduction in ROU Asset has been recognised as a gain in the Statement of Profit and Loss under Other Income.

Step 2 – Remeasurement at revised IBR: The remaining Lease Liability (post Step 1) was remeasured at the present value of revised future lease payments over the remaining 108 months, discounted at the revised Incremental Borrowing Rate (IBR) of 10.9902% p.a. (0.91585% per month) prevailing at the modification date. The interest rate implicit in the lease was not readily determinable and accordingly IBR has been applied as required under Para 45(c). The resulting adjustment of ₹20,21,042 has been made to the ROU Asset with no impact on profit or loss.

(D) Quantitative Impact on Balance Sheet, P&L and Depreciation

Particulars	₹
Right-of-Use Asset	
Carrying value immediately before modification (31 Jan 2025)	1,73,36,983
Less: Proportionate reduction – Step 1 (6.67%)	(1,15,57,989)
Add: Remeasurement adjustment – Step 2	20,21,042
Revised carrying value of ROU Asset (1 Feb 2025)	1,63,83,226
Lease Liability	
Carrying value immediately before modification (31 Jan 2025)	1,94,94,796
Less: Proportionate reduction – Step 1 (6.67%)	(1,29,96,531)
Add: Remeasurement to revised PV – Step 2	20,21,042
Revised Lease Liability (1 Feb 2025) — New IBR basis	1,83,97,247
Statement of Profit and Loss	
Gain on lease modification recognised in Other Income	14,38,542
Depreciation on ROU Asset — pre-modification (12 months @ ₹1,60,52,762 p.a.)	1,60,52,762
Depreciation on ROU Asset — post-modification (revised SLM over 108 months)	18,20,365
	(for Feb–Mar 2025, i.e. 2 months)
Revised annual depreciation post-modification	1,82,03,654
Interest expense on Lease Liability for the year (unwinding of discount)	[To be disclosed from amortisation schedule]

(E) Presentation in Financial Statements (Ind AS 1 / Schedule III)

The ROU Asset of ₹1,63,83,226 is presented under Property, Plant and Equipment (or separately as Right-of-Use Assets) in the Balance Sheet. The Lease Liability of ₹1,83,97,247 is classified between Current Liabilities (portion due within 12 months) and Non-Current Liabilities (balance), presented separately from other financial liabilities as required under Ind AS 116 Para 47.

(F) Key Judgements and Estimates (Para 59, Ind AS 116)

The determination that the modification constitutes a decrease in scope (and not a separate new lease) involves judgement. The IBR of 10.9902% p.a. has been determined based on the Company's borrowing profile and prevailing market rates as at 1 February 2025. The remaining lease term of 108 months has been assessed with no renewal or termination options exercisable by the Company.

Note No. 4 - Capital Work-in-Progress

Particulars	₹ in Lacs	
	As at March 31, 2026	As at March 31, 2025
Projects in progress	114.68	132.19
Total	114.68	132.19

Ageing of Capital Work-in-Progress (CWIP)

CWIP	Amount in CWIP for a period of March 31, 2026				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	114.68	—	—	—	114.68
₹ in Lacs					
CWIP	Amount in CWIP for a period of March 31, 2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	132.19	—	—	—	132.19

Note No. 5 - Intangible Assets

Particulars	₹ in Lacs	
	Computer Software	
I. Gross Block		
Balance as at April 1, 2025		10.28
Addition during the year		—
Balance as at March 31, 2026		10.28
II. Accumulated Amortisation		
Balance as at April 1, 2025		10.28
Amortisation for the year		—
Balance as at March 31, 2026		10.28
Net block (I-II)		
Balance as on March 31, 2025		—
Balance as on March 31, 2026		—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Note No. 6 - Financial Assets

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
Security Deposits		
– Unsecured, considered good	7.53	7.52
Total	7.53	7.52

Note No. 7 - Inventories

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
(a) Work-in-progress	1,182.18	565.86
(b) Stock-in-trade	5,737.99	4,231.00
(c) Goods-in-transit	12.23	132.79
(d) Agricultural produce (including biological assets)	821.14	649.59
(e) Packing materials	96.02	92.93
Total Inventories at the lower of cost and net realisable value	7,849.57	5,672.17

Notes:

- 1) The cost of inventories recognised as an expense during the year in respect of operations was Rs. 3,630.12 Lacs (March 31 2025: Rs. 3441.67 Lacs)
- 2) Mode of valuation of inventories is stated in Note 2.8 Accounting Policies.
- 3) Work-in-progress comprises of tubers (seed potatoes) and are valued at cost.
- 4) Goods-in-transit comprises potatoes and packing material

Inventory comprising of traded as well as Company product (grown through contract manufacturing) is valued at Cost or Net Realisable Value (NRV), whichever is lower. Having regard to the nature of business; uncertainties involved; long period time for final sale, etc. while arriving at NRV, based on present market conditions and future pricing arrangements. the management is confident of realising value higher than the cost.

Note No. 8 - Trade Receivables

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
Trade receivables		
(a) Unsecured, considered good	133.31	94.67
(b) Unsecured, considered doubtful	177.65	41.29
Less: Allowance for expected credit loss	(177.65)	(41.29)
Total	133.31	94.67

Ageing of Trade Receivables

Particulars	Outstanding as on March 31, 2026 for following periods from due date of payment					Total
	0-6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	273.31			–	–	273.31
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	–	0.18	–	–	–	0.18
(iii) Undisputed Trade Receivables - credit impaired	–	–	–	–	–	–
(iv) Disputed Trade Receivables - considered good	–	–	–	–	–	–
(v) Disputed Trade Receivables - which have significant increase in credit risk	–	–	–	0.84	36.63	37.47
(vi) Disputed Trade Receivables - credit impaired	–	–	–	–	–	–
Less: Allowance for expected credit loss						(177.65)
Total	273.31	0.18	–	0.84	36.63	133.31

Particulars	Outstanding as on March 31, 2025 for following periods from due date of payment					Total
	0-6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	94.67			–	–	94.67
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	–	0.08	0.7600	–	–	0.84
(iii) Undisputed Trade Receivables - credit impaired	–	–	–	–	–	–
(iv) Disputed Trade Receivables - considered good	–	–	–	–	–	–
(v) Disputed Trade Receivables - which have significant increase in credit risk	–	–	0.00	15.19	25.25	40.45
(vi) Disputed Trade Receivables - credit impaired	–	–	–	–	–	–
Less: Allowance for expected credit loss						(41.29)
Total	94.67	0.08	0.76	15.19	25.25	94.67

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Note No. 9 - Cash and cash equivalents

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
(a) Balances with banks	0.11	0.01
(b) Cash in hand	—	—
Total	0.11	0.01

Note No. 10 - Current Tax Assets

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
TDS Receivable	11.68	11.10
Total	11.68	11.10

Note No. 11 - Other Current Assets

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
Prepaid Expenses	14.28	20.49
Duty Drawback Receivable	0.24	—
Advances to Employees	32.38	27.45
Advances to Suppliers	338.07	283.52
Less: Provision for Doubtful Advances	(213.30)	(107.71)
Total	171.67	223.75

Note No. 12 - Equity Share Capital

Particulars	(₹ in Lacs)			
	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of Rs. 10 each	50,000,000	5,000.00	50,000,000	5,000.00
Issued, Subscribed and Paid-up:				
Equity shares of Rs. 10 each	49,640,000	4,964.00	49,640,000	4,964.00
Total	49,640,000	4,964.00	49,640,000	4,964.00

Note No. 12.1 - Equity Share Capital

a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Opening balance	Rights issue	Preferential allotment	Closing balance
Equity Shares with Voting rights				

As at 31 March 2026

No. of Shares	49,640,000	—	—	49,640,000
(₹ in Lacs)	4,964.00	—	—	4,964.00

As at 31 March 2025

No. of Shares	49,640,000	—	—	49,640,000
(₹ in Lacs)	4,964.00	—	—	4,964.00

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing annual general meeting. Further, the Board of Directors may also announce an interim dividend which would need to be confirmed by the shareholders at the ensuing Annual General Meeting. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

c) Details of shares held by the Holding Company

Particulars	Equity shares
As at 31 March, 2026	
Mahindra Agri Solutions Limited	29,759,119
Total	29,759,119

As at 31 March 2025

Mahindra Agri Solutions Limited	29,759,119
Total	29,759,119

d) Details of shares held by each shareholder holding more than 5% shares:

S. No.	Promoter's Name	No. of Shares	% of total shares
1	Mahindra Agri Solutions Limited	29,759,119	59.95%

e) Shares held by promoters at the end of the year March 31, 2026

S. No.	Promoter's Name	No. of Shares	% of total shares	% Change during the Year
1	Mahindra Agri Solutions Limited	29,759,119	59.95%	—
2	HZPC SBDA B.V.	19,880,881	40.05%	—
Total		49,640,000	100.00%	

Shares held by promoters at the end of the year March 31, 2025

S. No.	Promoter's Name	No. of Shares	% of total shares	% Change during the Year
1	Mahindra Agri Solutions Limited	29,759,119	59.95%	—
2	HZPC SBDA B.V.	19,880,881	40.05%	—
Total		49,640,000	100.00%	

Note No. 12.2 - Other Equity

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
Securities Premium	667.60	667.60
Retained Earnings	(2,947.80)	(3,603.01)
Other comprehensive income - Actuarial gain (Accumulated)	15.27	13.53
Total	(2,264.93)	(2,921.88)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Notes:

Particulars	As at March 31, 2026	As at March 31, 2025
a) Security Premium		
Balance as at the beginning of the years)		
Security Premium	667.60	667.60
Add: Additions during the year	-	-
Balance as at the end of the year	667.60	667.60

A The description of the nature and purpose of each reserve within equity is as follows:

- a) Securities premium is received pursuant to the further issue of equity shares at a premium net of the share issue expenses. This is a non-distributable reserve except for the following instances where the share premium account may be applied;
- towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus shares;
 - for the purchase of its own shares or other securities;
 - in writing off the preliminary expenses of the Company;
 - in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; and
 - in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.
- b) Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

Note No. 13 - Provisions

Particulars	As at March 31, 2026			As at March 31, 2025		
	Current	Non-Current	Total	Current	Non-Current	Total
Provision for employee benefits						
(1) Compensated absences	18.64	33.33	51.97	5.28	17.54	22.82
(2) Gratuity	24.30	56.94	81.23	11.09	51.22	62.31
Total	42.94	90.27	133.21	16.38	68.76	85.13

Ageing of Trade Payables

Particulars	Outstanding on March 31, 2026 from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	57.76	-	-	-	57.76
(ii) Others	-	2,104.71	1.18	2.85	-	2,108.74
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	21.17	21.17
(v) Accrued Expenses	2,013.81	-	-	-	-	2,013.81
Total	2,013.81	2,162.48	1.18	2.85	21.17	4,201.48

Particulars	Outstanding on March 31, 2025 from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	60.35	-	-	-	60.35
(ii) Others	-	1,495.79	28.35	11.26	10.44	1,545.84
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	18.96	18.96
(v) Accrued Expenses	1,387.54	-	-	-	-	1,387.54
Total	1,387.54	1,556.14	28.35	11.26	29.40	3,012.69

Note No. 14 - Short Term Borrowings

Particulars	As at March 31, 2026	(₹ in Lacs) As at March 31, 2025
Secured Borrowings:		
(a) Cash Credit facility from Banks	1,599.00	1,223.35
Total	1,599.00	1,223.35

Notes:

- Working capital demand loan / Cash credit facility of Rs 2500 lacs from Axis Bank (Interest Rate @9.20% to 8.60 % pa) is secured by first pari-passu charge on inventories (including raw materials, finished goods and stock-in-trade) and book debts and is renewed on 23 Feb'26.
- Cash credit facility of Rs 1000 lacs from HDFC Bank (interest rate 8.85% pa) is secured by pari-passu charge on inventories (including raw materials, finished goods and stock-in-trade) and book debts and is renewed on 15 Apr'25.
- Repayment terms for working capital demand loan is 180 days and for cash credit on demand.
- Current assets statement submitted with the banks are in agreement with the books of account.
- Short term Borrowings includes total facilities of Rs 35 Cr.

Note No. 15 - Trade Payables

Particulars	As at March 31, 2026	(₹ in Lacs) As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	57.76	60.35
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,073.92	1,428.48
Payable to related parties	55.99	136.32
Provision for expenses	2,013.81	1,387.54
Total	4,201.48	3,012.69

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Dues to Micro, Small and Medium Enterprises (MSMED Act, 2006)

Particulars	March 31, 2026	March 31, 2025
(a) Principal amount remaining unpaid	57.76	60.35
(b) Interest due thereon for the year	—	—
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	—	—
(d) The amount of interest due and payable for the period 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	—	—
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.17	—
(f) 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 expenditure under section 23 of the MSMED Act, 2006	—	—

Note No. 16 - Other Financial Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	1.27	2.04
Total	1.27	2.04

Note No. 17 - Other Current Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Advance received from customers	1,088.55	1,134.99
Employee payables	166.08	160.46
Statutory dues payable	126.36	104.08
Total	1,381.00	1,399.53

Note No. 18 - Revenue from Operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Revenue from sale of products (including traded goods)		
- Domestic Sales	8,810.74	8,238.01
- Export Sales	410.67	319.40
(b) Other operating revenue (including royalty and sale of scrap)	146.80	108.79
Total	9,368.21	8,666.19

Note No. 19 - Other Income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Income		
-Bank deposits	16.32	16.32
-Interest-Others	0.62	0.28
Profit on sale of mutual fund units	13.47	—
Gain on foreign currency transactions	2.94	1.81
Revenue on sale of property, plant and equipment	—	0.65
Provision for doubtful Advance	—	6.80
Duty Drawback	1.60	—
Gain on Lease modification	14.39	—
Profit on sale of property, plant and equipment	1.28	2.55
Total	50.61	28.40

Note No. 20(a) - Purchases of Stock-in-Trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchases	5,924.99	4,629.18
Total	5,924.99	4,629.18

Note No. 20(b) - Changes in inventories of Stock-in-Trade and Work-in-Progress

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Stock-in-trade*	5,737.99	4,231.00
Work-in-progress	2,003.33	1,215.45
Inventories at the end of the year:	7,741.32	5,446.45
Stock-in-trade*	4,231.00	3,424.32
Work-in-progress	1,215.45	834.62
Inventories at the beginning of the year:	5,446.45	4,258.94
Net (increase)/decrease in Inventories	(2,294.87)	(1,187.51)

*Excludes goods in transit

Note No. 20(c) - Cost of Packing Materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	92.93	56.15
Add: Purchases	207.01	155.27
Less: Closing stock	96.02	92.93
Total	203.92	118.49

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Note No. 21 - Employee Benefits Expense

Particulars	(₹ in Lacs)		Particulars	(₹ in Lacs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025		For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Salaries and wages	773.09	720.73	CSR Expenses	12.75	2.80
(b) Contribution to provident and other funds*	55.12	49.72	Miscellaneous expenses	105.97	50.23
(c) Staff welfare expenses	41.46	45.09	Auditors' remuneration		
			(i) Statutory audit fees	5.90	5.90
Total	869.67	815.54	(ii) Others	1.52	0.62
*includes Gratuity expense Rs 21.24 lacs (previous year Rs 18.06 lacs)			Total	3,372.15	2,594.73

Note No. 22 - Finance Costs

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense	113.40	108.34
Interest on Lease Liability	198.69	216.44
Total	312.09	324.78

Note No. 23 - Other Expenses

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Cold store charges	471.43	549.89
Rent expense	185.71	128.80
Printing and stationery	11.25	9.65
Power and fuel	171.72	106.20
Security charges	37.68	21.86
Housekeeping expenses	20.23	16.74
Directors' sitting fees	6.98	5.90
Annual Conference Expenses	21.18	17.25
Recruitment expenses	6.34	3.99
Quality claims	44.13	21.38
Repairs and maintenance - Others	67.15	39.27
Insurance charges	24.81	20.22
Mobile and communication expenses	3.41	2.24
Freight outward	175.63	209.10
Business promotion expenses	35.93	26.84
Advertisement Expenses	0.23	0.32
Commission On Sales/Services	3.16	3.68
Grading Outward - Drying Cost	169.73	219.86
Travelling and conveyance expenses	137.02	136.92
Legal and professional charges	128.06	138.12
Foreign Exchange Loss	73.00	2.70
Manpower charges	668.43	468.44
Bank charges	0.53	1.11
Bad Debts written off	5.16	—
Provision for doubtful Advance	241.95	—
Royalty charges	535.16	384.72

Note No. 24 - Deferred Tax

Particulars	(₹ in Lacs)		
	As at March 31, 2026	During the year	As at March 31, 2025
Deferred Tax Liabilities			
WDV as companies act & Income tax act	(396.08)	(297.10)	(98.97)
Lease Liability	(458.27)	(458.27)	—
	(854.35)	(755.37)	(98.97)
Deferred Tax Assets			
Provision for employee benefits	33.53	12.10	21.43
Provision for doubtful debts/advances	98.40	60.90	37.50
ROU of Assets	380.05	330.48	49.57
Expenses disallowed	134.70	134.70	—
Carry forward losses and unabsorbed depreciation	265.25	(638.58)	903.84
	911.94	(100.40)	1,012.34
Net Deferred Tax Asset	57.59	(855.78)	913.36
Net Deferred Tax Asset not recognised	57.59	(855.78)	913.36
Net Deferred Tax Asset recognised	—	—	—

Unrecognised deferred tax assets

Deferred tax assets have not been recognised since it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

Deferred tax assets for the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Note No. 25 - Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund aggregating ₹32.26 Lacs (2025 : ₹29.58 Lacs) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

Note: Where required by Ind AS 24, the Company discloses information about contributions to defined contribution plans for key management personnel.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Defined benefit plans – as per actuarial valuation on March 31, 2026

Particulars	(₹ in Lacs) Unfunded Plan Gratuity	
	2026	2025
(a) Expense recognised in the Statement of Profit and Loss for the year ended March 31:		
1. Current service cost	9.86	10.27
2. Past Service Credit	7.60	–
2. Interest cost	3.78	3.39
(b) Included in other Comprehensive Income		
Actuarial (Gain)/Loss on account of :		
– Financial Assumptions	2.22	1.47
– Experience Adjustments	1.40	(4.21)
– Demographic Assumptions	(5.94)	(2.18)

Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:

Current Service Cost	9.86	10.27
Past service cost and (gains)/losses from settlements	7.60	–
Net interest expense	3.78	3.39
Components of defined benefit costs recognised in profit or loss	21.25	13.66
Actuarial gains and loss arising form changes in financial assumptions	2.22	1.47
Actuarial gains and loss arising form experience adjustments	1.40	(4.21)
Actuarial gains and loss arising form demographic assumptions	(5.94)	(2.18)
Components of defined benefit costs recognised in other comprehensive income	(2.32)	(4.92)
Total	18.92	8.74

I. Net Asset/(Liability) recognised in the Balance Sheet as at March 31

1. Present value of defined benefit obligation as at March 31	81.23	62.31
2. Fair value of plan assets as at March 31	–	–
3. Deficit	(81.23)	(62.31)
4. Current portion of the above	24.30	11.09
5. Non current portion of the above	56.94	51.22

II. Change in the obligation during the year ended March 31

1. Present value of defined benefit obligation at the beginning of the year	62.31	50.35
2. Expenses Recognised in Profit and Loss Account		
– Current Service Cost	9.86	10.27
– Past Service Cost	7.60	–
– Interest Expense (Income)	3.78	3.39

Particulars	(₹ in Lacs) Unfunded Plan Gratuity	
	2026	2025
3. Recognised in Other Comprehensive Income		
Remeasurement gains / (losses)		
– Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	(5.94)	(2.18)
ii. Financial Assumptions	2.22	1.47
iii. Financial Assumptions	1.40	(4.21)
5. Benefit payments	–	(2.42)
4. Others (Liabilities assumed on acquisition)	–	5.64
5. Present value of defined benefit obligation at the end of the year	81.23	62.31

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Impact on defined benefit obligation	
	Increase in assumption	Decrease in assumption
Discount rate	2026 78.78	83.84
	2025 59.44	65.44
Salary growth rate	2026 83.62	78.92
	2025 65.36	59.46

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

The significant actuarial assumptions (estimated for adequate coverage of the obligation on a prudent basis), are as under:

Particulars	Valuation as at	
	31-Mar-26	31-Mar-25
Discount rate(s)	5.80 % p.a.	6.70 % p.a.
Expected rate(s) of salary increase	8.50 % p.a.	8.50 % p.a.
Expected rate of return on plan assets	N.A	N.A
Attrition	Age band wise	20.00 % p.a.
Mortality table	IALM 2012-14	IALM 2012-14

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2026	As at March 31, 2025
Within 1 year	24.30	11.09
1 - 2 year	18.81	9.88
2 - 3 year	14.81	9.14
3 - 4 year	11.21	8.68
4 - 5 year	8.37	7.64
> 5 years	21.37	43.57

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(C) Defined Benefit Plans (Compensated absences)

The amount recognized as an expense in respect of compensated absences is Rs. 29.15 Lacs [Previous Year: Rs. 0.21 Lacs].

Note No. 26 - Earnings Per Share

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic Earnings per share		
From operations	1.32	2.12
	<u>1.32</u>	<u>2.12</u>
Diluted Earnings per share		
From operations	1.32	2.12
	<u>1.32</u>	<u>2.12</u>

Basic and diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit for the year attributable to owners of the Company	655.20	1,051.99
Weighted average number of equity shares	49,640,000	49,640,000
Earnings per share from operations - Basic and Diluted	1.32	2.12

Note: The Company has not issued any potential equity shares and hence, basic and diluted EPS are the same.

Note No. 27 - Segment Reporting

(A) Primary Segment - Business Segment

The Company's business activity falls within a single business segment viz. 'trading in seed potatoes'. All other activities of the Company revolve around its main business. Hence, there are no separate reportable primary segments as defined by Ind AS 108 on "Segment Reporting". The same is consistent with the information reviewed by the Chief Operating Decision Maker (CODM).

(B) Secondary Segment - Geographical Segment

The Company, at present, does not have any Secondary Segment.

Note No. 28 - Related Party Transactions

Related Party Disclosures:

List of Related Parties and Relationships:

Name of the Related Parties where control exists	Description of Relationship
Mahindra Agri Solutions Limited	Holding Company

Name of the Related Parties where transactions have taken place during the period	Description of Relationship
Mahindra and Mahindra Limited	Ultimate Holding Company
Mahindra Integrated Business Solutions Private Limited (formerly known as Mahindra BPO Services Limited)	Fellow Subsidiary Company
Mahindra and Mahindra Financial Services Limited	Fellow Subsidiary Company
HZPC SBDA B.V.	Joint Venture Partner
HZPC Holding B.V.	Holding of Joint Venture Partner
HZPC Research B.V.	Subsidiary of Joint Venture Partner
IPR B.V.	Subsidiary of Joint Venture Partner
Solentum B.V	Subsidiary of Joint Venture Partner

Additional Disclosure of Key Management Personnel:

Key Management Personnel	Description of Relationship
Mr. Ramesh Ramachandran	Director
Mr. Hermanus Verveld	Director
Mr. Meghnad Mitra	Director
Ms. Ami Goda	Director
Mr. Hans Huistra	Additional Director
Mr. Viswanathan Kapilanandan	Independent Director
Mr. Swarup Kumar Chakrabarti	Independent Director
Mr. Davinder Singh Dosanjh	Chief Executive Officer
Mr. Devansh Taneja	Chief financial Officer
Ms. Vibha Swaminathan	Company Secretary

Note No. 28.1 - Related Party Transactions

Details of transaction between the Company and its related parties are disclosed below:

Particulars	For the year ended	(₹ in Lacs)					
		Holding Company	Ultimate Holding Company	Fellow Subsidiaries	Joint ventures	Subsidiary of Joint Venture Partner	KMP of the Company
Nature of transactions with Related Parties							
Mahindra Agri Solutions Limited							
Cost allocation	31-03-2026 31-03-2025	106.90 97.95					
Share Capital	31-03-2026 31-03-2025	— —					
Mahindra Integrated Business Solutions Private Limited (Formerly known as Mahindra BPO Services Limited): - Professional Fees	31-03-2026 31-03-2025			5.18 1.37			

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lacs)

Particulars	For the year ended	Holding Company	Ultimate Holding Company	Fellow Subsidiaries	Joint ventures	Subsidiary of Joint Venture Partner	KMP of the Company
Mahindra and Mahindra Limited (MMHO) Professional Fees	31-03-2026 31-03-2025		70.19 66.69				
Mahindra and Mahindra Financial Services Limited (MMFSL) Lease Charges	31-03-2026 31-03-2025			29.07 16.48			
HZPC SBDA B.V.							
Royalty received (other income)	31-03-2026 31-03-2025				4.50 3.46		
Royalty expenses	31-03-2026 31-03-2025				106.45 387.15		
Other transactions (Cost Allocation & Other Expenses)	31-03-2026 31-03-2025				20.08 42.49		
Share Capital	31-03-2026 31-03-2025				— —		
HZPC Research B.V. Cost Allocation	31-03-2026 31-03-2025					— —	
IPR B.V. Cost Allocation	31-03-2026 31-03-2025					21.30 10.90	
Mr. Viswanathan Kapilanandan (Director Sitting Fees)	31-03-2026 31-03-2025						2.40 1.90
Mr. Swarup Kumar Chakrabarti (Director Sitting Fees)	31-03-2026 31-03-2025						2.40 1.90
Davinder Singh Dosanjh (CEO) Gross Salary	31-03-2026 31-03-2025						87.67 80.60
Devansh Taneja (CFO) Gross Salary	31-03-2026 31-03-2025						22.19 17.23
Ms. Vibha Swaminathan (CS) Gross Salary	31-03-2026 31-03-2025						2.40 2.40

(₹ in Lacs)

Nature of Balances with Related Parties - Receivable / (Payable)	Balance as on	Holding Company	Ultimate Holding Company	Fellow Subsidiaries	Joint ventures	Subsidiary of Joint Venture Partner	KMP of the Company
Mahindra Agri Solutions Limited	31-03-2026 31-03-2025	(0.75) (10.23)					
Mahindra Integrated Business Solutions Private Limited (Formerly known as Mahindra BPO Services Limited)	31-03-2026 31-03-2025			(0.00) (0.15)			
Mahindra and Mahindra Limited	31-03-2026 31-03-2025		(2.40) (10.29)				
Mahindra and Mahindra Financial Services Limited	31-03-2026 31-03-2025			(3.12) (0.00)			
HZPC SBDA B.V.	31-03-2026 31-03-2025				(49.71) (115.66)		
HZPC Research B.V.	31-03-2026 31-03-2025					— —	
IPR B.V.	31-03-2026 31-03-2025					21.30 6.00	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Note No. 29 - Financial Risk Management

CAPITAL MANAGEMENT

The Company's key objective in managing its financial structure is to maximize value for shareholders, reduce cost of capital, while at the same time ensuring that the Company has the financial flexibility required to continue its expansion. The Company manages its financial structure majorly through reserves and makes any necessary adjustments in light of prevailing economic conditions. In this context, the capital structure of the Company consists only of equity and lease liability is not considered as debt. Equity comprises issued share capital, reserves and retained earnings as set out in the statement of changes in equity.

Categories of financial assets and financial liabilities

		(₹ in Lacs)	
Particulars	Refer Note	As at March 31, 2026	As at March 31, 2025
Financial assets measured at amortised cost			
Security Deposits	6	7.53	7.52
Trade Receivables	8	133.31	94.67
Cash and Cash Equivalents	9	0.11	0.01
		140.95	102.21
Financial liabilities measured at amortised cost			
Borrowing from banks	14	1,599.00	1,223.35
Trade payables	15	4,201.48	3,012.69
Other financial liabilities	16	1.27	2.04
Lease Liability			
Current	3.1	201.58	127.94
Non- Current	3.1	1,619.12	1,823.63
		7,622.44	6,189.66

Financial Risk Management Framework

The company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is the price risk. The company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities.

CREDIT RISK

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Trade receivables consist of a few number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The company does not have significant credit risk exposure to any single counterparty.

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information has been incorporated into the determination of expected credit losses.

There is no change in estimation techniques or significant assumptions during the reporting period.

The provision matrix at the end of the reporting period is as follow:-

Ageing	For the year ended March 31, 2026	
	Expected credit loss (%)	Expected credit loss (₹ In Lacs)
0-3 months past due	0.00%	-
3-6 months past due	0.00%	-
more than 6months	100.00%	177.65
Total		177.65

Market risk is the risk that changes in market prices – for example foreign exchange rates and interest rates will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

All such transactions are carried out within the guidelines set by the Risk Management Committee.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities (predominantly trade payables, etc.) with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
Non-derivative financial liabilities - Less than one year		
Short term borrowings	1,599.00	1,223.35
Trade Payables	4,201.48	3,012.69
Other financial liabilities	1.27	2.04
Total	5,801.74	4,238.09

(ii) Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
Secured bank overdraft facility		
- Expiring within one year	1,895.00	2,270.65
- Expiring beyond one year	-	-
	1,895.00	2,270.65

Note No. 30 - Contingent liabilities and commitments

Particulars	(₹ in Lacs)	
	As at March 31, 2026	As at March 31, 2025
Contingent liabilities (to the extent not provided for)	-	-
Capital commitment	152.41	159.09

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Note No. 31 - Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Principal amount remaining unpaid to MSME suppliers as on	57.76	60.35
(ii) the amount of interest paid by the buyer under MSMED Act	—	—
(iii) Interest accrued and remaining unpaid at the end of each accounting year to MSME suppliers as on	—	—
(iv) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	—	—
(v) Interest due and payable on unpaid principal amount to MSME suppliers as on	—	—

Note No. 32 - Ratios

Particulars	As at March 31, 2026	As at March 31, 2025	% Change YoY	Remarks
(a) Current Ratio [Current Assets/Current Liabilities (excl. current maturities of long-term debt)]	1.13	1.06	6%	Variance in the ratio is due to higher level of inventory
(b) Debt Equity Ratio (Total debt/Total Equity)	0.59	0.60	-1%	No material change in the ratio
(c) Debt Service Coverage Ratio [PBIT/(Finance Cost + Long term debt repayments)]	6.81	4.24	61%	Variance in the ratio is due to higher level of PBIT for the year without considering the Lease interest cost in F26.
(d) Return on Equity Ratio (PBT/Average Equity)	0.28	0.88	-69%	No material change in the ratio
(e) Inventory Turnover [Cost of goods sold (TTM)/Average Inventory]	0.57	0.72	-21%	Variance in the ratio is due to higher level of inventory
(f) Debtors Turnover [Sales (TTM)/Average Gross Trade Receivables]	82.18	109.11	-25%	Variance in the ratio is due to higher revenue and higher average debtor balance.
(g) Trade payables turnover ratio (COGS/Average Trade Payable)	1.06	1.80	-41%	Variance in the ratio is due to higher average vendor balance
(h) Net capital turnover ratio (Sales/Current Asset-current Liabilities)	9.96	24.92	-60%	Variance in the ratio is due to higher level of inventory
(i) Net Profit Margin (%) (PAT after exceptional items/Revenue from operations)	0.07	0.12	-42%	Variance in the ratio is due to lower level of PBT compared to last year.
(j) Return on Capital employed (PBIT/Equity)	0.29	0.67	-58%	Variance in the ratio is due to higher level of equity which is due to profit for the year.
(k) Return on investment (PBT/Equity)	0.24	0.52	-53%	Variance in the ratio is due to higher level of equity which is due to profit for the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

Particulars	As at March 31, 2026	As at March 31, 2025
Current Asset	8,166.33	6,001.70
(a) Inventories	7,849.57	5,672.17
(b) (i) Trade receivables	133.31	94.67
(b) (ii) Cash and cash equivalents	0.11	0.01
(c) Current Tax Assets	11.68	11.10
(d) Other current assets	171.67	223.75
Current liabilities	7,225.68	5,653.99
(i) Short Term Borrowings	1,599.00	1,223.35
(ii) Trade payables	4,201.48	3,012.69
Other financial liabilities	1.27	2.04
(b) Provisions	42.94	16.38
(c) Other current liabilities	1,381.00	1,399.53
Equity	2,699.07	2,042.12
(a) Equity Share capital	4,964.00	4,964.00
(b) Other Equity	(2,264.93)	(2,921.88)
Revenue from operations	9,368.21	8,666.19
Cost of Good Sold	3,834.04	3,560.16
Finance costs	113.40	324.78
Profit before Tax	658.59	1,051.99

Note No. 33 - Corporate Social Responsibility Expenses**(i) Amount required to be spent, amount spent during the year and shortfall:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Amount required to be spent	12.61	2.79
(ii) Amount spent during the year		
Construction/acquisition of any asset	—	—
On purpose other than above	12.75	2.80
Total	12.75	2.80

(ii) Nature of CSR activities undertaken

The Company incurred CSR expenditure primarily on the following activities in accordance with Schedule VII of the Companies Act, 2013:

- 1) Educational support to underprivileged girls under Project Nanhi Kali
- 2) Empowering through Education under Project name GYANDEEP

(iii) Excess CSR expenditure set-off

Particulars	March 31, 2026	March 31, 2025
Excess CSR incurred as on opening balance	0.01	—
Excess CSR adjusted during the current year from opening balance	—	—
Excess CSR spent during the current year	0.14	0.01
Excess CSR incurred as on closing balance	0.15	0.01

Note No. 34 - Other Statutory Information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- The Company does not have any transactions with companies struck off during the year.
- The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- The company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries)
- The company has not made any investments made or intercorporate deposits.
- The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Note No. 35 - Previous Year Figures

The figures for the previous year have been regrouped/reclassified to correspond with current year's classification/disclosures. The financial statements of Mahindra HZPC Private Limited were approved by the Board of Directors and authorised for issue on April 13, 2026.

For GMGS & Associates

Chartered Accountants
Firm Registration No. 030981N

Krupa A Thakker

Partner

Membership No. 223896

Place: Mumbai

Date : April 13, 2026

Davinder Singh Dosanjh

Chief Executive Officer

For and on behalf of the Board of Directors of

Mahindra HZPC Private Limited

CIN: U01403MH2013PTC242474

Ramesh Ramachandran

Director

(DIN: 09562621)

Ami Goda

Director

(DIN: 09136149)

Devansh Taneja

Chief Financial Officer

(Membership no. 525214)

Himanshu Patel

Company Secretary

(Membership No. 78319)

INDEPENDENT AUDITOR'S REPORT

To the members of Mahindra Fruits Private Limited Report on the audit of the Financial Statements

Opinion

We have audited the standalone financial statements of **MAHINDRA FRUITS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a Summary of significant 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 standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit and its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 judgements 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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the "Annexure 'A'", a statement on the matters specified in paragraphs 3 and 4 of the said 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and Statement of Changes in Equity dealt with by this Report, are in agreement with the books of account.

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021.
- (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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 'B'" to this report.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i The Company does not have any pending litigations which would impact its financial position.
 - 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, 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 performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v No dividend has been declared or paid during the year by the company.
 - vi Based on our examination carried out, which included test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same

has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of 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 **H M T S & ASSOCIATES**
Chartered Accountants
Firm Registration No. 0139847W

MAHESH CHAUHAN
Membership No. 115103
UDIN: 26115103MEQAEN2016
Place: Mumbai
Date: April 20, 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) a. (A) As there are no Property, Plant and Equipment as on 31st March, 2026, the reporting under clause 3(i)(a)(A) of the Order is not applicable to the Company.
(B) As the company is not having any intangible assets, reporting under clause 3(i)(a)(B) of the Order is not applicable.
- b. As the company does not have any Property, Plant and Equipment, reporting under clause 3(i)(b) of the Order is not applicable.
- c. As the company is not having any immovable properties, reporting under clause 3(i)(c) of the Order is not applicable.
- d. As the company is not having any Property, Plant and Equipment or Intangible assets, reporting under clause 3(i)(d) of the Order is not applicable.
- e. Based on the information and explanation furnished to us, no proceedings have been initiated on the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and Rules made there under.
- (ii) a. As there is no inventory held by company at end of the year, the reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- b. During the year, the company has not been sanctioned, any point of time of the year, working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) During the year the Company has not made investments in, provided loans, advances in the nature of loans, stood guarantee or provided security to Companies, Firms, Limited Liability Partnerships or any other parties. Hence, the requirement to report under clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of Sections 185 and 186 of the Companies Act, 2013 attract. Hence, clause 3(iv) of the order is not applicable.
- (v) The Company has not accepted any deposit, within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year hence, the reporting under clause 3(v) of the order is not applicable.
- (vi) In our opinion and according to the information and explanations given to us the maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the order is not applicable to the Company.
- (vii) a. According to the information and explanations given to us and according to the books and records as produced and examined by us, in respect of statutory dues, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, Cess and other material statutory dues as applicable with the appropriate authorities. As at last day of financial year, there were no amounts payable in respect of the aforesaid statutory dues outstanding for a period of more than six months from the date they became payable.
- b. According to the information and explanations given to us, there were no disputed dues on account of the aforesaid statutory dues as at the year end and hence, reporting under clause 3(vii)(b) is not applicable.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the company, during the year no tax assessments under the Income-tax Act, 1961 (43 of 1961) have been made.
- (ix) a. According to the books and records of the Company examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. According to the information and explanation given to us and on the basis of our audit procedure, We report that the company has not been declared willful defaulter by any bank or financial institution or other lenders.
- c. As the Company has not availed any term loans during the year, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- d. As the Company has not availed any loans on short term basis during the year, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.
- e. On an overall examination of the financial statements of the company, We report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- f. On an overall examination of the financial statements of the company, We report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

- (x) a. The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b. According to the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) a. To the best of our knowledge and according to the information and explanations given to us and on the basis of examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, no fraud by the Company or on the Company was noticed or reported during the year.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. According to the information and explanations given to us including the representation made to us by the management of the Company, no whistle-blower complaints were received by the Company during the year and hence, reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) a. The Company is not a Nidhi company and hence, reporting under clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us, the Company has not entered into any transactions with related parties during the year and hence reporting under clause 3(xiii) of the order is not applicable to the Company.
- (xiv) a. The Company is not required to have internal audit system as required under Section 138 of the Companies Act, 2013 and hence, the reporting under clause 3(xiv)(a) and (b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, during the year, Company has not entered into any non-cash transactions with its directors or persons connected with him and accordingly, the reporting 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.
- b. In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. In our opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d. According to the information and explanations given by the management, the Group does not have more than one CIC as part of the Group. Accordingly, the reporting under Clause 3(xvi)(d) is not applicable to the Company.
- (xvii) Based on our examination of books of accounts, the Company has not incurred any cash loss in the current and Incurred Cash loss of Rs. 0.38 Lacs. In preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, it has come to our attention, which causes us to believe that material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We further state that our reporting is based on the facts up to the date of the audit report.
- (xx) a. The provision of section 135 are not applicable to the company. Accordingly, reporting under clause 3(xx)(a) & (b) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For H M T S & ASSOCIATES
Chartered Accountants
 Firm Reg. No. 0139847W

MAHESH CHAUHAN
 Partner

Membership No. 115103
 UDIN: 26115103MEQAEN2016
 Place: Mumbai
 Date: April 20, 2026

ANNEXURE B TO THE AUDITOR'S REPORT

Annexure B to the Independent Auditors' report on the financial statements of Mahindra Fruits Private Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra Fruits Private Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements

included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **H M T S & ASSOCIATES**
Chartered Accountants
Firm Registration No. 0139847W

MAHESH CHAUHAN
Membership No. 115103
UDIN: 26115103MEQAEN2016
Place: Mumbai
Date: April 20, 2026

BALANCE SHEET AS AT 31ST MARCH 2026

		Rupees in Lacs	
		As at 31 st March 2026	As at 31 st March 2025
Particulars	Note No.		
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3	—	—
(c) Financial Assets			
(i) Other Financial Assets	5	—	—
SUB-TOTAL		—	—
2 CURRENT ASSETS			
(a) Financial Assets			
(i) Trade Receivables	4	16.38	10.79
(ii) Cash and Cash Equivalents	6	44.31	46.83
(iii) Other Bank Balances	6	—	—
(iv) Other Financial Assets	5	0.01	0.01
(b) Current Tax Assets (Net)	7	1.75	1.62
SUB-TOTAL		62.45	59.25
TOTAL		62.45	59.25
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity Share Capital	8	1,233.00	1,233.00
(b) Other Equity	SOCE - B	(1,219.16)	(1,221.53)
SUB-TOTAL		13.84	11.47
LIABILITIES			
2 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Trade Payables	9	—	—
Total outstanding dues of micro enterprises and small enterprises....			
Total outstanding dues of creditors other than micro enterprises			
and small enterprises		48.52	47.76
(b) Other Current Liabilities	10	0.10	0.03
SUB-TOTAL		48.61	47.79
TOTAL		62.45	59.25

The accompanying notes 1 to 22 are an integral part of the Financial Statements

In terms of our report attached.

For H M T S & Associates

Chartered Accountants

FRN : 0139847W

Mahesh Chauhan

Partner

Membership No: 115103

Place: Mumbai

Date: April 20, 2026

For Mahindra Fruits Private Limited

Director

Payal Sharaf

DIN: 11358416

Chief Financial Officer

Karan Poojary

Membership no: 186513

Place: Mumbai

Date: April 20, 2026

Director

Ramesh Ramachandran

DIN:09562621

Chief Executive Officer

Chaitanya Rajwade

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

Particulars	Note No.	Rupees in Lacs	
		As at 31 st March 2026	As at 31 st March 2025
Continuing Operations			
I Revenue from operations	11	90.30	46.27
I Other Income	12	0.48	0.38
II Total Revenue (I + II)		90.79	46.65
III EXPENSES			
(a) Purchases of Stock-in-trade	13	86.28	44.55
(b) Depreciation and amortisation expense	3	—	—
(c) Other expenses	14	2.14	2.50
Total Expenses (IV)		88.42	47.05
IV Profit / (Loss) before tax (III - IV)		2.37	(0.40)
V Tax Expense			
(1) Current tax		—	—
Total tax expense		—	—
VI Profit / (Loss) after tax for the period (V - VI)		2.37	(0.40)
VII Other comprehensive income			
(i) Items that will not be recycled to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		—	—
Total other comprehensive income for the period		—	—
Total comprehensive income for the period		2.37	(0.40)
VIII Earnings per equity share:	15		
(1) Basic		0.02	(0.00)
(2) Diluted		0.02	(0.00)

The accompanying notes 1 to 22 are an integral part of the Financial Statements

In terms of our report attached.

For H M T S & Associates

Chartered Accountants

FRN : 0139847W

Mahesh Chauhan

Partner

Membership No: 115103

Place: Mumbai

Date: April 20, 2026

For Mahindra Fruits Private Limited

Director

Payal Sharaf

DIN: 11358416

Chief Financial Officer

Karan Poojary

Membership no: 186513

Place: Mumbai

Date: April 20, 2026

Director

Ramesh Ramachandran

DIN:09562621

Chief Executive Officer

Chaitanya Rajwade

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	Note No.	Rupees in Lacs	
		Year ended 31 st March 2026	Year ended 31 st March 2025
A Cash flows from operating activities			
(Loss)/Profit before tax for the year.....	PL	2.37	(0.40)
Adjustments for:			
Interest on fixed deposit.....		(0.35)	(0.13)
		2.02	(0.53)
Movements in working capital:			
(Increase)/Decrease in trade and other receivables		(5.59)	(10.79)
(Increase)/Decrease in inventories		—	—
Decrease in other assets		(0.00)	0.48
(Increase) in other current asset.....		(0.14)	—
Increase/(Decrease) in trade and other payables		0.83	43.81
Net cash (used in) / generated by operating activities		(2.86)	32.98
B Cash flows from investing activities			
Interest on fixed deposit.....		0.35	0.13
Net cash generated/(used in) by investing activities		0.35	3.62
C Cash flows from financing activities			
Net cash used in financing activities		—	—
Net increase in cash and cash equivalents		(2.52)	36.60
Cash and cash equivalents at the beginning of the year		46.83	10.22
Cash and cash equivalents at the end of the year		44.31	46.83

The accompanying notes 1 to 22 are an integral part of the Financial Statements

In terms of our report attached.

For H M T S & Associates

Chartered Accountants

FRN : 0139847W

Mahesh Chauhan

Partner

Membership No: 115103

Place: Mumbai

Date: April 20, 2026

For Mahindra Fruits Private Limited

Director

Payal Sharaf

DIN: 11358416

Chief Financial Officer

Karan Poojary

Membership no: 186513

Place: Mumbai

Date: April 20, 2026

Director

Ramesh Ramachandran

DIN:09562621

Chief Executive Officer

Chaitanya Rajwade

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026**A. Equity share capital****For the year ended 31st March 2026**

Particulars	No of Shares	Rupees in Lacs
Balance as at 1st April 2025	12,330,000	1,233
Changes in Equity Share Capital due to prior period errors	—	—
Restated balance at 1 April 2025	12,330,000	1,233
Changes in equity share capital during the year	—	—
Balance as at 31st March 2026	12,330,000	1,233

Particulars	No of Shares	Rupees in Lacs
Balance as at 1st April 2024	12,330,000	1,233
Changes in Equity Share Capital due to prior period errors	—	—
Restated balance at 1 April 2024	12,330,000	1,233
Changes in equity share capital during the year	—	—
Balance as at 31st March 2025	12,330,000	1,233

B. Other Equity

Particulars	Reserves & Surplus		Rs. in Lacs
	Securities Premium Reserve	Retained Earnings	Total
As at 1st April 2025	526.00	(1,747.53)	(1,221.53)
Loss for the period	—	2.37	2.37
Equity Share issued against pending allotment	—	—	—
Balance as at 31st March 2026	526.00	(1,745.16)	(1,219.16)
As at 1st April 2024	526.00	(1,747.13)	(1,221.13)
Profit for the period	—	(0.40)	(0.40)
Other Comprehensive Income / (Loss)	—	—	—
Share application money pending allotment	—	—	—
Balance as at 31st March 2025	526.00	(1,747.53)	(1,221.53)

In terms of our report attached.

For H M T S & Associates

Chartered Accountants

FRN : 0139847W

Mahesh Chauhan

Partner

Membership No: 115103

Place: Mumbai

Date: April 20, 2026

For Mahindra Fruits Private Limited

Director

Payal Sharaf

DIN: 11358416

Chief Financial Officer

Karan Poojary

Membership no: 186513

Place: Mumbai

Date: April 20, 2026

Director

Ramesh Ramachandran

DIN:09562621

Chief Executive Officer

Chaitanya Rajwade

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Corporate Information

"Mahindra Fruits Private Limited (Formerly known as Mahindra Greenyard Private Limited) ("the company") a private limited company domiciled in India and incorporated on 9th July, 2014 under the provisions of the Companies Act, 1956 (CIN:U01403MH2014PTC55946). The Company is the wholly owned subsidiary of Mahindra Agri Solutions Limited. The Company deals in sourcing, storing and distribution of fresh fruits in domestic market.

The financial statements for the year ended 31 March 2026 were approved by the Board of Directors and authorised for issue on 20 April 2026."

1. Material accounting policy information

1.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

1.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, 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 (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within 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.

1.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue from the sale of goods is recognized when the goods are delivered and titles have passed at which time all the following conditions are satisfied

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding.

1.5 Employee benefits

1.5.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

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

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

1.5.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

1.6 Taxation

Deferred tax assets and liabilities are recognised for future tax consequences attributable to the timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using tax rates enacted or substantively enacted as at the Balance Sheet date. Deferred Tax assets are not recognised unless, in the management judgment, there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of Deferred Tax is reviewed at each Balance Sheet date.

1.7 Property, plant and equipment

Furniture & Fixtures, equipment and Vehicles are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

1.8 Intangible assets

1.8.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

1.8.2 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

1.8.3 Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

IT Software - 10 Years

1.8.4 Impairment of Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

1.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

1.11 Financial instruments

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

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

1.12 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

1.12.1 Impairment of financial assets

This being the third full year of operations, there is no trend to depict expected credit losses. The company deals in fresh fruits which is a seasonal business & the commodity is perishable in nature. The Company has used the practical expedient as permitted by IND AS 109 and has maintained a policy of providing for debtors outstanding for a period exceeding 180 days. This policy will be regularly reviewed in line with the type of business that the company is in.

1.12.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

1.12.3 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

1.13 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

1.13.1 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

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

1.13.2 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

1.13.3 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

1.14 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

1.15 Taxation:

Income tax expense represents the sum of the tax currently payable and deferred tax.

1.15.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current

tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

1.15.2 Deferred tax

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

1.15.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Note No. 3 - Property, Plant and Equipment

Description of Assets	Rupees in Lacs					
	Plant and Equipment	Vehicle	Furniture and Fixtures	IT Equipment	Office Equipment	Total
I. Gross Carrying Amount						
Balance as at 1 st April 2025	24.72	—	—	7.40	—	32.12
Additions during the year	—	—	—	—	—	—
Disposals during the year	24.72	—	—	7.40	—	32.12
Balance as at 31st Mar 2026	—	—	—	—	—	—
II. Accumulated depreciation and impairment						
Balance as at 1 st April 2025	24.72	—	—	7.40	—	32.12
Depreciation expense for the year	(24.72)	—	—	(7.40)	—	(32.12)
Eliminated on disposal of assets	—	—	—	—	—	—
Balance as at 31st March 2026	—	—	—	—	—	—
III. Net carrying amount (I-II)	—	—	—	—	—	—

Description of Assets	Rupees in Lacs					
	Plant and Equipment	Vehicle	Furniture and Fixtures	IT Equipment	Office Equipment	Total
I. Gross Carrying Amount						
Balance as at 1 st April 2024	24.72	—	—	7.40	—	32.12
Additions during the year	—	—	—	—	—	—
Disposals during the year	—	—	—	—	—	—
Balance as at 31st March 2025	24.72	—	—	7.40	—	32.12
II. Accumulated depreciation and impairment						
Balance as at 1 st April 2025	22.29	—	—	5.68	—	27.97
Depreciation expense for the year	2.44	—	—	1.71	—	4.15
Eliminated on disposal of assets	—	—	—	—	—	—
Balance as at 31st March 2026	24.72	—	—	7.40	—	32.12
III. Net carrying amount (I-II)	—	—	—	—	—	—

Note No. 4 - Trade receivables

Particulars	Rupees in Lacs			
	As at 31st Mar 2026		As at 31st Mar 2025	
	Current	Non- Current	Current	Non- Current
a) Undisputed Trade Receivables – considered good	16.38	—	10.79	—
b) Undisputed Trade Receivables – which have significant increase in credit risk	209.66	—	209.66	—
c) Undisputed Trade receivable – credit impaired	209.66	—	209.66	—
d) Disputed Trade receivables - considered good	—	—	—	—
e) Disputed Trade receivables – which have significant increase in credit risk	—	—	—	—
f) Disputed Trade receivables – credit impaired	—	—	—	—
TOTAL TRADE RECEIVABLES	16.38	—	10.79	—
Of the above, trade receivables from:				
- Related Parties	—	—	—	—
- Others	16.38	—	10.79	—
Total	16.38	—	10.79	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

As at 31 March 2026	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	16.38	–	–	–	–	–	16.38
Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	209.66	209.66
Undisputed Trade receivable – credit impaired	–	–	–	–	–	(209.66)	(209.66)
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables – credit impaired	–	–	–	–	–	–	–
	<u>16.38</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>16.38</u>

As at 31 March 2025	Outstanding for following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	10.79	–	–	–	–	–	10.79
Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	209.66	209.66
Undisputed Trade receivable – credit impaired	–	–	–	–	–	(209.66)	(209.66)
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables – credit impaired	–	–	–	–	–	–	–
	<u>10.79</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>10.79</u>

Note No. 5 - Other financial assets

Particulars	Rs. in Lacs			
	As at 31 st March 2026		As at 31 st March 2025	
	Current	Non-Current	Current	Non- Current
Financial assets at amortised cost				
Other Financial assets				
Accrued Interest	0.01	–	0.01	–
TOTAL OTHER FINANCIAL ASSETS	<u>0.01</u>	<u>–</u>	<u>0.01</u>	<u>–</u>

Note No. 6 - Cash and Bank Balances

Particulars	Rs. in Lacs	
	As at 31 st March 2026	As at 31 st March 2025
Cash and cash equivalent		
(a) Balances with banks in current account	11.29	43.94
(b) Fixed Deposits with maturity less than 3 months	33.02	2.89
(c) Cash on hand	–	–
Total Cash and cash equivalent	<u>44.31</u>	<u>46.83</u>
Other Bank Balances		
(a) Balances with Banks:		
(i) Fixed Deposits with maturity greater than 3 months	–	–
Total Other Bank balances	<u>–</u>	<u>–</u>
TOTAL CASH & BANK BALANCES	<u>44.31</u>	<u>46.83</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Note No. 7 - Current Tax Assets (Net)

	Rs. in Lacs	Rs. in Lacs
Particulars	As at 31 st March 2026	As at 31 st March 2025
Tax Deducted at Source	1.62	1.62
Balance with government authorities	0.14	—
TOTAL	1.75	1.62

Note No. 8 - Equity Share Capital

	As at 31 st March 2026	As at 31 st March 2026	As at 31 st March 2025	As at 31 st March 2025
Particulars	No. of shares	Value	No. of shares	Value
Authorised:				
Equity shares of Rs 10 each with voting rights	17,000,000	1,700.00	17,000,000	1,700.00
Issued, Subscribed and Fully Paid:				
Equity shares of Rs 10 each with voting rights	12,330,000	1,233.00	12,330,000	1,233.00
Total	12,330,000	1,233.00	12,330,000	1,233.00

Terms / Rights attached to Equity Shares

The company has only one class of Equity shares having a par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote. Repayment of capital on liquidation will be in proportion to the number of equity shares held.

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	Opening Balance	Fresh Issue	Closing Balance
Equity Shares with Voting rights			
Year Ended 31 st March 2025			
No. of Shares	12,330,000	—	12,330,000
Amount in Lacs	1,233.00	—	1,233.00

(ii) Details of shares held by each shareholder holding more than 5% shares:

	As at 31 st March 2026		As at 31 st March 2025	
Class of shares / Name of shareholder	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mahindra Agri Solution Limited	12,330,000	100%	12,330,000	100%

(III) Details of shares held by promoters

As at 31 March 2026

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Mahindra Agri Solutions Limited	12,330,000	—	12,330,000	100%	0%

As at 31 March 2025

S. No.	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% change during the year
Equity shares of INR 10 each fully paid	Mahindra Agri Solutions Limited	12,330,000	—	12,330,000	100%	0%

Note No. 9 - Trade Payables

	As at 31 st March 2026		As at 31 st March 2025	
Particulars	Current	Non-Current	Current	Non-Current
Total outstanding dues of micro enterprises and small enterprises	—	—	—	—
Total outstanding dues of creditors other than micro enterprises and small enterprises	48.52	—	47.76	—
Disputed dues of micro enterprises and small enterprises	—	—	—	—
Disputed dues of creditors other than micro enterprises and small enterprises	—	—	—	—
TOTAL TRADE PAYABLES	48.52	—	47.76	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

13 (a) Trade Payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

Trade payables Ageing Schedule

As at 31 March 2026

Total outstanding dues of micro enterprises and small enterprises	
Total outstanding dues of creditors other than micro enterprises and small enterprises	
Disputed dues of micro enterprises and small enterprises	
Disputed dues of creditors other than micro enterprises and small enterprises	
Accrued expenses	

Outstanding for following periods from due date of payment				
Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
-	-	-	-	-
23.65	-	-	-	23.65
-	-	-	-	-
-	-	-	-	-
24.86	-	-	-	24.86
23.65	-	-	-	48.52

As at 31 March 2025

Total outstanding dues of micro enterprises and small enterprises	
Total outstanding dues of creditors other than micro enterprises and small enterprises	
Disputed dues of micro enterprises and small enterprises	
Disputed dues of creditors other than micro enterprises and small enterprises	
Accrued expenses	

Outstanding for following periods from due date of payment				
Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
-	-	-	-	-
0.11	-	-	-	0.11
-	-	-	-	-
-	-	-	-	-
47.65	-	-	-	47.65
47.76	-	-	-	47.76

Note No. 10 - Other Liabilities

Particulars	As at 31 st March 2026		As at 31 st March 2025	
	Current	Non-Current	Current	Non-Current
Statutory dues	0.10	-	0.03	-
TOTAL OTHER LIABILITIES	0.10	-	0.03	-

Note No. 11 - Revenue from Operations

Particulars	As at 31 st March 2026		As at 31 st March 2025	
	Current	Current	Current	Current
Revenue from sale of products	90.30	46.27		
TOTAL REVENUE FROM OPERATIONS	90.30	46.27		

Note No. 12 - Other Income

Particulars	For the year ended 31 st March 2026		For the year ended 31 st March 2025	
	Current	Current	Current	Current
Interest Income from Fixed Deposits	0.35	0.13		
Provision write back	-	0.25		
Miscellaneous write back	0.13	-		
TOTAL OTHER INCOME	0.48	0.38		

Note No. 13 - Purchase of Stock-in-trade

Particulars	For the year ended 31 st March 2026		For the year ended 31 st March 2025	
	Current	Current	Current	Current
Purchase of Stock - in - trade	86.28	44.55		
TOTAL PURCHASE STOCK-IN-TRADE	86.28	44.55		

Note No. 14 - Other Expenses

Particulars	For the year ended 31 st March 2026		For the year ended 31 st March 2025	
	Current	Current	Current	Current
(a) Rates and taxes	0.06	0.04		
(b) Legal and other professional costs	1.32	2.13		
(c) Auditors remuneration and out-of-pocket expenses				
(i) As Auditors	0.30	0.24		
(ii) For Taxation matters	-	-		
(i) For reimbursement of expenses	-	-		
(d) Other expenses	0.02	0.08		
TOTAL OTHER EXPENSES	2.14	2.50		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Note No. 15 - Changes in inventories of stock-in-trade

Particulars	Rs. in Lacs	
	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Inventories at the end of the year:		
Stock-in-trade	-	-
	-	-
Inventories at the beginning of the year:		
Stock-in-trade	-	-
	-	-
NET (INCREASE) / DECREASE	-	-

Note No. 15 - Earnings per Share

Particulars	For the year ended 31 st March 2026	For the year ended 31 st March, 2025
	Rs per Share	Rs per Share
Basic Earnings per share		
From continuing operations	0.02	(0.00)
Diluted Earnings per share		
From continuing operations	0.02	(0.00)

Basic & Diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic & diluted earnings per share are as follows:

Particulars	Rs. in Lacs	
	For the year ended 31 st March 2026	For the year ended 31 st March 2025
Profit / (loss) for the year attributable to owners of the Company	236,868	(40,111)
Less: Preference dividend and tax thereon	-	-
Profit / (loss) for the year used in the calculation of basic earnings per share	236,868	(40,111)
Profits used in the calculation of basic earnings per share	236,868	(40,111)
Weighted average number of equity shares	12,330,000	12,330,000
Earnings per share - Basic & Diluted	0.02	(0.00)

Note No. 16 - Financial Instruments

Capital management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The capital structure is monitored on the basis of net debt to equity of the company.

	31-Mar-25	31-Mar-24
Equity	13.84	11.47
Net Debt		
Short Term Borrowings	-	-
Less: Cash and cash equivalents	44.31	46.83
Net Debt	(44.31)	(46.83)
Total Capital	(30.47)	(35.36)

Categories of financial assets and financial liabilities

Rs. in Lacs	As at 31 st March 2026			
	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Other Financial Assets	-			-
Current Assets				
Trade Receivables	16.38			16.38
Other Bank Balances	-			-
Other Financial Assets	0.01			0.01
Current Liabilities				
Trade Payables	48.52			48.52
Short Term Borrowing	-			-
Other Financial Liabilities	-			-

Rs. in Lacs	As at 31 st March 2025			
	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Other Financial Assets	-			-
Current Assets				
Trade Receivables	10.79			10.79
Other Bank Balances	-			-
Other Financial Assets	0.01			0.01
Current Liabilities				
Trade Payables	47.76			47.76
Short Term Borrowing	-			-
Other Financial Liabilities	-			-

CREDIT RISK

(i) Credit risk management

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable, and where appropriate, credit guarantee insurance cover is purchased.

The Company applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

There is no change in estimation techniques or significant assumptions during the reporting period.

The loss allowance provision is determined as follows:

As at 31 st March 2026				
	Not due	Less than 6 months past due	More than 6 months past due	Total
Expected loss rate	0.0%	0.0%	100.0%	100.0%
Gross carrying amount	16.38	–	209.66	209.66
Loss allowance provision	–	–	209.66	209.66
As at 31 st March 2025				
	Not due	Less than 6 months past due	More than 6 months past due	Total
Expected loss rate	0.0%	0.0%	100.0%	100.0%
Gross carrying amount	10.79	–	209.66	209.66
Loss allowance provision	–	–	209.66	209.66

Note No. 17 - Fair Value Measurement

Rs. in Lacs				
Fair value hierarchy as at 31 st March 2026				
Financial assets	Level 1	Level 2	Level 3	Total
<i>Financial assets carried at Amortised Cost</i>				
– trade and other receivables		16.38		16.38
– deposits and similar assets		–		–
– others		0.01		0.01
Total	–	16.39	–	16.40

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows -

(Amt in lacs)			
Particulars	Currency	31-Mar-26	31-Mar-25
Trade Payables	USD	–	–
	EUR	–	–

Of the above foreign currency exposures, the following exposures are not hedged by a derivative:

(Amt in lacs)			
Particulars	Currency	31-Mar-26	31-Mar-25
Trade Payables	USD	–	–
	EUR	–	–

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges. The Company's exposure to foreign currency changes for all other currencies is not material.

Amt. In Lacs				
	Currency	Change in rate	Effect on profit before tax	Effect on pre-tax equity
31-Mar-26	USD	+10%	0.00	0.00
	USD	-10%	0.00	0.00
	EUR	+10%	0.00	0.00
	EUR	-10%	0.00	0.00
31-Mar-25	USD	+10%	0.00	0.00
	USD	-10%	0.00	0.00
	EUR	+10%	0.00	0.00
	EUR	-10%	0.00	0.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Financial liabilities

Financial Instruments not carried at Fair Value

– trade and other payables

		48.52		48.52
Total	–	48.52	–	48.52

Fair value hierarchy as at 31st March 2025

Financial assets

Financial assets carried at Amortised Cost

– trade and other receivables

– deposits and similar assets

– others

	Level 1	Level 2	Level 3	Total
– trade and other receivables		10.79		10.79
– deposits and similar assets		–		–
– others		0.01		0.01
Total	–	10.80	–	10.80

Financial liabilities

Financial Instruments not carried at Fair Value

– trade and other payables

– Short Term Borrowing

		47.76		47.76
		–		–
Total	–	47.76	–	47.76

Note No. 18 - Related Party Transactions

Name of the Parent Company	Mahindra Agri Solutions Limited
Name of the Ultimate Holding Company	Mahindra & Mahindra Limited
Name of the Fellow Subsidiary Company	Mahindra Integrated Business Solutions
Name of KMP of the Company	Mr Chaitanya Rajwade (Chief Executive officer)
	Mr Karan Poojary (Chief Financial Officer)
	Mr Ramesh Ramachandran (Director)
	Mr Feroze Baria (Company Secretary) (Till 16-01-2026)
	Aayushi Dalke
	Ms. Payal Sharaf (Director)

Details of transaction between the Company and its related parties are disclosed below:

					Rs. in Lacs
Particulars	For the year ended	Parent Company	Ultimate Holding Company	Fellow Subsidiaries	KMP of the Company and KMP of parent Company
<u>Nature of transactions with Related Parties</u>					
Receiving of services	31-Mar-26	–	0.36	–	–
	31-Mar-25	–	0.35	–	0.30

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

<u>Nature of Balances with Related Parties</u>	Balance as on	Parent Company	Ultimate Holding Company	Fellow Subsidiaries	KMP of the Company and KMP of parent Company
Trade payables	31-Mar-26	–	0.06	–	–
	31-Mar-25	–	0.08	–	–

Note No. 19 - Additional Information to the consolidated Financial Statements

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	31-Mar-26 Rs in lacs	31-Mar-25 Rs in lacs
(i) Principal amount remaining unpaid to MSME suppliers as on	–	–
(ii) Interest due on unpaid principal amount to MSME suppliers as on	–	–
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	–	–
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	–	–
(v) The amount of interest accrued and remaining unpaid as on	–	–

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note No. 20 - Ratio Analysis and its elements

Ratio	Numerator	Denominator	31-03-2026	31-03-2025	% change	Reasons for variances
Current Ratio	Current Assets	Current Liability	1.28	1.23	4%	Refer note a
Debt Equity ratio	Total Debt	Shareholder Equity	–	–	0%	–
Debt Service coverage ratio	Earning for Debt service	Debt Service	–	–	0%	–
Return on Equity	Net profit after taxes	Average Shareholder Equity	0.19	(0.03)	-645%	Refer note a
Inventory Turnover ratio	Cost of goods sold	Average inventory	–	–	0%	–
Trade receivable Turnover ratios	Net credit sales = Gross credit sales - sales return	Average trade receivables	6.65	8.57	-22%	Refer note a
Trade Payable ratios	Net credit purchases = Gross credit purchases - purchase return	Average trade payables	1.79	1.73	4%	Refer note a
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	6.53	4.04	62%	Refer note a
Net profit ratio	Net profit	Net sales = Total sales - sales return	0.03	(0.01)	-403%	Refer note a
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	0.17	(0.03)	-589%	Refer note a
Return on Investment	Interest (Finance Income)	Investment	0.01	0.04	-76%	–

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026**Note 21 - Contingent liabilities**

1. The Company has issued bank guarantee amounting to Rs 0.2 lacs to Deputy Excise and Taxation Commissioner (Haryana).
2. The Company has tax liability amounting to Rs 4.69 lacs towards disallowances in income tax.

Note No. 22 - Other Statutory Informations

- (a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (c) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (d) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- (i) 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
- (e) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (f) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (g) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
- (h) The Company does not have transactions with any struck off entity.
- (i) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

Note No. 23 - Comparatives

The amount has been rounded off to nearest ₹ in lakhs (INR). The figures for previous year have been regrouped wherever necessary to conform to current year's classification.

In terms of our report attached.

For H M T S & Associates

Chartered Accountants

FRN : 0139847W

Mahesh Chauhan

Partner

Membership No: 115103

Place: Mumbai

Date: April 20, 2026

For Mahindra Fruits Private Limited

Director

Payal Sharaf

DIN: 11358416

Chief Financial Officer

Karan Poojary

Membership no: 186513

Place: Mumbai

Date: April 20, 2026

Director

Ramesh Ramachandran

DIN:09562621

Chief Executive Officer

Chaitanya Rajwade

Independent Auditor's Report

**To The Members of
Mahindra & Mahindra Financial Services Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

- We have audited the accompanying Standalone Financial Statements of **Mahindra & Mahindra Financial Services Limited** ('the Company'), which comprise the Standalone Balance Sheet as at March 31, 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the 'Standalone Financial Statements').
- In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 ('Ind AS') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, the relevant circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including

other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matter

- Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
- We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Impairment of loans and advances (Refer Note 2.5 (ii) for material accounting policies and Note 49.2 for credit risk disclosures)	
As at March 31, 2026, the Company has reported gross loan assets of ₹ 1,34,096.05 crores against which an impairment loss of ₹ 3,935.91 crores has been recorded. The Company recognized impairment provision for loan assets based on the Expected Credit Loss ('ECL') approach laid down under 'Ind AS 109 – Financial Instruments'. The estimation of ECL on financial instruments involves significant management judgement and estimates and the use of different modelling techniques and assumptions which could have a material impact on reported profits. Significant management judgement and assumptions involved in measuring ECL is required with respect to: - ensuring completeness and accuracy of the data used to create assumptions in the model. - determining the criteria for a significant increase in credit risk. - factoring in future economic assumptions techniques used to determine probability of default, loss given default and exposure at default.	Our audit included assessing the appropriateness of management's judgement and estimates used in the impairment analysis through procedures that included, but were not limited to, the following: - Obtained an understanding of the modelling techniques adopted by the Company including the key inputs and assumptions; - Considered the Company's accounting policies for estimation of Expected Credit Loss on loans and assessing compliance with the policies in terms of Ind AS 109; - Obtained an understanding of the management's updated processes, systems and controls implemented in relation to impairment allowance process; - Accuracy of the computation of the ECL estimate including reasonableness of the methodology and assumption used to determine macro-economic overlays; - Tested the design and operating effectiveness of key controls over completeness and accuracy of the key inputs and assumptions considered for calculation, recording, monitoring of the impairment loss recognized and staging of assets;

Key Audit Matter	How our audit addressed the key audit matter
factoring in forward looking scenario-based assessment of evolving domestic macroeconomic factors and regulatory, geopolitical developments impacting industry and specific segments. These parameters are derived from the Company's internally developed statistical models and other historical data. Disclosure The disclosures regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the ECL results. Further, disclosures to be provided as per RBI circulars with regards to Non-Performing Assets and provisions is also an area of focus. Considering the significance of the above matter to the overall financial statements and extent of management's estimates and judgements involved, it required significant auditor attention. Accordingly, we have identified this as a key audit matter.	- Assessed the critical assumptions and input data used in the estimation of Expected Credit Loss models for specific key credit risk parameters, such as the movement logic between stages, Exposure at default (EAD), probability of default (PD) or loss given default (LGD); - Evaluated the reports and working for the methodology used in the computation of Through The Cycle PD, Point In Time PD and LGD, among others; - Performed test of details over calculation of ECL, in relation to the completeness and accuracy of the data; - Obtained written representations from management and those charged with governance on whether they believe significant assumptions used in calculation of expected credit losses are reasonable; - Assessed the appropriateness and adequacy of the related presentation and disclosures of Note 49 "Financial Risk Management" disclosed in the accompanying financial statements in accordance with the applicable accounting standards and related RBI circulars and Resolution Framework.
Information Technology and General Controls The Company is highly dependent upon its Information Technology (IT) systems for carrying out its operations and owing to the significant volume of transactions that are processed daily basis as part of the operations, which impacts key financial accounting and reporting. The company has put in place the IT General Controls and Application Controls to ensure that the information produced by the company is complete, accurate and reliable. Among other things, the management also uses the information produced by the entity's IT systems for accounting and preparation and the presentation of the financial statements. Since our audit strategy included focus on entity's key IT systems relevant to our audit due to their potential pervasive impact on the financial statements, we have determined the use of IT systems and related control environment for accounting and financial reporting as a key audit matter.	Our audit procedures for assessment of the IT systems and controls over financial reporting, which includes carrying out the key audit procedures, but were not limited to the following: - Obtained an understanding of the Company's key IT systems, IT General Controls which covered access controls, program/ system changes, program development and computer operations i.e., job processing, data/ system backup and incident management and Application Controls relevant to our audit. - Tested the design, implementation and operating effectiveness of the general IT controls over the key IT systems that are critical to financial reporting. This included evaluation of entity's controls to check segregation of duties and access rights being provisioned/modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being re-certified during the period of audit. - Tested Application Controls (automated controls) relevant to the audit of loans, expenses, payroll, borrowings and investment among others, for evaluating completeness and accuracy and; - Tested compensating controls or performed alternate procedures to assess whether there were any unaddressed IT risks that would impact the controls or completeness and accuracy of data. - We have also relied on IS and other technology audits conducted during the year. - We have obtained management representations wherever considered necessary.

Information other than the Financial Statements and Auditor's Report thereon

6. The Company's Board of Directors is responsible for the preparation of other information. This other information comprises the information included in the Board's Report (including annexures thereto) and Management Discussion and Analysis ('MD&A') (collectively referred to as 'Other Information'), but does not include the Standalone Financial Statements and our Auditor's Report thereon. The Other Information is expected to be made available to us after the date of this Auditors' Report.

Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

7. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above when it becomes available and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

8. The accompanying Standalone Financial Statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act, RBI Guidelines and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the Standalone Financial Statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company

or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to Standalone Financial Statements in place and the operating effectiveness of such controls based on our audit;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
 - Conclude on the appropriateness of Board of Directors and management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future

events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the Standalone Financial Statements of the Company to express an opinion on the Standalone Financial Statement.
13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the financial year ended March 31, 2026 and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by Section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. Further to our comments in Annexure I, as required by Section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying Standalone Financial Statements;
 - 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 paragraph 17(g)(vi) below on

reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ('the Rules');

- c) The Standalone Financial Statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid Standalone Financial Statements comply with Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors and 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 controls with reference to Standalone Financial Statements of the Company as on March 31, 2026 and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company, as detailed in Note 43 to the Standalone Financial Statements, has disclosed the impact of pending litigations on its financial position as at March 31, 2026;
 - ii. The Company, as detailed in Note 47 to the Standalone Financial Statements, has made provision as at March 31, 2026, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026. The Company, as detailed in Note 18 to the Standalone Financial Statements, has regularly transferred the required amounts to the Investor Education and Protection Fund;
 - iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 37 (vi) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the 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 ('the 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, as disclosed in Note 37 (vi), to the Standalone Financial Statements no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The final dividend proposed in the previous year, declared and paid by the company during

the year is in accordance with the provision of section 123 of the Act; and

- vi. Based on our examination, which included test checks, the Company has used various accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility, which have operated throughout the year for all relevant transactions recorded in the software, except for one accounting software wherein master level logs were enabled from July 02, 2025, eleven accounting software (including two software migrated during the year) wherein, the audit trail logs were not maintained at database level throughout the year and two accounting software wherein, the limited audit trail logs were enabled from March 02, 2026 to log direct data changes. Based on our procedures performed, we did not notice any instance of the audit trail feature being tampered with. In respect of the aforesaid masters and databases, in the absence of audit trail for the said period, the question of our commenting on whether the audit trail was tampered with, does not arise. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention apart from the exceptions mentioned above.

For **M M NISSIM & CO LLP**
Chartered Accountants
ICAI FRN: 107122W/W100672

For **M. P. Chitale & Co.**
Chartered Accountants
ICAI FRN: 101851W

Sanjay Khemani
Partner

Place: Mumbai
Date: April 24, 2026

ICAI Membership No.: 044577
UDIN: 26044577RMJDJH3777

Place: Mumbai
Date: April 24, 2026

Ashutosh Pednekar
Partner

ICAI Membership No.: 041037
UDIN: 26041037SXSNSW7637

Annexure I referred to in Paragraph 17 of the Independent Auditor's Report of even date to the members of Mahindra & Mahindra Financial Services Limited on the Standalone Financial Statements for the year ended March 31, 2026

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-Of-Use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b. During the year, the management has carried out physical verification of all the Property, Plant and Equipment. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties disclosed in the financial statements included under PPE are held in the name of the Company.
- d. The Company has not revalued any of its Property, Plant and Equipment (including Right-Of-Use assets) and intangible assets during the year and hence reporting under clause 3(i)(d) of the Order is not applicable to the Company.
- e. According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. a. The Company is engaged in providing financial services primarily into non-banking financial services (NBFC). Accordingly, it does not hold any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable to the Company.
- b. The Company has a working capital limit in excess of Rs 5 crore sanctioned by banks and financial institutions, in aggregate based on the security of loans (assets). We have observed reconciliation items in the quarterly returns/statements, in respect of the working capital limits which have been filed by the Company with such banks and financial institutions as compared to the books of accounts maintained by the Company. For the return/ statement for the quarter ended March 31, 2026 the date of submission is not due till the date of this report. However, we have not carried out a specific audit of such statements. The details of such difference/ reconciliation items are given in Note 17 of the Standalone Financial Statements of the Company.
- iii. a. The Company is a Non-Banking Financial Company and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
- b. The investments made, guarantee provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans are not, prima facie, prejudicial to the Company's interest.
- c. The Company is a Non-Banking Financial Company, registered under provisions of the Reserve Bank of India Act, 1934 and rules made thereunder and is regulated by various regulations, circulars and norms issued by the Reserve Bank of India including Master Direction on Income Recognition, Asset Classification and Provisioning pertaining to Advances. In respect of loans and advances in the nature of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments/ receipts of principal and interest are regular except for certain instances as below:

Overdue amount as on March 31, 2026

Particulars – Days Past Due	Total amount due (Rs. in Crores)
1-30 days	460.07
31-90 days	765.76
More than 90 days	2,064.51
Total	3,290.34

- d. According to the information and explanations given to us, the total amount which is overdue for more than 90 days in respect of loans and advances in the nature of loans given in the course of the business operations of the Company aggregates to Rs. 2,064.51 Crores as at March 31, 2026 in respect of 1,11,697 number of loans. Further, reasonable steps as per the policies and procedures of the Company have been taken for recovery of such principal and interest amounts overdue.
- e. The Company is a Non-Banking Financial Company, and its principal business is to give loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

- f. The Company has not granted any loans or advances in the nature of loans which are repayable on demand (except for the short-term loan) or without specifying any terms or period of repayment during the year. Accordingly, reporting under clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees or securities to the parties that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.
- v. In our Opinion, the Company had complied with the directive issued by the Reserve Bank of India ('the RBI') with regards to the deposits accepted and amounts deemed to be deposits during the year. According to the information and explanation given to us, the provisions of sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being a Non-Banking Financial Company registered with the RBI. We are informed by the management that no order has been passed by the Company Law Tribunal or RBI or any Court or any other Tribunal against the Company in this regard.
- vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- vii. a. In our opinion, and according to the information and explanations given to us, undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues, as applicable, have been regularly deposited with the appropriate authorities by the Company. As explained to us, the Company does not have any dues on account of Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax.
- b. According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
GST – Uttar Pradesh	Goods & Services Tax	22.82	FY 2017-18 to FY 2019-20	Allahabad High Court, Lucknow Bench
GST – Maharashtra	Goods & Services Tax	0.93	FY 2018-19 to FY 2021-22	GST Appellate Tribunal (Appeal is pending to be filed)

Name of the statute	Nature of dues	Amount (₹ in crores)	Period to which the amount relates	Forum where dispute is pending
Service Tax	Service Tax	97.02	FY 2007-08 to FY 2014-15	Customs, Excise & Service Tax Appellate Tribunal
VAT – Andhra Pradesh	Value Added Tax	1.24	FY 2008-09 to FY 2013-14	Andhra Pradesh High Court
VAT – Madhya Pradesh	Value Added Tax	0.08	FY 2013-14 to FY 2016-17	Appellate Authority of Commercial Taxes, Bhopal
VAT – Maharashtra	Value Added Tax	39.96	FY 2010-11, FY 2012-13 to FY 2015-16	Maharashtra Sales Tax Tribunal
VAT – Maharashtra	Value Added Tax	3.53	FY 2011-12	Deputy Commissioner of Sales Tax (Appeals)
VAT – Rajasthan	Value Added Tax	1.16	FY 2006-07 to FY 2014-15	Supreme Court
Income Tax	Income Tax Act, 1961	410.89	2016 -17	Jurisdictional Assessing Officer (JAO)
Income Tax	Income Tax Act, 1961	2.28	2017 -18	Commissioner of Income Tax (Appeals)
Income Tax	Income Tax Act, 1961	8.56	2018 -19	Income Tax Appellate Tribunal (Appeals)

- viii. According to the information and explanations given to us and as verified by us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), which have not been recorded in the books of accounts.
- ix. a. According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b. According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender or government or any government authority.
- c. In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.

- d. In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- e. According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries, joint ventures or associates.
- f. According to the information and explanations given to us and as verified by us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associates.
- 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 other than by way of rights issue. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of rights issue offer for the purposes for which they were raised.
 - b. According to the information and explanation given to us and as verified by us, the Company has utilized funds raised by way of private placement of debentures for the purpose for which they were raised and there was no preferential allotment or private placement of shares during the year.
- xi.
 - a. To the best of our knowledge according to the information and explanations given to us and as verified by us, no fraud by the Company has been noticed or reported during the year. Accordingly, to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit except for misappropriation of cash by its employees or cheating and forgery of documents by its employees or by the customers of the Company identified by the management during the year, involving amounts aggregating to Rs. 6.61 Crores as mentioned in Note 42 of the accompanying Standalone Financial Statements. The Company has initiated necessary action against the employees and customers connected to such instances including of their employment contracts and recovery of the amounts.
 - b. According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, determining the nature, timing and extent of audit procedures.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act and all details have been disclosed in the Standalone Financial Statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- xiv.
 - a. In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and the nature of its business.
 - b. We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- xv. According to the information and explanation given to us, and based on our examination of the records, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- xvi.
 - a. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.
 - b. During the year, the Company has not conducted any Non - Banking Financial activities without a valid Certificate of Registration (CoR) from the RBI as per the Reserve Bank of India Act, 1934. Further, Company has not conducted any Housing Finance activities and is not required to obtain CoR for such activities from the RBI.
 - c. According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.

- d. Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) has 5 CICs forming part of the group.
- xvii. The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the plans of the Board of Directors and management, 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. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx. Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of Standalone Financial Statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **M M NISSIM & CO LLP**
Chartered Accountants
ICAI FRN: 107122W/W100672

Sanjay Khemani
Partner

Place: Mumbai
Date: April 24, 2026

ICAI Membership No.: 044577
UDIN: 26044577RMJDJH3777

For **M. P. Chitale & Co.**
Chartered Accountants
ICAI FRN: 101851W

Ashutosh Pednekar
Partner

Place: Mumbai
Date: April 24, 2026

ICAI Membership No.: 041037
UDIN: 26041037SXSNSW7637

Annexure II to the Independent Auditor's Report of even date to the members of Mahindra & Mahindra Financial Services Limited on the Standalone Financial Statements for the year ended March 31, 2026

Independent Auditor's Report on the internal financial controls with reference to the Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

(Referred to in paragraph 18(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In conjunction with our audit of the Standalone Financial Statements of **Mahindra & Mahindra Financial Services Limited** ('the Company') as at and for the year ended **March 31, 2026**, we have audited the internal financial controls with reference to Standalone Financial Statements of the Company as at that date.

Board of Director's Responsibilities for Internal Financial Controls

2. The Company's Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference

to Standalone Financial Statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

6. A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

7. Because of the inherent limitations of internal financial

controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **M M NISSIM & CO LLP**
Chartered Accountants
ICAI FRN: 107122W/W100672

Sanjay Khemani
Partner

Place: Mumbai
Date: April 24, 2026

ICAI Membership No.: 044577
UDIN: 26044577RMJDJH3777

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such controls were operating effectively as at March 31, 2026, based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **M. P. Chitale & Co.**
Chartered Accountants
ICAI FRN: 101851W

Ashutosh Pednekar
Partner

Place: Mumbai
Date: April 24, 2026

ICAI Membership No.: 041037
UDIN: 26041037SXSNEWS7637

STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

			Rs. in crore	
Particulars	Note	As at March 31, 2026	As at March 31, 2025	
ASSETS				
Financial Assets				
a) Cash and cash equivalents	3	391.22	1,666.56	
b) Bank balance other than (a) above	4	6,949.26	3,869.31	
c) Derivative financial instruments.....	5	402.60	30.95	
d) Receivables				
– Trade receivables	6	86.12	53.02	
e) Loans.....	7	1,30,160.14	1,16,214.02	
f) Investments	8	6,820.37	10,400.48	
g) Other financial assets	9	222.10	247.53	
		1,45,031.81	1,32,481.87	
Non-financial Assets				
a) Current tax assets (Net)		438.64	601.68	
b) Deferred tax assets (Net)	10 (i)	654.12	640.99	
c) Property, plant and equipment.....	11 (a)	939.31	876.38	
d) Capital work-in-progress.....	11 (b)	1.65	0.52	
e) Intangible assets under development.....	12 (a)	5.42	65.10	
f) Other Intangible assets.....	12 (b)	248.37	172.89	
g) Other non-financial assets.....	13	585.95	708.75	
		2,873.46	3,066.31	
Total Assets		1,47,905.27	1,35,548.18	
LIABILITIES AND EQUITY				
LIABILITIES				
Financial Liabilities				
a) Derivative financial instruments.....	14	6.85	390.05	
b) Payables.....	15			
I) Trade payables				
i) total outstanding dues of micro enterprises and small enterprises		–	–	
ii) total outstanding dues of creditors other than micro enterprises and small enterprises.....		855.51	1,208.56	
II) Other payables				
i) total outstanding dues of micro enterprises and small enterprises		5.72	2.71	
ii) total outstanding dues of creditors other than micro enterprises and small enterprises.....		34.00	17.62	
c) Debt securities.....	16	26,539.06	26,204.83	
d) Borrowings (Other than debt securities).....	17	74,240.03	69,734.92	
e) Deposits	18	14,196.03	11,404.15	
f) Subordinated liabilities.....	19	5,359.74	5,529.57	
g) Other financial liabilities.....	20	1,128.02	790.60	
		1,22,364.96	1,15,283.01	

STANDALONE BALANCE SHEET AS AT MARCH 31, 2026 (CONTD...)

			Rs. in crores	
Particulars		Note	As at March 31, 2026	As at March 31, 2025
Non-Financial Liabilities				
a)	Current tax liabilities (net).....		158.87	69.73
b)	Provisions.....	21	407.22	217.04
c)	Other non-financial liabilities.....	22	215.52	166.17
			781.61	452.94
EQUITY		23		
a)	Equity share capital		277.91	246.98
b)	Other equity		24,480.79	19,565.25
			24,758.70	19,812.23
Total Liabilities and Equity.....			1,47,905.27	1,35,548.18

The accompanying notes form an integral part of the Standalone financial statements.

1 to 58

In terms of our report attached.

For **M M NISSIM & CO LLP**
Chartered Accountants
ICAI FRN: 107122W/W100672

Sanjay Khemani
Partner
ICAI Membership No: 044577

Mumbai
April 24, 2026

For **M. P. Chitale & Co.**
Chartered Accountants
ICAI FRN: 101851W

Ashutosh Pednekar
Partner
ICAI Membership No: 041037

Amarjyoti Barua
Director
[DIN: 09202472]

Pradeep Kumar Agrawal
Chief Financial Officer

Mumbai
April 24, 2026

For and on behalf of the Board of Directors
Mahindra & Mahindra Financial Services Limited

Raul Rebello
Managing Director & CEO
[DIN: 10052487]

Brijbala Batwal
Company Secretary
Membership No.F5220

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

		Rs. in crore	
		Year ended	Year ended
		March 31, 2026	March 31, 2025
Particulars	Note		
Revenue from operations			
i) Interest income	24	17,211.69	15,331.41
ii) Dividend income		177.32	15.46
iii) Rental income		174.86	153.45
iv) Fees, charges and commission income	25	854.39	510.59
v) Net gain/ (loss) on fair value changes	26	27.33	6.14
vi) Net gain on derecognition of financial instruments under amortized cost category		—	1.90
I Total revenue from operations		18,445.59	16,018.95
II Other income	27	54.69	55.74
III Total income (I+II)		18,500.28	16,074.69
Expenses			
i) Finance costs	28	8,392.05	7,898.30
ii) Fees and commission expense		139.87	97.84
iii) Impairment on financial instruments	29	2,441.22	1,617.86
iv) Employee benefits expenses	30	2,054.17	1,903.13
v) Depreciation, amortization and impairment	31	342.68	273.42
vi) Others expenses	32	1,340.33	1,136.87
IV Total expenses		14,710.32	12,927.42
V Profit before exceptional items and tax (III-IV)		3,789.96	3,147.27
VI Exceptional items	33	(117.33)	—
VII Profit before tax (V+VI)		3,672.63	3,147.27
VIII Tax expense :	10 (ii)		
(i) Current tax		923.02	779.45
(ii) Deferred tax		(34.89)	22.78
(iii) (Excess)/ Short Provision for Income Tax - earlier years		2.27	—
		890.40	802.23
IX Profit for the year (VII-VIII)		2,782.23	2,345.04
X Other Comprehensive Income (OCI)			
(A)(i) Items that will not be reclassified to profit or loss			
— Remeasurement gain/ (loss) on defined benefit plans		(22.34)	(9.99)
— Net gain/ (loss) on equity instruments through OCI		28.58	84.26
(ii) Income tax relating to items that will not be reclassified to profit or loss	10 (iii)	(1.57)	(18.69)
Subtotal (A)		4.67	55.58
(B)(i) Items that will be reclassified to profit or loss			
— Net gain/ (loss) on debt instruments through OCI		(22.52)	96.49
— Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		102.74	(62.23)
(ii) Income tax relating to items that will be reclassified to profit or loss		(20.19)	(8.62)
Subtotal (B)		60.03	25.64
Other Comprehensive Income (A+B)		64.70	81.22
XI Total Comprehensive Income for the year (IX+X)		2,846.93	2,426.26
XII Earnings per equity share (face value Rs. 2/- per equity share)	34		
Basic (Rupees)		20.35	18.43
Diluted (Rupees)		20.33	18.43

The accompanying notes form an integral part of the Standalone financial statements. 1 to 58

In terms of our report attached.

For and on behalf of the Board of Directors

Mahindra & Mahindra Financial Services LimitedFor **M M NISSIM & CO LLP**
Chartered Accountants
ICAI FRN: 107122W/W100672For **M. P. Chitale & Co.**
Chartered Accountants
ICAI FRN: 101851W**Amarjyoti Barua**
Director
[DIN: 09202472]**Raul Rebello**
Managing Director & CEO
[DIN: 10052487]**Sanjay Khemani**
Partner
ICAI Membership No: 044577**Ashutosh Pednekar**
Partner
ICAI Membership No: 041037**Pradeep Kumar Agrawal**
Chief Financial Officer**Brijbala Batwal**
Company Secretary
Membership No.F5220Mumbai
April 24, 2026Mumbai
April 24, 2026

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

Particulars	Rs. in crore	
	Year ended March 31, 2026	Year ended March 31, 2025
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional items and taxes	3,789.96	3,147.27
Adjustments for:		
Depreciation, amortization and impairment	342.68	273.42
Impairment on financial instruments (excluding bad debts and write offs)	482.05	58.95
Bad debts and write offs	1,959.17	1,558.91
Interest expense	8,360.34	7,978.79
Interest income from loans	(16,318.73)	(14,500.50)
Interest income from other deposits with banks	(430.43)	(318.80)
Net (gain)/ loss on fair value of derivative financial instruments	-	(107.25)
Unrealized foreign exchange (Gain)/loss	544.37	37.74
Share based payments to employees	15.82	7.25
Net (gain)/loss on fair value changes	(16.38)	0.85
Interest income on investments	(462.53)	(512.11)
Net gain on derecognition of property, plant and equipment	(0.59)	(4.10)
Net (gain)/ loss on sale of investments	(23.41)	(1.31)
Operating profit/ (loss) before working capital changes	(1,757.68)	(2,380.89)
Adjustments for changes in working capital -		
Loans	(15,020.80)	(17,514.42)
Trade receivables	(33.37)	(28.42)
Other financial assets	23.06	(18.70)
Other financial liabilities	455.05	31.26
Other non-financial assets	102.72	(150.41)
Trade Payables	(333.66)	(296.00)
Other non-financial liabilities	49.35	15.50
Derivative financial instruments	(754.85)	131.08
Provisions	46.43	1.25
Cash generated from/ (used in) operations before adjustments for interest received and interest paid	(17,223.75)	(20,209.75)
Interest paid	(8,265.96)	(7,630.56)
Interest received from loans	14,957.32	13,379.76
Cash generated from/ (used in) operations	(10,532.39)	(14,460.55)
Income taxes paid (net of refunds)	(673.11)	(820.88)
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES (A)	(11,205.50)	(15,281.43)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment and intangible assets	(390.85)	(425.10)
Proceeds from sale of Property, plant and equipment	61.15	64.49
Proceeds from sale of investments measured at amortized cost	283.00	35.25
(Increase)/ decrease in Investment in Triparty Repo Dealing System (TREPS) (net)	-	124.98
Purchase of investments measured at FVOCI	(638.70)	-
Proceeds from sale of investments measured at FVOCI	1,746.25	476.40
Purchase of investments measured at FVTPL	(44,453.60)	(17,823.01)
Proceeds from sale of investments measured at FVTPL	46,651.24	16,604.91
Proceeds from term deposits with banks (including margin account with banks)	2,772.38	2,492.13
Investments in term deposits with banks (including margin account with banks)	(5,789.07)	(3,406.55)
Interest received from other deposits with banks	367.06	319.99

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026 (CONTD...)

Particulars	Rs. in crore	
	Year ended March 31, 2026	Year ended March 31, 2025
Interest income received on investments measured at amortized cost, FVOCI, FVTPL and at cost.....	500.31	525.11
Change in Earmarked balances with banks	0.11	(0.09)
NET CASH GENERATED FROM/ (USED IN) IN INVESTING ACTIVITIES (B)	1,109.28	(1,011.49)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Equity shares, including securities premium (net of issue expenses)	2,988.56	—
Proceeds from borrowings through Debt Securities	18,082.82	27,048.97
Repayment of borrowings through Debt Securities	(17,577.67)	(28,613.08)
Proceeds from Borrowings (Other than Debt Securities)	46,314.61	42,239.22
Repayment of Borrowings (Other than Debt Securities)	(42,287.57)	(27,105.20)
Proceeds from borrowings through Subordinated Liabilities	—	1,500.00
Repayment of borrowings through Subordinated Liabilities	(174.82)	(274.04)
Increase/ (decrease) in Public deposits (net)	2,485.71	3,733.33
Payments of lease liability	(107.28)	(102.41)
Dividend paid	(903.48)	(778.38)
NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES (C)	8,820.88	17,648.41
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,275.34)	1,355.49
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,666.56	311.07
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	391.22	1,666.56
Components of Cash and Cash Equivalents.....		
Cash and cash equivalents at the end of the year		
– Cash on hand	40.10	47.85
– Cheques and drafts on hand	9.26	16.28
– Balances with banks in current accounts	241.85	293.51
– Term deposits with original maturity up to 3 months.....	100.00	1,307.00
– Interest accrued on Term deposits	0.01	1.92
Total	391.22	1,666.56

Note:

The above Statement of Standalone Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

Purchase of Property, plant and equipment and intangible assets represents additions to Property, plant and equipment and intangible assets adjusted for movement of capital-work-in-progress during the year.

In terms of our report attached.

For and on behalf of the Board of Directors
Mahindra & Mahindra Financial Services Limited

For **M M NISSIM & CO LLP**
Chartered Accountants
ICAI FRN: 107122W/W100672

For **M. P. Chitale & Co.**
Chartered Accountants
ICAI FRN: 101851W

Amarjyoti Barua
Director
[DIN: 09202472]

Raul Rebello
Managing Director & CEO
[DIN: 10052487]

Sanjay Khemani
Partner
ICAI Membership No: 044577

Ashutosh Pednekar
Partner
ICAI Membership No: 041037

Pradeep Kumar Agrawal
Chief Financial Officer

Brijbala Batwal
Company Secretary
Membership No.F5220

Mumbai
April 24, 2026

Mumbai
April 24, 2026

STATEMENT OF CHANGES IN EQUITY FOR STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026

A. Equity share capital

Particulars	Rs. in crore Amount
Issued, Subscribed and fully paid up:	
Balance as at April 1 2024	246.88
Changes due to prior period errors	—
Restated balance as at April 1 2024	246.88
Changes during the year:	
Add : Allotment of shares by ESOP Trust to employees on exercise of options (refer note 35)	0.10
Balance as at March 31, 2025	246.98
Balance as at April 1 2025	246.98
Changes due to prior period errors	—
Restated balance as at April 1 2025	246.98
Changes during the year:	
Add: Fresh allotment of shares through Rights Issue during the year (refer note 39)	30.89
Add: Allotment of shares by ESOP Trust to employees on exercise of options (refer note 35)	0.04
Balance as at March 31, 2026	277.91

B. Other Equity

Particulars	Reserves and Surplus									Rs. in crore Total
	Statutory reserve as per Section 45-IC of the RBI Act, 1934	Capital redemption reserve	Securities premium	General reserve	Employee stock options outstanding	Retained earnings	Debt instruments through OCI	Equity instruments through OCI	Effective portion of cash flow hedges	
Balance as at April 1 2024	2,883.35	50.00	7,185.65	798.20	12.24	7,037.93	(70.94)	21.46	(7.28)	17,910.61
Changes in accounting policy/ prior period errors	—	—	—	—	—	—	—	—	—	—
Restated balance as at April 1 2024	2,883.35	50.00	7,185.65	798.20	12.24	7,037.93	(70.94)	21.46	(7.28)	17,910.61
Profit/(loss) for the year						2,345.04				2,345.04
Other Comprehensive Income / (loss)						(7.49)	72.20	63.05	(46.57)	81.19
Total Comprehensive Income for the year	—	—	—	—	—	2,337.55	72.20	63.05	(46.57)	2,426.23
Dividend paid on equity shares (including tax thereon)						(778.38)				(778.38)
Transfers to Securities premium on exercise of employee stock options			8.32		(8.32)					—
Securities premium on transfer of ESOP Shares to employees from grant created out of Rights Issue			1.12							1.12
Employee stock options expired				0.42	(0.42)					—
Share based payment expense					5.67					5.67
Transfers to Statutory reserves	469.00					(469.00)				—
Balance as at March 31, 2025	3,352.35	50.00	7,195.09	798.61	9.18	8,128.10	1.26	84.51	(53.85)	19,565.25

STATEMENT OF CHANGES IN EQUITY FOR STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (CONTD...)

Rs. in crore

Particulars	Reserves and Surplus									
	Statutory reserve as per Section 45-IC of the RBI Act, 1934	Capital redemption reserve	Securities premium	General reserve	Employee stock options outstanding	Retained earnings	Debt instruments through OCI	Equity instruments through OCI	Effective portion of cash flow hedges	Total
Balance as at April 1 2025	3,352.35	50.00	7,195.09	798.61	9.18	8,128.10	1.26	84.51	(53.85)	19,565.25
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-	-
Restated balance as at April 1 2025	3,352.35	50.00	7,195.09	798.61	9.18	8,128.10	1.26	84.51	(53.85)	19,565.25
Profit/(loss) for the year						2,782.23			-	2,782.23
Other Comprehensive Income / (loss)						(16.72)	(16.85)	21.39	76.88	64.70
Total Comprehensive Income for the year	-	-	-	-	-	2,765.51	(16.85)	21.39	76.88	2,846.93
Dividend paid on equity shares (including tax thereon)						(903.48)				(903.48)
Securities premium on fresh issue of equity share capital (refer note 39)			2,965.27							2,965.27
Expenses incurred in respect of issue of equity shares			(7.60)							(7.60)
Transfers to Securities premium on exercise of employee stock options			5.51		(5.51)					-
Securities premium on transfer of ESOP Shares to employees from grant created out of Rights Issue			0.20							0.20
Employee stock options expired				0.19	(0.19)					-
Share based payment expense					14.22		-			14.22
Transfers to Statutory reserves	556.46		-			(556.46)				-
Balance as at March 31, 2026	3,908.81	50.00	10,158.47	798.80	17.70	9,433.67	(15.59)	105.90	23.03	24,480.79

The accompanying notes 1 to 58 form an integral part of the Standalone financial statements.

In terms of our report attached.

For and on behalf of the Board of Directors
Mahindra & Mahindra Financial Services LimitedFor **M M NISSIM & CO LLP**
Chartered Accountants
ICAI FRN: 107122W/W100672For **M. P. Chitale & Co.**
Chartered Accountants
ICAI FRN: 101851W**Amarjyoti Barua**
Director
[DIN: 09202472]**Raul Rebello**
Managing Director & CEO
[DIN: 10052487]**Sanjay Khemani**
Partner
ICAI Membership No: 044577**Ashutosh Pednekar**
Partner
ICAI Membership No: 041037**Pradeep Kumar Agrawal**
Chief Financial Officer**Brijbala Batwal**
Company Secretary
Membership No.F5220Mumbai
April 24, 2026Mumbai
April 24, 2026

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

1 COMPANY INFORMATION

Mahindra & Mahindra Financial Services Limited ('the Company') with Corporate ID No.: L65921MH1991PLC059642, incorporated on 1 January 1991 and domiciled in India, is a public limited company, headquartered in Mumbai. The Company is a Non-Banking Financial Company ('NBFC'), primarily engaged in financing new and pre-owned auto, utility vehicles, tractors, passenger cars and commercial vehicles through its pan India branch network. The Company has a diversified lending portfolio across retail, small and medium enterprises and commercial customers with a significant presence in rural and semi-urban India.

The Company is registered as a Systemically Important Deposit Accepting NBFC as defined under Section 45-IA of the Reserve Bank of India ('RBI') Act, 1934 with effect from 4 September 1998, with registration no. 13.00996 and classified as NBFC-Investment and Credit Company (NBFC-ICC) pursuant to circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated 22 February 2019. The RBI, under Scale Based Regulations (SBR) had categorised the Company in Upper Layer (NBFC-UL) vide its circular dated September 30, 2022 and affirmed the same vide its Press release dated January 16, 2025. The equity shares of the Company are listed on the National Stock Exchange of India Limited ("NSE") and the BSE Limited ("BSE") in India. The Company is a subsidiary of Mahindra & Mahindra Limited.

The Company's registered office is at Gateway Building, Apollo Bunder, Mumbai 400001, India.

2 SUMMARY OF MATERIAL ACCOUNTING POLICY

2.1 Statement of compliance and basis for preparation and presentation of financial statements:

These standalone or separate financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 ("the Act"), and is in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Further, the Company has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the RBI notification no. RBI/DOR/2025-26/359 DOR. ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025.

Any application guidance/ clarifications/ directions/ expectations issued by RBI or other regulators are implemented as and when they are issued/ applicable.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company presents its Balance Sheet in the order of liquidity.

The Company prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

These standalone or separate financial statements have been approved by the Company's Board of Directors and authorized for issue on April 24, 2026.

2.2 Functional and presentation currency:

These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency. All amounts are rounded-off to the nearest crore, unless indicated otherwise.

2.3 Basis of measurement:

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain assets and liabilities which are measured at fair values as required by relevant Ind AS.

2.4 Measurement of fair values:

The Company's certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.5 Use of estimates and judgements and Estimation uncertainty:

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions of estimates are recognized prospectively.

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

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

i) Effective Interest Rate (EIR) Method

The Company recognizes interest income/ expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given/ taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/ expense that are integral parts of the instrument.

ii) Impairment of Financial Assets

The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk
- The classification of financial assets when their ECL is assessed on a collective basis
- Development of ECL model, including the various formulae and the choice of inputs
- Selection of forward-looking macroeconomic scenarios and their probability weights, to provide the economic inputs into the ECL model

- Management overlay, if any, used in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the Company's lending portfolios.

It has been the Company's policy to regularly review its model in the context of actual loss experience and adjust when necessary (refer note 49).

iii) Provisions and contingent liabilities

The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs. Contingent Liabilities in respect of show cause notices are considered only when converted into demands.

The reliable measure of the estimates and judgments pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is made. The disclosure of contingent liability is made when there is a possible obligation or present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligation for which a reliable estimate cannot be made as a contingent liability.

iv) Provision for income tax and deferred tax assets

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax, including the amount expected to be paid/ recovered for uncertain tax positions. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses, if any, can be utilized. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

v) Defined Benefit Plans

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

vi) Going Concern

The financial statements of the Company are prepared on a going concern basis for the year ended March 31, 2026.

The Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

2.6 Revenue recognition :

a) Recognition of interest income

Interest income is recognized in Statement of profit and loss using the effective interest method for all financial instruments measured at amortized cost, debt instruments measured at Fair Value Through Other Comprehensive Income (FVOCI) and debt instruments designated at Fair Value Through Profit and Loss (FVTPL). The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortized through interest income in the Statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss on financial assets at EIR. If financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis (amortised cost).

Additional interest levied on customers for delay in repayments/ non payment of contractual cashflows is recognised on realisation.

Interest on trade advances, is recognized when they become measurable and when it is not unreasonable to expect their ultimate collection.

Income from bill discounting is recognized over the tenure of the instrument so as to provide a constant periodic rate of return.

Interest income from investments is recognized when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable.

b) Recognition of interest income on securitized loans

The Company securitizes certain pools of loan receivables in accordance with applicable RBI guidelines. The Company, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Pay-out Account maintained by the SPV Trust for making scheduled pay-outs to the investors in Pass Through Certificates (PTCs) issued by the SPV Trust. These securitization transactions also requires the Company to provide for first loss credit enhancement in various forms, such as corporate guarantee, cash collateral, subscription to subordinated PTCs as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Company is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the Company has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the de-recognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as "Associated liability related to Securitization transactions" and the loan receivables securitized are continued

to be reflected as loan assets. These loan assets are carried at amortized cost and the interest income is recognized by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss on financial assets at EIR. If financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis (amortised cost).

c) Subvention income

Subvention income received from manufacturer/ dealers at the inception of the loan contracts which is directly attributable to individual loan contracts in respect of vehicles financed is recognized in the Statement of profit and loss using the effective interest method over the tenor of such loan contracts measured at amortized cost.

In case of subvention income which is subject to confirmation from manufacturer and received later than inception date is recognized in the Statement of profit and loss using straight line method over the tenor of such loan contracts.

d) Rental Income

Income from operating leases is recognized in the Statement of profit and loss on a straight-line basis over the lease term. In certain lease arrangements, variable rental charges are also recognized over and above minimum commitment charges based on usage pattern and make/model of the asset.

e) Income from finance lease

The income earned on finance lease are recognised in the Statement of profit and loss account based on pattern reflecting constant periodic return on the company's net investment in lease.

The fees/ charges received towards fleet management services rendered to customers is recognized over the lease term.

f) Fees, charges and commission income

Fees, charges and commission income are recognised in accordance with Ind AS 115 – Revenue from contracts with customers, when the performance obligation is satisfied and it is probable that economic benefits will flow to the Company. This includes insurance commission, foreclosure/prepayment charges, cheque bounce charges, etc.

The Company recognises service and administration charges at point in time towards rendering of additional services to its loan customers on satisfactory completion of service delivery.

Fees and commission that are not directly linked to the sourcing of financial assets are recognised at point in time in the Statement of Profit and Loss when the right to receive the same is established.

Instrument Return Charges levied on customers for non payment of instalments on the contractual date is recognised on realisation.

Distribution income is earned by distribution of services and products of other entities under distribution arrangements. The income so earned is recognised on successful distribution on behalf of other entities subject to there being no significant uncertainty of its recovery from the other entities.

Foreclosure or prepayment charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

Collection fee related to transferred assets under securitisation transactions is recognised on remittance of collection proceeds to Special Purpose Vehicle (SPV) created under securitization transaction.

Collection fee related to transferred assets under assignment deals is recognised on remittance of collection proceeds to assignees as per the service agreement entered with the assignees.

g) Income on Derecognised (Assigned) Loans

Gains arising out of direct assignment transactions comprises of the difference between interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the expected cash flow on execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

h) Dividend Income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of dividend income can be measured reliably).

i) Net gain/(loss) on fair value changes

The Company designates certain financial instruments for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI) as per the criteria in Ind AS 109. The Company recognises gains/(losses) on fair value change of financial instruments and realised gains/(losses) on derecognition of financial instruments measured at FVTPL and FVOCI on net basis. The gain/ loss on account of redemption of units of mutual funds is recognised in the period in which redemption occurs.

2.7 Property, Plant and Equipments (PPE):

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any.

Cost of acquisition consists of purchase price or construction cost which is the amount paid, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured.

Other repairs and maintenance costs are expensed off as and when incurred.

Advances paid towards the acquisition of PPE (excluding lease improvements) outstanding at each balance sheet date are disclosed separately as "Capital advances" under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date and cost of leasehold improvements. Capital work-in-progress is stated at cost, net of impairment loss, if any. On completion of work related to leasehold property improvements, the relevant cost is capitalized and the same is amortized over the lease term.

Depreciation on PPE is provided on straight-line basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis subject to exceptions listed here below. PPE is assumed to have no residual value at the end of useful life, except for vehicles under operating lease where residual values are assessed on individual basis. Depreciation methods, useful lives and residual values are reviewed in each financial year, and changes, if any, are accounted for prospectively.

In accordance with Ind AS 116 - Leases, the Right-Of-Use assets (Leasehold premises) are initially recognized at cost which comprises of initial amount of lease liability adjusted for any lease payments made at or prior to the commencement date of the lease less any lease incentives. These are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-Of-Use assets (Leasehold premises) are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The estimated useful lives used for computation of depreciation are as follows:

Buildings	60 years
Computers and Data processing units	3 to 6 years
Furniture and fixtures	10 years
Office equipments	5 years
Vehicles	8 years and 10 years
Vehicles under lease	Over the lease term of the respective agreements
Right-Of-Use assets (Leasehold premises)	Over the lease term of the respective agreements

Exceptions to useful lives specified in Schedule II to the Companies Act, 2013 -

- Assets costing less than Rs.5000/- are fully depreciated in the period of purchase.
- Vehicles provided to employees as part of Cost-To-Company (CTC) scheme are depreciated using estimated useful life of 4 years.
- Repossessed vehicles capitalized for own use are depreciated at 15% leading to an estimated useful life of 6.67 years.

PPE is derecognized on disposal or when no future economic benefits are expected from its use. Assets retired from active use and held for disposal are generally stated at the lower of their carrying amount & fair value less costs to sell. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognized in other income/ netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognized.

2.8 Intangible assets :

Intangible assets are stated at cost less accumulated amortization and accumulated impairment loss, if any.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

Intangible assets representing computer software are amortised using the straight-line method over a period of 3 to 6 years, which is the Management's estimate of useful life. Amortization methods, useful lives and residual values are reviewed in each financial year, and changes, if any, are accounted for prospectively.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.9 Investments in subsidiaries, associate and joint ventures :

Investment in subsidiaries, associates and Joint Ventures are recognised at cost and are not adjusted to fair value at the end of each reporting period as allowed by Ind AS 27 'Separate financial statement'. Cost of investment represents amount paid for acquisition of the said investment.

The Company reviews the carrying amounts of its investments in subsidiaries, associate and joint ventures at the end of each reporting period, to determine whether there is any indication that those investments have impaired. If any such indication exists, the recoverable amount of the investment is estimated in order to determine the extent of the impairment loss (if any) and provided for accordingly. Such impairment loss is reduced from the carrying value of investments.

2.10 Foreign exchange transactions and translations :

a) Initial recognition

Transactions in foreign currencies are recognized at the prevailing exchange rates between the reporting currency and a foreign currency on the transaction date.

b) Translation

Transactions in foreign currencies are translated into the 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 recognized in Statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship as per Ind AS 109.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Thus, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments classified as FVOCI are recognized in other comprehensive income.

Non-monetary items that are measured at historical cost in foreign currency are not retranslated at reporting date.

2.11 Financial instruments :

a) Initial Recognition

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

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

b) Classification and Subsequent measurement of financial assets

On initial recognition, a financial asset is classified as measured at

- Amortized cost;
- FVOCI - debt instruments;
- FVOCI - equity instruments;
- FVTPL

Amortized cost -

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held within a business model of collecting contractual cash flows as per the contractual

terms that give rise on specified dates to cash flows that are solely payment of principal and interest ('SPPI') on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments that meet the SPPI criterion at amortized cost.

FVOCI - debt instruments -

The Company measures its debt instruments at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

FVOCI - equity instruments -

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

If the Company elects to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income. This cumulative gain or loss is not reclassified to statement of profit and loss on disposal of such instruments. Investments representing equity interest in subsidiary, joint venture and associate are carried at cost less any provision for impairment.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortized cost or FVOCI are measured at FVTPL. This includes all derivative financial assets unless designated as effective hedge instrument which are accounted as per hedge accounting requirements discussed below.

Subsequent measurement of financial assets -

Financial assets at amortized cost are subsequently measured at amortized cost using effective interest method. The amortized cost is reduced by impairment losses. Interest income, and impairment provisions are recognized in Statement of profit and loss. Any gain and loss on derecognition is recognized in Statement of profit and loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income at coupon rate and impairment provision, if any, are recognized in Statement of profit and loss. Net gains or losses on fair valuation are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognized in Statement of profit and loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognized in Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in Statement of profit and loss.

c) Financial liabilities and equity instruments:

Classification as debt or equity -

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments -

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognized at the proceeds received. Transaction costs of an equity transaction are recognized as a deduction from equity.

Financial liabilities -

Financial liabilities are classified and measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in Statement of profit and loss. Any gain or loss on derecognition is also recognized in Statement of profit and loss.

d) Financial guarantee contracts:

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 - Financial Instruments; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of Ind AS 115 Revenue from Contracts with Customers.

e) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

A financial liability is derecognized when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognized in Statement of profit and loss.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value.

f) Derivative financial instruments and hedge accounting

The Company enters into derivative financial instruments, primarily foreign exchange forward contracts, currency swaps and principal & interest rate swaps, to manage its borrowing exposure to foreign exchange and interest rate risks.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognized at fair value on the date on which the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. The resulting gain/loss is recognized in Statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company designates certain hedging instruments, which include derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability and could affect profit or loss.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity (relating to effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

g) Impairment of financial instruments - overview of general approach

Expected credit losses ('ECL') are recognised on all financial assets, i.e. loans measured at amortized cost together with loan commitments and other financial assets except those classified as FVTPL and equity instruments as per the Board approved policy. Equity instruments are not subject to impairment under Ind AS 109 - Financial Instruments.

The Company follows a staging methodology for ECL computation. Financial assets where no significant increase in credit risk has been observed since inception are classified in 'stage 1' for which a 12 month ECL is recognised. Financial assets which have significant increase in credit risk since inception are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Life time ECL is recognised for stage 2 and stage 3 financial assets.

The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

The Company calculates ECL based on discounted present value of probability weighted scenarios to measure the expected cash shortfall. Cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

It incorporates all information that is relevant including past events, current conditions and current profile of customers. Additionally, forecasts of future macro situations and economic conditions are considered as part of forward economic guidance (FEG) model. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a high correlation to the performance of our portfolios over a period of time have been applied to determine impact of macro-economic factors. In addition, the estimation of ECL takes into account the time value of money.

The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD). ECL is calculated by multiplying the PD, LGD and EAD and adjusted for time value of money using a rate which is a reasonable approximation of EIR.

PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period if the facility has not been previously derecognised and is forming part of the portfolio.

LGD: Loss Given Default represents expected losses on the EAD given that the event of default had occurred, considering the time value of money on recoveries determined based on appropriate discount rate. It is an estimate of the loss from a transaction given that a default had occurred.

EAD: Exposure at Default represents the gross exposure balance when default had occurred. EAD is subject to impairment calculation for Stage 3 assets.

The Company has classified its overall loan portfolio into distinct product categories based on analysis of borrower behaviour, end use of underlying assets and the risk characteristics of customers. Accordingly, the estimation of ECL allowance has been done separately for each loan portfolios such as Retail vehicle loans, Small and Medium Enterprise loans, Lease facilities, Bill discounting facilities, Whole-sale advances to dealers and other unsecured loans considering the EAD, LGD and PD of respective product categories with availability of sufficient historical data. In case of portfolios where sufficient history is not available, industry level benchmarking/ proxy is used to estimate ECL allowance.

Management overlay is used to adjust the ECL allowance in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the Company's lending portfolios. Emerging local or global macroeconomic, micro economic or political events, and natural disasters that are not incorporated into the current parameters, risk ratings, or forward looking information are examples of such circumstances. The use of management overlay may impact the amount of ECL recognized.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Loan contract renegotiation and modifications

Loans are identified as renegotiated and classified as credit impaired when the Company modifies contractual payment terms due to significant credit distress of the borrower. Renegotiated loans remain classified as credit impaired until there is sufficient evidence to demonstrate a significant reduction in the risk of non-payment of future cash flows and retain the designation of renegotiated loan until maturity or derecognition.

A loan that is renegotiated is derecognised if the existing agreement is cancelled and a new agreement is made on substantially different terms, or if the terms of an existing agreement are modified such that the renegotiated loan is a substantially different financial instrument. Any new loans that arise following derecognition events in these circumstances are considered to be originated credit impaired financial asset and continue to be disclosed as renegotiated loans.

Other than originated credit-impaired loans, all other modified loans could be transferred out of stage 3 if they no longer exhibit any evidence of being credit impaired and, in the case of renegotiated loans, there is sufficient evidence to demonstrate a significant reduction in the risk of non-payment of future cash flows over the minimum observation period, and there are no other indicators of impairment. These loans could be transferred to stage 1 or 2 based on the risk assessment mechanism by comparing the risk of a default occurring at the reporting date (based on the modified contractual terms) and the risk of a default occurring at initial recognition (based on the original, unmodified contractual terms). Any amount written off as a result of the modification of contractual terms would not be reversed.

Loan modifications that are not identified as renegotiated are considered to be commercial restructuring. Where a commercial restructuring results in a modification (whether legalised through an amendment to the existing terms or the issuance of a new loan contract) such that the Company's rights to the cash flows under the original contract have expired, the old loan is derecognised and the new loan is recognised at fair value. The rights to cash flows are generally considered to have expired if

the commercial restructure is at market rates and no payment-related concession has been provided. Mandatory and general offer loan modifications that are not borrower-specific, for example market-wide customer relief programmes announced by the Regulator or other statutory body, have not been classified as renegotiated loans and so have not resulted in derecognition, but their stage allocation is determined considering all available and supportable information under the Company's ECL policy.

Simplified approach for trade receivables and contract assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables that do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk.

Collateral repossessed

The underlying loans in respect of which collaterals have been repossessed but not sold are considered as Stage 3 assets and impairment allowance is estimated as per the ECL policy.

In the normal course of business, the Company does not physically repossess assets/properties in its loan portfolio, but engages external agents to repossess and recover funds, generally by selling at auction, to settle outstanding debt. Any surplus recoveries, if any are returned to the customers/ obligors. As a result of this practice, the assets/ properties under legal repossession processes are not separately recorded on the balance sheet.

The Company undertakes comprehensive review of its Expected Credit Loss (ECL) model every year by refreshing Probability of Default (PD), Loss Given Default (LGD) and other input parameters basis sufficient historical data along with update related to latest multi-factor macro-economic growth estimates, shifts in market drivers and changes in risk profile of customer credit exposures for computation of ECL provisions for loan portfolios across various product categories.

A more detailed description of the methodology used for ECL and resultant quantitative information are covered in the 'Credit Risk Management' section of note no. 49 (2).

h) Write offs

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor/borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off as per the Company's policy. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets are netted off against the amount of financial assets written off during the year under "Bad debts and write offs" forming part of "Impairment on financial instruments" in the Statement of profit and loss.

2.12 Employee benefits:

a) Short-term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and these are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Contribution to provident fund, Superannuation fund, ESIC and National Pension Scheme

The defined contribution plans i.e. provident fund (administered through Regional Provident Fund Office), superannuation scheme and employee state insurance corporation and National Pension Scheme are post-employment benefit plans under which a Company pays fixed contributions and will have no legal and constructive obligation to pay further amounts beyond its contributions. The Superannuation scheme, a defined contribution scheme, administered by Life Insurance Corporation of India and the Company has no obligation to the scheme beyond its contributions.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Company's contribution paid/payable during the year to provident fund, Superannuation scheme, ESIC and National Pension Scheme is recognized in the Statement of profit and loss.

c) Gratuity and post retirement medical benefit

The Company's liability towards gratuity and post retirement medical benefit schemes are determined by independent actuaries, using the projected unit credit method. 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. Past services are recognized at the earlier of the plan amendment/ curtailment and recognition of related restructuring costs/termination benefits.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains/ losses, return on plan assets excluding interest income are recognized immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to Statement of profit and loss in the subsequent period.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

d) Leave encashment/ compensated absences/ sick leave

The Company provides for the encashment/ availment of leave with pay subject to certain rules as per leave policy of the Company. The employees are entitled to accumulate leave subject to certain limits for future encashment/ availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

e) Employee stock options

Compensation cost on Equity-settled share-based payments to employees are recognized as an expense at the fair value of equity stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the graded vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

f) Long-Term Incentive Plan

The Company pays Long Term Incentives to certain employees on fulfilment of prescribed criteria/conditions. The Company's liability towards Long Term Incentive is determined actuarially based on certain assumptions regarding rate of Interest, staff attrition and mortality as per Projected Unit Credit Method. Expenses towards long term incentive are recognised in the Statement of Profit and Loss.

2.13 Finance costs :

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at Amortized cost. Financial instruments include bank term loans, associated liabilities in respect of securitization transactions, non-convertible debentures, fixed deposits mobilized, commercial papers, subordinated debts and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of profit and loss.

Interest expense on lease liabilities computed by applying the Company's weighted average incremental borrowing rate has been included under finance costs.

2.14 Taxation - Current and deferred tax:

Income tax expense comprises of current tax and deferred tax. It is recognized in Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

a) Current tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

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

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively.

The 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.

b) Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax

bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is recognised in Statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities on a net basis or simultaneously.

2.15 Provisions, contingent liabilities, contingent assets and commitments:

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed. Provisions are not recognised for future operating losses.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. 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.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is made. The disclosure of contingent liability is made when there is a possible obligation or present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligation for which a reliable estimate cannot be made as a contingent liability. Contingent Liabilities are reviewed at each Balance Sheet date.

A contingent asset is disclosed where an inflow of economic benefit is probable.

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

Commitments are future liabilities for contractual obligation. The commitments are classified and disclosed as follows:

- The estimated amount of contracts remaining to be executed on capital account and not provided for; and
- Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

2.16 Leases :

The Company as a lessee -

As a lessee, the Company's lease asset class primarily consist of buildings or part thereof taken on lease for office premises, certain IT equipments and general purpose office equipments used for operating activities. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. ROU assets and corresponding lease liabilities constitute lease contracts for office premises.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that option to extend will be exercised and option to terminate will not be exercised.

The right-of-use assets are initially recognized at cost which comprises of initial amount of lease liability adjusted for any lease payments made at or prior to the commencement date of the lease less any lease incentives. These are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at amortized cost at the present value of the future lease payments that are not paid at the commencement date, discounted using the Company's incremental average borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

In the Balance Sheet, ROU assets have been included in property, plant and equipment and Lease liabilities have been included in Other financial liabilities and the lease payments have been classified as financing cash flows. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

Where the Company is the lessor -

At the inception of the lease, the Company classifies each of its leases as either a finance lease or an operating lease. Whenever the

terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

The Company has given certain vehicles on lease where it has substantially retained the risks and rewards of ownership and hence these are classified as operating leases. These assets given on operating lease are included in PPE. Lease income is recognized in the Statement of profit and loss as per contractual rental unless another systematic basis is more representative of the time pattern in which the benefit derived from the leased asset is diminished. Costs including depreciation are recognized as an expense in the Statement of profit and loss. Initial direct costs are recognized immediately in Statement of profit and loss.

In case of assets under Finance Lease, amount receivable from lessees are recognised at the net investment in the leases measured by using the interest rate implicit in the lease contract. All initial direct cost incurred to put the leased asset for intended use are included in the initial measurement of net investment.

In accordance with Ind AS 116, Leases, the financial information has been presented in the following manner.

- ROU assets and lease liabilities have been included within the line items "Property, plant and equipment" and "Other financial liabilities" respectively in the Balance sheet;
- Interest expenses on the lease liability and depreciation charge for the right-to-use asset have been included within the line items "Finance costs" and "Depreciation, amortization and impairment" respectively in the Statement of profit or loss;
- Short-term lease payments and payments for leases of low-value assets, where exemption as permitted under this standard is availed, have been recognized as expense on a straight line basis over the lease term in the Statement of profit or loss.
- Cash payments for the principal and interest of the lease liability have been presented within "financing activities" in the statement of cash flows;

The disclosures as required in accordance with Ind AS 116, Leases, are set out under note no. 40.

2.17 Cash and Cash Equivalents :

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, cheques on hand, balances with banks (of the nature of cash and cash equivalents), and short-term deposits.

2.18 Earnings per share :

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 - Earnings per Share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

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

potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.19 Exceptional Items :

Exceptional items are those items of income or expense from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure in the financial statements is considered necessary to explain the performance of the Company.

2.20 Other Expenses :

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

2.21 Share Issue Expenses :

Incremental costs directly attributable to the issue of equity instruments (like rights issue) are recognised as a deduction from securities premium, net of tax. Other costs are recognised in profit or loss as incurred. If the proposed issue is not completed, such costs are expensed immediately.

2.22 New standards or amendments to the existing standards and other pronouncements :

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As on March 31, 2026, there is no new standard notified or amendment to any of the existing standards under Companies (Indian Accounting Standards) Rules, 2015.

On November 21, 2025, the Government of India notified the provisions of four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively "new Labour Codes") which consolidate 29 existing labour laws into a unified framework governing employee benefits during employment and post-employment.

3 Cash and cash equivalents

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
Cash on hand	40.10	47.85
Cheques and drafts on hand	9.26	16.28
Balances with banks in current accounts	241.85	293.51
Term deposits with original maturity up to 3 months	100.00	1,307.00
Interest accrued on Term deposits	0.01	1.92
	391.22	1,666.56

4 Bank balances other than cash and cash equivalents

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
Earmarked balances with banks -		3025
– Unclaimed dividend accounts	0.55	0.66
Term deposits (with original maturity - more than 3 months)		
– Free	4,484.49	2,273.95
– Under lien #	2,235.21	1,429.06
Interest accrued on Term deposits	229.01	165.64
	6,949.26	3,869.31

Details of Term deposits - Under lien

	As at March 31, 2026 Bank balances other than cash and cash equivalents (Note 4)	Rs. in crore As at March 31, 2025 Bank balances other than cash and cash equivalents (Note 4)
Particulars		
For Statutory Liquidity Ratio	210.00	356.00
For securitization transactions	1,963.22	982.78
Legal deposits	7.51	7.67
For Constituent Subsidiary General Ledger (CSGL) account	30.00	30.00
Other collateral deposits	24.48	52.61
Total	2,235.21	1,429.06

5 Derivative financial instruments

	March 31, 2026	March 31, 2025	Rs. in crore
Particulars	Notional amounts	Fair value of Assets	Notional amounts Fair value of Assets
Currency/ interest rate derivatives hedged : (refer note 54 (III))			
Forward contracts	5,141.00	397.06	1,669.00 5.26
Interest Rate Swaps	—	—	827.70 25.69
Interest rate derivatives :			
Interest rate swaps	—	5.54	— —
Total derivative financial instruments	5,141.00	402.60	2,496.70 30.95

6 Receivables

Particulars	March 31, 2026	Rs. in crore March 31, 2025
Trade receivables		
i) Secured, considered good* :		
— Lease rental receivable on operating lease transactions	5.02	3.15
Less : Impairment loss allowance	(0.10)	(0.43)
	4.92	2.72
ii) Unsecured, considered good :		
— Other income receivables	81.20	50.30
iii) Credit impaired* :		
— Subvention and other income receivables	0.60	—
	0.60	—
Less : Impairment loss allowance	(0.60)	—
	—	—
	86.12	53.02

*Includes amount from related parties.

There is no due by directors or other officers of the company or any firm or private company in which any director is a partner, a director or a member.

Trade Receivables aging schedule

As at March 31, 2026

Particulars		Outstanding for following periods from due date of payment					Rs. in crore
		Less than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	
i)	Undisputed Trade receivables –						
–	considered good	86.16	0.06	–	–	–	86.22
–	credit impaired	0.60	–	–	–	–	0.60
ii)	Disputed Trade Receivables –						
–	considered good	–	–	–	–	–	–
–	credit impaired	–	–	–	–	–	–
Total		86.76	0.06	–	–	–	86.82

There is neither an instance where due date is not specified nor any unbilled dues.

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Rs. in crore Total
	Less than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	
i) Undisputed Trade receivables –						
– considered good	51.16	–	–	–	–	51.16
– which have significant increase in credit risk	1.31	–	–	–	–	1.31
– credit impaired	0.01	0.39	0.52	0.06	–	0.98
ii) Disputed Trade Receivables –						
– considered good	–	–	–	–	–	–
– which have significant increase in credit risk	–	–	–	–	–	–
– credit impaired	–	–	–	–	–	–
Total	52.48	0.39	0.52	0.06	–	53.45

There is neither an instance where due date is not specified nor any unbilled dues.

Reconciliation of impairment loss allowance on trade receivables

Particulars	March 31, 2026	March 31, 2025
Impairment loss allowance as at beginning of the year	0.43	0.29
Net increase/(decrease) during the year	0.27	0.14
Impairment loss allowance at the end of the year	0.70	0.43

7 Loans

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
A) Loans (at amortized cost):		
Term loans:		
- Retail loans	1,21,690.01	1,09,239.78
- Small and Medium Enterprise (SME) financing	5,740.61	4,825.83
Bills of exchange	2,349.51	1,322.71
Trade advances	3,163.21	3,197.47
Finance lease	1,152.71	1,087.23
Total (Gross)	1,34,096.05	1,19,673.02
Less: Impairment loss allowance	(3,935.91)	(3,459.00)
Total (Net)	1,30,160.14	1,16,214.02
B) i) Secured by tangible assets	1,26,418.83	1,13,499.66
ii) Secured by intangible assets	–	–
iii) Covered by bank/ Government guarantees	–	11.82
iv) Unsecured [#]	7,677.22	6,161.54
Total (Gross)	1,34,096.05	1,19,673.02
Less: Impairment loss allowance	(3,935.91)	(3,459.00)
Total (Net)	1,30,160.14	1,16,214.02
C) i) Loans in India		
a) Public Sector	–	–
b) Others	1,34,096.05	1,19,673.02
Total (Gross)	1,34,096.05	1,19,673.02
Less: Impairment loss allowance	(3,935.91)	(3,459.00)
Total (Net) – C (i)	1,30,160.14	1,16,214.02
ii) Loans outside India	–	–
Less: Impairment loss allowance	–	–
Total (Net) – C (ii)	–	–
Total (Net) – C (i+ii)	1,30,160.14	1,16,214.02

Notes:

- There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL.
- Refer note no. 49 for information related to stage-wise classification of loan assets and ECL movement.
- Includes receivables from related parties details of which are given in note no 51 'Related Party Disclosure.
- 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 the 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.

[#] Previous year includes loans against Fixed Deposits.

8 Investments

Particulars

Units of mutual funds											
Government securities #											
Debt securities –											
i)	Commercial Papers										
ii)	Certificate of deposits										
iii)	Investment in Bonds #										
iv)	Non-Convertible Debentures of Jyoti Structures Limited (Assets acquired in satisfaction of debt)##										
Equity instruments at fair value -											
i)	Equity investment in Smartshift Logistics Solutions Private Limited										
ii)	New Democratic Electoral Trust										
iii)	Equity shares of Jyoti Structures Limited (Assets acquired in satisfaction of debt)										
Investments in subsidiaries -											
i)	Mahindra Insurance Brokers Limited (1,03,09,280 equity shares of face value of Rs.10/- each)										
ii)	Mahindra Rural Housing Finance Limited (12,09,52,678 equity shares of face value of Rs.10/- each)										
iii)	Mahindra Finance CSR Foundation (1,000 equity shares of face value of Rs.10/- each)										
iv)	Mahindra Ideal Finance Limited, Sri Lanka (58.20% of equity share capital)										
Investments in associates -											
49% Ownership in Mahindra Finance USA, LLC (Joint venture entity with De Lage Landen Financial Services INC. in United States of America)											
Investments in joint venture -											
i)	Mahindra Manulife Investment Management Private Ltd. (51:49 Joint Venture with Manulife Asset Management (Singapore) Pte. Ltd. (Manulife)) (19,53,00,000 equity shares of face value of Rs.10/- each)										
ii)	Mahindra Manulife Trustee Private Ltd (51:49 Joint Venture with Manulife Asset Management (Singapore) Pte. Ltd. (Manulife)) (5,00,000 equity shares of face value of Rs.10/- each)										
Others -											
i)	Compulsorily Convertible Cumulative Participating Preference Shares (CCCPs) in Smartshift Logistics Solutions Private Limited										
ii)	Interest accrued on Government securities										
iii)	Interest accrued on Bonds										
Total – Gross (A)											
i)	Investments outside India										
ii)	Investments in India										
Total – Gross (B)											
Less: Allowance for Impairment loss (C)											
Total – Net D (A–C)											

The investments in Government securities for Rs.882.43 crore (March 31, 2025: Rs. 1,173.78 crore) and investments in Bonds for Rs. 25.54 crore (March 31, 2025: Rs. 25.70 crore) as shown under Amortized cost category are Statutory Liquid Assets as required under section 45 - IB of the Reserve Bank of India Act, 1934, with a floating charge created in favour of public deposit holders through a "Trust Deed" with an Independent Trust.

The investment in Non-Convertible Debentures of Jyoti Structures Limited has been valued at Rs. 1,000.

9 Other financial assets

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
Security Deposits	46.59	98.93
Gross	(1.02)	(0.48)
Less : Impairment loss allowance	45.57	98.45
Net	0.77	1.90
Excess Interest Spread on Direct Assignment		
Others #		
Gross	176.94	148.13
Less : Impairment loss allowance	(1.18)	(0.95)
Net#	175.76	147.18
	222.10	247.53

includes receivables related to lease reimbursement receivable and online payment aggregators.

Reconciliation of impairment loss allowance on other financial assets :

Particulars	March 31, 2026	March 31, 2025
Impairment loss allowance as at beginning of the year	1.43	0.72
Net increase/(decrease) during the year	0.77	0.71
Impairment loss allowance at the end of the year	2.20	1.43

10 Deferred tax assets (net) and Tax expense

(i) Deferred tax assets (net)

Particulars	Rs. in crore						
	Balance as at April 1, 2024	(Charge)/ credit to profit and loss	Charge/ (credit) to OCI	Charge/ (credit) to OCI	Balance as at March 31, 2025	(Charge)/ credit to profit and loss	Balance as at March 31, 2026
Tax effect of items constituting deferred tax liabilities:							
– Application of EIR on financial assets	(80.19)	(14.15)	–	–	(94.34)	(21.50)	(115.84)
– Application of EIR on financial liabilities	(22.60)	–	–	–	(22.60)	–	(22.60)
– Share based payments	(6.41)	(2.51)	–	–	(8.92)	(5.62)	(14.54)
– FVTPL financial asset	(1.03)	(1.22)	–	–	(2.24)	(0.99)	(3.23)
– Others #	(87.57)	10.68	–	–	(76.90)	(64.36)	(141.26)
	(197.80)	(7.21)	–	–	(205.01)	(92.47)	(297.47)
Tax effect of items constituting deferred tax assets:							
– Provision for employee benefits	27.88	–	–	2.51	30.39	–	36.01
– Net gain/(loss) on equity instruments through OCI	–	–	–	(21.20)	(21.20)	–	(28.39)
– Derivatives	48.91	0.68	–	–	49.59	0.27	49.86
– ECL provision on stage 3 assets	625.98	(22.36)	–	(24.28)	579.34	90.75	670.09
– ECL provision on stage 1 and stage 2 assets	136.94	12.78	–	–	149.72	6.62	156.34
– Other provisions	49.17	(6.67)	–	15.66	58.16	(20.19)	67.69
	888.88	(15.58)	–	(27.31)	846.00	127.36	951.60
Net deferred tax assets	691.08	(22.78)	–	(27.31)	640.99	34.89	654.12

includes deferred tax on account of securitization transactions, fair valuation of Govt. securities/ bonds and timing differences arising on PPE.

(ii) Income tax recognized in Statement of profit and loss

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
(a) Current tax:		
In respect of current year	923.02	779.45
In respect of prior years	2.27	–
	925.29	779.45
(b) Deferred tax:		
In respect of current year origination and reversal of temporary differences	(34.89)	22.78
	(34.89)	22.78
Total Income tax recognized in Statement of profit and loss	890.40	802.23

(iii) Income tax recognized in Other Comprehensive Income

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
Deferred tax related to items recognized in Other Comprehensive Income during the year :		
Remeasurement of defined employee benefits	5.62	2.51
Net gain/ (loss) on equity instruments through OCI	(7.19)	(21.21)
Net fair value gain on investments in debt instruments at FVTOCI	5.67	(24.28)
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge	(25.86)	15.66
Total Income tax recognized in Other Comprehensive Income	(21.76)	(27.31)

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	(1.57)	(18.69)
Income taxes related to items that will be reclassified to profit or loss	(20.19)	(8.62)
Total	(21.76)	(27.31)

(iv) Reconciliation of estimated Income tax expense at tax rate to income tax expense reported in the Statement of profit and loss:

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
Profit before tax	3,672.63	3,147.27
Applicable income tax rate	25.168%	25.168%
Expected income tax expense	924.33	792.10
Tax effect of adjustments to reconcile expected Income tax expense at tax rate to reported income tax expense:		
<u>Effect of income exempt from tax</u>		
a) Dividend Income	(44.63)	(3.89)
<u>Effect of expenses/ provisions not deductible in determining taxable profit</u>		
a) Penalty (case settlement, MSME interest, other penalties)	0.28	0.06
b) Donation and CSR	12.03	14.51
c) Any other item	2.95	9.45
<u>Effect of tax incentives and concessions (research and development and other allowances)</u>		
a) Any Other Item	(6.83)	(7.09)
Adjustments recognised in the current year in relation to the current tax of prior years -	2.27	(2.91)
Reported income tax expense	890.40	802.23
Effective tax rate	24.24%	25.49%

11 (a) Property, plant and equipments

												Rs. in crore
Particulars	Land (Freehold)	Buildings #	Computers and Data processing units	Furniture and fixtures	Office equipments	Vehicles	Vehicles under lease	Leasehold Improvement	Plant & Machineries under lease	Sub-Total (a)	Right-Of-Use Assets (Leasehold premises) - (b)	Total (a + b)
GROSS CARRYING AMOUNT												
Balance as at April 1 2024	0.81	1.09	140.13	90.93	82.54	115.32	460.53	9.94	0.14	901.44	507.62	1,409.05
Additions during the year	–	–	20.29	8.00	6.74	32.20	199.97	5.02	–	272.22	98.60	370.82
Disposals/ deductions during the year##	0.81	–	7.16	3.37	4.21	34.34	88.01	–	0.14	138.04	74.59	212.63
Balance as at March 31, 2025	–	1.09	153.26	95.57	85.07	113.19	572.49	14.96	–	1,035.62	531.63	1,567.24
Balance as at April 1, 2025	–	1.09	153.26	95.57	85.07	113.19	572.49	14.96	–	1,035.62	531.63	1,567.24
Additions during the year	–	–	15.41	8.13	10.37	27.39	247.81	5.24	–	314.35	78.26	392.61
Disposals/ deductions during the year	–	–	17.07	3.05	4.23	23.89	121.07	–	–	169.31	38.62	207.93
Balance as at March 31, 2026	–	1.09	151.60	100.65	91.21	116.69	699.23	20.20	–	1,180.66	571.27	1,751.93
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES												
Balance as at April 1 2024	–	0.36	89.05	71.96	61.52	59.77	130.99	0.67	0.09	414.41	183.53	597.94
Additions during the year	–	0.02	30.19	5.48	7.67	23.02	86.63	1.62	–	154.62	82.15	236.77
Disposals/ deductions during the year	–	–	7.11	3.21	4.13	24.42	38.69	–	0.09	77.65	66.20	143.85
Balance as at March 31, 2025	–	0.38	112.13	74.23	65.06	58.37	178.93	2.29	–	491.39	199.48	690.87
Balance as at April 1, 2025	–	0.38	112.13	74.23	65.06	58.37	178.93	2.29	–	491.39	199.48	690.87
Additions during the year	–	0.01	23.22	6.59	8.96	24.97	112.20	2.37	–	178.32	84.14	262.46
Disposals/ deductions during the year	–	–	17.03	2.89	4.22	18.04	66.57	–	–	108.74	32.54	141.28
Impairment losses during the year###	–	–	–	–	0.03	–	0.55	–	–	0.58	–	0.58
Balance as at March 31, 2026	–	0.39	118.32	77.93	69.83	65.30	225.11	4.66	–	561.54	251.08	812.62
NET CARRYING AMOUNT												
As at March 31, 2025	–	0.71	41.12	21.34	20.01	54.82	393.57	12.67	–	544.23	332.15	876.38
As at March 31, 2026	–	0.70	33.28	22.72	21.38	51.39	474.11	15.54	–	619.12	320.19	939.31

Secured Non-Convertible Debentures(NCDs) have pari passu charge on building situated at Chhatrapati Sambhaji Nagar erstwhile "Aurangabad" having carrying value of Rs. 0.03 crore as on March 31, 2026 (March 31, 2025: Rs. 0.03 crore).

During the previous year the Company has sold freehold land property.

On the basis of impairment analysis done by the management, certain PPE are found to be not in use, hence impaired.

There is no immovable property where title deed of such immovable property is not held in name of the Company or jointly held with others.

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets).

11 (b) Capital Work in Progress

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
Opening balance	0.52	0.15
Additions	6.51	3.57
Deductions/Adjustments	5.38	3.20
Closing balance	1.65	0.52

Ageing for capital work-in-progress
As at March 31, 2026 Rs. in crore

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	1.65	—	—	—	1.65
Total	1.65	—	—	—	1.65

As at March 31, 2025 Rs. in crore

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	0.52	—	—	—	0.52
Total	0.52	—	—	—	0.52

12 (a) Intangible assets under development

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
Opening balance	65.10	105.10
Additions	57.71	65.10
Deductions/Adjustments	117.39	105.10
Closing balance	5.42	65.10

Ageing for intangible assets under development
As at March 31, 2026 Rs. in crore

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	5.42	—	—	—	5.42
Project temporarily suspended	—	—	—	—	—
Total	5.42	—	—	—	5.42

As at March 31, 2025 Rs. in crore

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	65.10	—	—	—	65.10
Project temporarily suspended	—	—	—	—	—
Total	65.10	—	—	—	65.10

12 (b) Other Intangible assets

	Rs. in crore		Rs. in crore
Particulars	Computer Software	Particulars	Computer Software
GROSS CARRYING AMOUNT		ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES	
Balance as at April 1 2024	130.23	Balance as at April 1, 2024	115.62
Additions during the year	194.93	Additions during the year	36.65
Deductions during the year	—	Deductions during the year	—
Balance as at March 31, 2025	325.16	Balance as at March 31, 2025	152.27
Balance as at April 1, 2025	325.16	Balance as at April 1, 2025	152.27
Additions during the year	155.12	Additions during the year	72.61
Deductions during the year	15.23	Deductions during the year	15.22
Balance as at March 31, 2026	465.05	Impairment losses during the year#	7.03
		Balance as at March 31, 2026	216.69

Particulars	Rs. in crore	13 Other non-financial assets	
		Particulars	Rs. in crore
	Computer Software	March 31, 2026	March 31, 2025
NET CARRYING AMOUNT			
As at March 31, 2025	172.89	Capital advances	61.60
As at March 31, 2026	248.37	Prepaid expenses	82.91
		Balances with Government Authorities	416.86
		Insurance advances	11.73
		Other advances	12.85
			585.95

The Company has not revalued its Intangible Assets.

The Company does not have any project temporarily suspended or any CWIP and intangible asset under development which is overdue or has exceeded its cost compared to its original plan and hence CWIP and intangible asset under development completion schedule is not applicable.

#On the basis of impairment analysis done by the management, certain softwares are found to be not in use, hence impaired.

14 Derivative financial instruments

Particulars	March 31, 2026		March 31, 2025	
	Notional amounts	Fair value of Liabilities	Notional amounts	Fair value of Liabilities
Currency/ interest rate derivatives unhedged: (refer note 54 (III))				
Currency swaps	—	—	241.06	47.05
Total (A)	—	—	241.06	47.05
Currency/ interest rate derivatives hedged : (refer note 54 (III))				
Forward contracts	—	—	4,303.13	262.76
Interest Rate swaps	1,541.16	6.85	1,541.16	80.24
Total (B)	1,541.16	6.85	5,844.29	343.00
Total derivative financial instruments (A+B)	1,541.16	6.85	6,085.35	390.05

Movement in Cash Flow Hedge Reserve

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
Balance at the beginning of the year	(53.86)	(7.28)
Recognised on Cash Flow Hedge Reserve	102.74	(62.23)
Reclassified to profit or loss	—	—
Income Tax relating to gain/ loss on the OCI	(25.87)	15.65
	23.01	(53.86)

15 Payables

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
I) Trade Payables		
i) total outstanding dues of micro enterprises and small enterprises	—	—
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	855.51	1,208.56
II) Other Payables		
i) total outstanding dues of micro enterprises and small enterprises	5.72	2.71
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	34.00	17.62
	895.23	1,228.89

Micro, Small and Medium Enterprises:

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below:

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
a) Dues remaining unpaid to any supplier at the year end		
– Principal	5.72	2.71
– Interest on the above		
b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year	–	–
– Principal paid beyond the appointed date	–	–
– Interest paid in terms of Section 16 of the MSMED Act		
c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	–	–
d) Amount of interest accrued and remaining unpaid		
e) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	–	–
	<u>5.72</u>	<u>2.71</u>

Trade Payables aging schedule

As at March 31, 2026					Rs. in crore	
Particulars		Outstanding for following periods from due date of payment				Total
		Less than 1 year	1–2 years	2–3 years	More than 3 years	
i)	MSME	5.72	–	–	–	5.72
ii)	Others	810.77	59.07	9.90	9.76	889.50
Total		816.49	59.07	9.90	9.76	895.22
Disputed dues –						
– MSME		–	–	–	–	–
– Others		–	–	–	0.00	0.00

There is neither an instance where due date is not specified nor there is any unbilled due.

As at March 31, 2025					Rs. in crore	
Particulars		Outstanding for following periods from due date of payment				Total
		Less than 1 year	1–2 years	2–3 years	More than 3 years	
i)	MSME	2.71	–	–	–	2.71
ii)	Others	1,179.69	25.22	10.41	10.86	1,226.18
Total		1,182.40	25.22	10.41	10.86	1,228.89
Disputed dues –						
– MSME		–	–	–	–	–
– Others		–	–	–	–	–

There is neither an instance where due date is not specified nor there is any unbilled due.

16 Debt Securities

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
At Amortized cost		
Non-convertible debentures (Secured)	19,305.00	22,974.56
Non-convertible debentures (Unsecured)	1,077.09	1,076.79
Commercial Papers (Unsecured)	6,156.97	2,153.48
Total	<u>26,539.06</u>	<u>26,204.83</u>
Debt securities in India	<u>26,539.06</u>	<u>26,204.83</u>
Debt securities outside India	–	–
Total	<u>26,539.06</u>	<u>26,204.83</u>

Note: There is no debt securities measured at FVTPL or designated at FVTPL.

The Secured Non-convertible debentures are secured by pari-passu charges on Buildings (forming part of PPE) and exclusive charges on receivables under loan contracts having carrying value of Rs. 20,024.67 crore (March 2025: Rs. 24,995.84 crore).

There are no redeemed bonds/debentures which the Company has power to reissue.

Details of Non-convertible debentures (Secured):

From the Balance Sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate	Amount	Interest rate	Amount
A) Issued on private placement basis (wholesale) –				
Repayable on maturity:				
Maturing within 1 year	7.99%-8.25%	3,240.00	6.25%-9.00%	6,283.50
Maturing between 1 year to 3 years	7.05%-8.25%	7,128.50	7.90%-8.25%	6,724.23
Maturing between 3 years to 5 years	7.75%-8.48%	4,352.50	7.75%-8.48%	5,102.50
Maturing beyond 5 years	7.45%-8.00%	2,900.50	7.45%-8.00%	2,900.50
Sub-total at face value		17,621.50		21,010.73
Repayable in Half yearly instalments:				
Maturing within 1 year	6.35%	56.25	6.35%	112.50
Maturing between 1 year to 3 years		–	6.35%	56.25
Sub-total at face value		56.25		168.75
Total at face value (A)		17,677.75		21,179.48
B) Issued on retail public issue –				
Repayable on maturity:				
Maturing between 1 year to 3 years	9.20%-9.30%	869.15	9.20%-9.30%	869.15
Sub-total at face value (B)		869.15		869.15
Total at face value (A+B)		18,546.90		22,048.63
Less: Unamortized discounting charges		11.18		21.78
Add: Interest accrued but not due		769.28		947.72
Total amortized cost		19,305.00		22,974.56

Details of Non-convertible debentures (Unsecured) :

From the Balance Sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing beyond 5 years	8.53%	1,000.00	8.53%	1,000.00
Total at face value		1,000.00		1,000.00
Less: Unamortized discounting charges		4.00		4.30
Add: Interest accrued but not due		81.09		81.09
Total amortized cost		1,077.09		1,076.79

Details of Commercial Papers (Unsecured):

From the Balance Sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing within 1 year	6.95%-7.6%	6,275.00	7.75%-8.00%	2,175.00
Total at face value		6,275.00		2,175.00
Less: Unamortized discounting charges		118.03		21.52
Total amortized cost		6,156.97		2,153.48

17 Borrowings (Other than Debt Securities)

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
At Amortized cost		
a) Term loans		
i) Secured –		
– from banks	55,718.10	52,998.12
– External Commercial Borrowings	5,722.28	7,022.09
– Associated liabilities in respect of securitization transactions	12,799.65	8,684.41
– Triparty repo dealing and settlement (TREPs) against Government securities	–	999.82
b) Loans from related parties		
Unsecured –		
– Inter-corporate deposits (ICDs)	–	21.64
c) Other loans and advances		
Unsecured –		
– Inter-corporate deposits (ICDs) other than related parties	–	8.84
Total	74,240.03	69,734.92
Borrowings in India	68,517.75	62,712.83
Borrowings outside India	5,722.28	7,022.09
Total	74,240.03	69,734.92

Note: There is no borrowings measured at FVTPL or designated at FVTPL.

The secured term loans from banks and External Commercial Borrowings are secured by exclusive charges on receivables under loan contracts having carrying amount of Rs 60,638.08 crore (March 2025: Rs 62,770.62 crore).

The borrowings have not been guaranteed by directors or others. Also the Company has not defaulted in repayment of principal and interest.

Details of term loans from banks (Secured)

From the Balance Sheet date	Rs. in crore			
	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
1) Repayable on maturity:				
Maturing within 1 year	6.11%-7.20%	7,111.00	7.60%-9.20%	1,601.00
Maturing between 1 year to 3 years		–	7.70%	400.00
Total for repayable on maturity		7,111.00		2,001.00
2) Repayable in instalments:				
i) Quarterly –				
Maturing within 1 year	4.50%-8.25%	17,226.96	5.70%-8.95%	11,894.49
Maturing between 1 year to 3 years	4.90%-8.25%	20,957.78	5.75%-8.55%	19,015.52
Maturing between 3 years to 5 years	4.90%-7.70%	1,579.57	6.40%-8.55%	4,491.13
Maturing beyond 5 years				
Sub-Total		39,764.31		35,401.14
ii) Half yearly –				
Maturing within 1 year	6.62%-8.2%	1,851.02	6.72%-9.05%	2,971.98
Maturing between 1 year to 3 years	6.62%-8.2%	2,498.02	7.75%-9.05%	4,951.18
Maturing between 3 years to 5 years	6.78%-6.85%	447.81	7.79%-8.60%	1,406.78
Maturing beyond 5 years		–	7.90%	50.00
Sub-Total		4,796.85		9,379.94

From the Balance Sheet date	Rs. in crore			
	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
iii) Yearly –				
Maturing within 1 year	7.85%-9.00%	2,512.50	7.19%-9.00%	2,154.17
Maturing between 1 year to 3 years	7.85%-9.00%	1,455.00	8.30%-9.00%	3,717.50
Maturing between 3 years to 5 years		–	8.55%	250.00
Sub-Total		3,967.50		6,121.67
Total for repayable in instalments		48,528.65		50,902.75
Total (1+2) (As per contractual terms)		55,639.65		52,903.75
Less: Unamortized Finance Cost		0.20		0.25
Add: Interest accrued but not due		78.65		94.62
Total Amortized Cost		55,718.10		52,998.12

The rates mentioned above are the applicable rates as at the year end date linked to MCLR (Marginal Cost of funds based Lending Rate), RBI Policy Repo Rate, Mibor, and Treasury bills plus spread.

Disclosure of information related to borrowings from banks or financial institutions on the basis of security of current assets

The quarterly returns or statements comprising (book debt statements and other stipulated financial information) filed by the Company with such banks are in agreement with the books of account of the Company except for certain differences which has been duly reconciled and presented here below.

Summary of reconciliation

– Year ended March 31, 2026

Particulars	Rs. in crore			
	Quarter ended			March
	June 2025	September 2025	December 2025	2026
Value as per quarterly returns/ statements filed with Banks	5,884.11	8,866.17	7,425.26	10,995.54
Difference due to future interest considered in Book debt statements	–	–	–	–
Difference in Overdue balance due to credits not considered in returns	67.20	35.74	46.19	51.49
Ind AS adjustments related to Effective Interest Rate (EIR)/ Amortized cost	11.78	21.37	18.53	29.29
Value as per Ind AS books of account	5,963.08	8,923.28	7,489.97	11,076.32

– Year ended March 31, 2025

Particulars	Rs. in crore			
	Quarter ended			March
	June 2024	September 2024	December 2024	2025
Value as per quarterly returns/ statements filed with Banks	1,243.07	1,320.09	2,974.17	2,805.17
Difference due to future interest considered in Book debt statements	–	–	–	–
Difference in Overdue balance due to credits not considered in returns	0.14	6.69	30.75	10.78
Ind AS adjustments related to Effective Interest Rate (EIR)/ Amortized cost	4.18	3.56	4.42	5.97
Value as per Ind AS books of account	1,247.39	1,330.34	3,009.34	2,821.92

Details of External Commercial Borrowings (USD & JPY)

From the Balance Sheet date	Rs. in crore			
	As at March 31, 2026		As at March 31, 2025	
	Interest rate	Amount	Interest rate	Amount
Maturing within 1 year		–	6.61%-8.11%	1,793.49
Maturing between 1 year to 3 years	7.68%-8.22%	5,679.26	7.68%-8.22%	5,134.88
		5,679.26		6,928.37
Less: Unamortized Finance Cost		15.57		27.60
Add: Interest accrued but not due		58.59		121.31
		5,722.28		7,022.09

Details of associated liabilities related to Securitization transactions

From the Balance Sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate	Amount	Interest rate range	Amount
Maturing within 1 year	4.76%-8.00%	5,480.29	4.76%-8.00%	3,454.15
Maturing between 1 year to 3 years	4.76%-8.00%	6,484.24	4.76%-8.00%	4,518.97
Maturing between 3 years to 5 years	5.10%-8.00%	802.02	6.20%-8.00%	680.90
Maturing beyond 5 years	5.10%-7.45%	17.69	6.20%-7.45%	18.79
		<u>12,784.24</u>		<u>8,672.80</u>
Add: Interest accrued but not due		15.41		11.61
		<u>12,799.65</u>		<u>8,684.41</u>

Details of Triparty repo dealing and settlement (TREPs) against Government securities

From the Balance Sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Maturing within 1 year		—	6.30%-6.65%	1,000.00
		<u>—</u>		<u>1,000.00</u>
Add: Interest accrued but not due				(0.18)
		<u>—</u>		<u>999.82</u>

Details of Loans from related parties & Other Parties (Unsecured) - Inter-corporate deposits (ICDs)

From the Balance Sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
Inter-corporate deposits (ICDs) (Related Parties)				
Repayable on maturity:				
Maturing within 1 year		—	6.25%	18.50
		<u>—</u>		<u>18.50</u>
Add: Interest accrued but not due				3.14
		<u>—</u>		<u>21.64</u>
Inter-corporate deposits (ICDs) (Other Than Related Parties)				
Repayable on maturity :				
Maturing within 1 year		—	7.75%	8.50
		<u>—</u>		<u>8.50</u>
Add: Interest accrued but not due				0.34
		<u>—</u>		<u>8.84</u>

18 Deposits

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
At amortized cost		
Deposits (Unsecured)		
– Public deposits*	7,175.75	6,947.62
– Accepted from corporates	7,020.28	4,456.53
Total	<u>14,196.03</u>	<u>11,404.15</u>

Note: There is no deposits measured at FVTPL or designated at FVTPL.

* as defined in chapter II, para 3 (xiii) of Master directions - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 as issued by RBI.

There are no amounts that are due and remain unpaid to Investor Education and Protection Fund as at the close of the year. There was no delay in transferring any amount to the Investor Education and Protection Fund by the Company.

Details of Deposits (Unsecured) – Public deposits

From the Balance Sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate	Amount	Interest rate	Amount
Repayable on maturity:				
Maturing within 1 year	5.90%-8.40%	5,811.41	5.75% - 8.45%	3,993.64
Maturing between 1 year to 3 years	5.90%-8.45%	6,850.70	5.90% - 8.45%	5,904.55
Maturing beyond 3 years	6.80%-8.45%	745.29	7.25% - 8.45%	1,028.25
Total at face value		13,407.40		10,926.45
Less: Unamortized discounting charges		40.32		33.20
Add: Interest accrued but not due		828.95		510.90
Total amortized cost		14,196.03		11,404.15

19 Subordinated liabilities

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
At Amortized cost (Unsecured)		
Subordinated redeemable non-convertible debentures – private placement	2,788.57	2,967.30
Subordinated redeemable non-convertible debentures – retail public issue	2,571.17	2,562.27
Total	5,359.74	5,529.57
Subordinated liabilities in India	5,359.74	5,529.57
Subordinated liabilities outside India	–	–
Total	5,359.74	5,529.57

Note: There is no Subordinated liabilities measured at FVTPL or designated at FVTPL.

Details of Subordinated liabilities (at Amortized cost) - Unsecured subordinated redeemable non-convertible debentures

From the Balance Sheet date	As at March 31, 2026		As at March 31, 2025	
	Interest rate range	Amount	Interest rate range	Amount
A) Issued on private placement basis –				
Repayable on maturity:				
Maturing within 1 year		–	8.90%-9.10%	175.00
Maturing beyond 5 years	7.35%-8.35%	2,712.90	7.35%-8.35%	2,712.90
Sub-total at face value (A)		2,712.90		2,887.90
B) Issued on retail public issue –				
Repayable on maturity:				
Maturing within 1 year	8.53%-9.00%	933.01		–
Maturing between 1 year to 3 years	7.9%-9.50%	784.12	7.90%-9.00%	1,380.25
Maturing between 3 years to 5 years		–	9.35%-9.50%	336.87
Maturing beyond 5 years	7.95%-8.05%	643.95	7.95%-8.05%	643.96
Sub-total at face value (B)		2,361.08		2,361.09
Total at face value (A+B)		5,073.98		5,248.99
Less: Unamortized discounting charges		17.12		19.29
Add: Interest accrued but not due		302.88		299.87
Total amortized cost		5,359.74		5,529.57

The Company has used the borrowings from banks and financial institutions as per note numbers 16 to 18 for the specific purpose for which these were availed.

In respect of all the borrowings, there is no default in payment of either principal or interest.

The Company has not been declared as wilful defaulter by any bank or financial Institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

20 Other financial liabilities

	Rs. in crore	
	March 31, 2026	March 31, 2025
Particulars		
Unclaimed dividends #	0.55	0.66
Unclaimed matured deposits and interest accrued thereon #	3.46	3.82
Deposits/ advances received against loan agreements	48.68	45.39
Insurance premium payable	21.09	19.81
Salary, Bonus and performance payable	3.70	6.34
Provision for expenses	258.61	258.29
Lease liabilities (refer note 41)	376.86	383.19
Amount payable under assignment of receivables	2.78	0.67
Others##	412.29	72.43
Total	1,128.02	790.60

There are no amounts due for transfer to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

Others include Credit Support Agreement (CSA) against ECB.

21 Provisions

	Rs. in crore	
	March 31, 2026	March 31, 2025
Particulars		
Provision for employee benefits		
– Gratuity (refer note 36)	139.89	27.39
– Leave encashment	85.63	81.58
– Bonus, incentives and performance pay	172.98	102.29
– Post retirement medical benefit	3.95	5.09
Provision for loan commitment	4.77	0.69
Total	407.22	217.04

22 Other non-financial liabilities

	Rs. in crore	
	March 31, 2026	March 31, 2025
Particulars		
Deferred subvention income	3.10	6.28
Statutory dues and taxes payable	208.16	154.34
Others*	4.26	5.55
Total	215.52	166.17

* Others include monies adjusted from share capital and other equity on account of shares held by MMFSL ESOP Trust pending transfer to the eligible employees and lease rental advances.

23 Equity Share capital

	Rs. in crore	
	March 31, 2026	March 31, 2025
Particulars		
Authorized:		
2,50,00,00,000 (March 31, 2025: 2,50,00,00,000)		
Equity shares of Rs.2/- each	500.00	500.00
50,00,000 (March 31, 2025: 50,00,000) Redeemable preference shares of Rs.100/- each	50.00	50.00
Issued, Subscribed and paid-up:		
1,38,99,71,160 (March 31, 2025: 1,23,55,29,920)		
Equity shares of Rs.2/- each fully paid up	277.99	247.11
Less : 4,25,999 (March 31, 2025: 6,68,537) Equity shares of Rs.2/- each fully paid up issued to ESOP Trust under Company's ESOP Schemes but not yet allotted to employees pending exercise of stock options by employees	0.08	0.13
Adjusted Issued, Subscribed and paid-up Share capital	277.91	246.98

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Rs. in crore	No. of shares	Rs. in crore
a) Reconciliation of number of equity shares and amount outstanding:				
Issued, Subscribed and paid-up:				
Balance at the end of the year	1,23,55,29,920	247.11	1,23,55,29,920	247.11
Add : Fresh allotment of shares :				
- Through Rights Issue (refer note 39)	15,44,41,240	30.89	–	–
Balance at the end of the year	1,38,99,71,160	277.99	1,23,55,29,920	247.11
Less: Shares issued to ESOP Trust but not yet allotted to employees	4,25,999	0.08	6,68,537	0.13
Adjusted Issued, Subscribed and paid-up Share capital	1,38,95,45,161	277.91	1,23,48,61,383	246.98
b) Number of equity shares held by holding company or ultimate holding company including shares held by its subsidiaries/ associates:				
Holding Company: Mahindra & Mahindra Limited	72,95,82,599	145.92	64,43,99,987	128.88
Percentage of holding (%)	52.49%		52.16%	
c) Shareholders holding more than 5 percent of the aggregate shares:				
Mahindra & Mahindra Limited	72,95,82,599	145.92	64,43,99,987	128.88
Percentage of holding (%)	52.49%		52.16%	
Life Insurance Corporation of India	14,35,44,354	28.71	12,65,03,313	25.30
Percentage of holding (%)	10.33%		10.24%	
SBI Mutual Fund	7,55,65,245	15.11	5,48,62,123	10.97
Percentage of holding (%)	5.44%		4.44%	
HDFC Mutual Fund	7,19,70,252	14.39	7,08,08,951	14.16
Percentage of holding (%)	5.18%		5.73%	

d) Terms/ rights attached to equity shares :

The Company has only one class of equity shares having a par value of Rs.2/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Shareholding of Promoters

Name of the Promoter	Shares held by promoters as at March 31, 2026			Shares held by promoters as at March 31, 2025		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Mahindra & Mahindra Limited	72,95,82,599	52.49%	0.33%	64,43,99,987	52.16%	—

Other Equity

Description of the nature and purpose of Other Equity (refer Statement of Changes in Equity) :

Statutory reserve as per Section 45-IC of the RBI Act, 1934

Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.

Capital redemption reserve (CRR)

Capital redemption reserve represents reserve created pursuant to Section 55 (2) (c) of the Companies Act, 2013 by transfer of an amount equivalent to nominal value of the Preference shares redeemed. The CRR may be utilized by the Company, in paying up unissued shares of the Company to be issued to the members of the Company as fully paid bonus shares in accordance with the provisions of the Companies Act, 2013.

Securities premium

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

General reserve

General reserve is created through annual transfer of profits at a specified percentage in accordance with applicable regulations under the erstwhile Companies Act, 1956. Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer specified percentage of net profits to General reserve has been withdrawn. However, the amount previously transferred to the General reserve can be utilized only in accordance with the specific requirements of the Companies Act, 2013.

Employee stock options outstanding

The Employee Stock Options outstanding represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees and unvested stock options in the Statement of profit and loss in respect of equity-settled share options granted to the eligible employees of the Company and its subsidiaries in pursuance of the Employee Stock Option Plan.

Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend pay-outs, transfers to General reserve or any such other appropriations to specific reserve.

Elements of Other Equity with balance:

Particulars	Nature and purpose	Rs. in crore	
		March 31, 2026	March 31, 2025
Statutory reserve as per Section 45-IC of the RBI Act, 1934	Statutory reserve represents reserve fund created pursuant to Section 45-IC of the RBI Act, 1934 through transfer of specified percentage of net profit every year before any dividend is declared. The reserve fund can be utilized only for limited purposes as specified by RBI from time to time and every such utilization shall be reported to the RBI within specified period of time from the date of such utilization.	3,908.81	3,352.35
Capital redemption reserve	Capital redemption reserve represents reserve created pursuant to Section 55 (2) (c) of the Companies Act, 2013 by transfer of an amount equivalent to nominal value of the Preference shares redeemed. The CRR may be utilized by the Company, in paying up unissued shares of the Company to be issued to the members of the Company as fully paid bonus shares in accordance with the provisions of the Companies Act, 2013.	50.00	50.00
Securities premium	Securities premium is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, rights issue in accordance with the provisions of the Companies Act, 2013.	10,158.47	7,195.09
General reserve	General reserve is created through annual transfer of profits at a specified percentage in accordance with applicable regulations under the erstwhile Companies Act, 1956. Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer specified percentage of net profits to General reserve has been withdrawn. However, the amount previously transferred to the General reserve can be utilized only in accordance with the specific requirements of the Companies Act, 2013.	798.80	798.61
Employee stock options outstanding	The Employee Stock Options outstanding represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees and unvested stock options in the Statement of profit and loss in respect of equity-settled share options granted to the eligible employees of the Company and its subsidiaries in pursuance of the Employee Stock Option Plan.	17.70	9.18
Retained earnings	Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend pay-outs, transfers to General reserve or any such other appropriations to specific reserve.	9,433.67	8,128.10

		Rs. in crore	
Particulars	Nature and purpose	March 31, 2026	March 31, 2025
Other comprehensive income			
– Debt instruments through OCI	The Company recognises changes in the fair value of debt instruments held with a dual business objective of collect and sell in other comprehensive income. These changes are accumulated in the FVOCI debt investments reserve. The Company transfers amounts from this reserve to profit or loss when the debt instruments are derecognised. Any impairment loss on such instruments is reclassified immediately to the Statement of Profit and Loss.	(15.59)	1.26
– Equity instruments through OCI	The Company has opted to recognise changes in the fair value of certain investments in equity in other comprehensive income. These changes are accumulated in the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity investments are derecognised.	105.90	84.51
– Effective portion of cash flow hedges	It represents the cumulative gains/(losses) arising on revaluation of the derivative instruments designated as cash flow hedges through OCI.	23.03	(53.85)
Total		24,480.79	19,565.25

Dividend distributions made and proposed

				Rs. in crore		
i)	Dividend on equity shares declared and paid during the year					
			Rs. in crore	Particulars	March 31, 2026	March 31, 2025
	Particulars	March 31, 2026	March 31, 2025			
				Income from bill discounting	159.53	120.62
	Dividend paid	903.48	778.38	Interest income from investments	215.57	224.79
	Profit for the relevant year	2,345.04	1,759.62			
				Interest on term deposits with banks	430.43	318.80
	Dividend as a percentage of profit for the relevant year	38.5%	44.2%			
				On financial instruments measured at fair value through OCI (refer note 2.11 (b))		
ii)	Dividends proposed for approval at the annual general meeting (not recognised as a liability as at respective reporting date)					

		Rs. in crore	Interest income from investments in debt instrument	246.96	287.32
Particulars	March 31, 2026	March 31, 2025			
Face value per share (Rupees)	2.00	2.00	Total	17,211.69	15,331.41
Dividend percentage	375%	325%	Note: There is no loan asset measured at FVTPL.		
Dividend per share (Rupees)	7.50	6.50	25 Fees, charges and commission income		
Total Dividend on Equity shares (a)	1,042.48	903.48			Rs. in crore
Profit after tax for the relevant year (b)	2,782.23	2,345.04		March 31, 2026	March 31, 2025
Dividend proposed as a percentage of profit after tax (a/b)	37.5%	34.2%	Service charges and other fees income	338.90	280.08
The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013, as applicable.			Income from commission services - life insurance	314.98	149.94

24 Interest income

		Rs. in crore			
Particulars	March 31, 2026	March 31, 2025	Fees, commission/ brokerage received from mutual fund distribution/other products	6.69	6.77
On financial instruments measured at Amortized cost (refer note 2.6)			Collection fees related to transferred assets under securitization transactions	26.66	12.49
Interest on loans	15,989.46	14,255.57	Total	854.39	510.59
Interest on Finance lease	169.74	124.31			

Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to the Statement of profit and loss.

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
Type of services or service		
Fees and commission income	854.39	510.59
Total revenue from contract with customers	854.39	510.59
Geographical markets		
India	854.39	510.59
Outside India	—	—
Total revenue from contract with customers	854.39	510.59
Timing of revenue recognition		
Services transferred at a point in time	854.39	510.59
Services transferred over time	—	—
Total revenue from contract with customers	854.39	510.59

Contract balances

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
Fees, commission and other receivables	86.12	53.02
	86.12	53.02

- Impairment loss allowance recognised on contract balances is Rs. Nil (Previous year Rs. Nil)

- Contract asset as on March 31, 2026 is Nil (Previous year Nil)

26 Net gain/(loss) on fair value changes

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
Net gain/ (loss) on financial instruments at FVTPL		
On trading portfolio		
— Investments	(1.20)	(0.42)
Others – Mutual fund units	28.53	6.56
Total Net gain/ (loss) on financial instruments at FVTPL	27.33	6.14
Fair value changes:		
— Realized	23.41	1.31
— Unrealized	3.92	4.83
Total Net gain/ (loss) on financial instruments at FVTPL	27.33	6.14

Note: Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.

27 Other income

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
Net gain on derecognition of property, plant and equipment	0.59	4.10
Income from shared services	12.90	45.04
Others	41.20	6.60
Total	54.69	55.74

Note: Income from shared services include marketing income from insurers of Rs NIL during the year ended March 31, 2026 (March 31, 2025: Rs. 35.62 crore).

28 Finance costs

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
On financial liabilities measured at Amortized cost		
Interest on deposits	1,052.55	728.83
Interest on borrowings	4,876.60	4,484.08
Interest on debt securities	1,964.42	2,362.83
Interest on subordinated liabilities	436.63	372.01
Interest expense on lease liabilities (refer note 41)	30.14	31.04
Others		
Net loss/ (gain) in fair value of derivative financial instruments	—	(107.25)
Others	31.71	26.76
Total	8,392.05	7,898.30

Note: There are no financial liabilities measured at FVTPL.

29 Impairment on financial instruments

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
On financial instruments measured at Amortized cost		
Bad debts and write offs	1,959.17	1,558.91
Loans	477.16	57.65
Loan commitment	4.08	0.67
Trade receivables and other contracts	0.81	0.63
Total	2,441.22	1,617.86

Note: There are no financial instruments measured at FVOCI.

30 Employee benefits expenses

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
Salaries and wages	1,905.67	1,754.97
Contribution to provident funds and other funds	106.70	112.25
Share based payments to employees	15.82	7.25
Staff welfare expenses	25.98	28.66
Total	2,054.17	1,903.13

31 Depreciation, amortization and impairment

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
Depreciation on Property, Plant and Equipment (refer note 11)	178.90	154.62
Amortization and impairment of intangible assets (refer note 12)	79.64	36.65
Depreciation on Right of Use Asset (refer note 11 and 41)	84.14	82.15
Total	342.68	273.42

32 Other expenses

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
Rent	9.41	12.61
Rates and taxes, excluding taxes on income	23.25	8.32
Electricity charges	18.37	18.18
Repairs and maintenance	12.37	11.01
Communication costs	39.69	48.07
Printing and stationery	8.43	12.80
Advertisement and publicity	22.79	26.61
Directors' fees, allowances and expenses	3.57	4.22
Auditor's fees and expenses -		
– Audit fees (including quarterly limited reviews)	1.82	1.66
– Other services	0.36	0.54
– Reimbursement of expenses	0.13	0.07
Legal and professional charges	162.34	154.57
Insurance	60.44	58.99
Manpower outsourcing cost	314.28	193.66
Donations	0.02	23.04
Corporate Social Responsibility (CSR) expenses (refer note 45)	47.78	34.61
Conveyance and travel expenses	141.63	147.84
Other expenses	473.65	380.07
Total	1,340.33	1,136.87

33 Exceptional items

	Rs. in crore	
Particulars	March 31, 2026	March 31, 2025
Statutory impact of new Labour Codes	(117.33)	–
Total	(117.33)	–

On November 21, 2025, the Government of India notified the provisions of four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively "new Labour Codes") which consolidate 29 existing labour laws into a unified framework governing employee benefits during employment and post-employment.

In accordance with the new Labour Codes, the Company has currently estimated the incremental impact of Gratuity and Leave Encashment to be Rs.117.33 crore (net of taxes Rs.87.80 crore) on the basis of Actuarial Valuation. This has been presented under "Exceptional Items" in the standalone financial statements for the year ended March 31, 2026. The Company continues to monitor developments on the Rules to be notified by regulatory authorities, including clarifications/ additional guidance from authorities and will continue to assess the accounting implications, basis such developments/ guidance.

In addition to the above, the Company has also recognised an amount of Rs. 22.72 crore in the Statement of Profit and Loss towards employee benefit expenses on account of the impact of the New Labour Code on eligible employees.

The incremental cost attributable to period post implementation of new Labour Codes has been included under Employee benefits expense for the year ended March 31, 2026.

34 Earning Per Share (EPS)

Basic EPS is calculated in accordance with Ind AS 33 'Earnings Per Share' by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the net profit attributable to equity holders 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 of the Company

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

	Rs. in crore	
	March 31, 2026	March 31, 2025
Profit for the year (Rs in crore)	2,782.23	2,345.04
Weighted average number of Equity Shares used in computing basic EPS	1,36,72,80,940	1,27,21,07,490
Effect of potential dilutive Equity Shares	9,34,903	4,16,316
Weighted average number of Equity Shares used in computing diluted EPS	1,36,82,15,843	1,27,25,23,806
Basic Earnings per share (Rs.) (Face value of Rs. 2/- per share)	20.35	18.43
Diluted Earnings per share (Rs.)	20.33	18.43

35 Employee Stock Option Plan (ESOP)

The Company had allotted 48,45,025 Equity shares (face value of Rs.2/- each) (adjusted for stock-split in the ratio of 5:1 in February 2013) under Employee Stock Option Scheme 2010 at par on February 3, 2011 to Mahindra and Mahindra Financial Services Limited Employees' Stock Option Trust ("the Trust") set up by the Company. The Trust holds these shares for the benefit of employees and allots equity shares to eligible employees on exercise of stock options as per the terms and conditions of ESOP scheme granted as per the recommendation of the Compensation Committee.

Pursuant to the Rights issue of one equity share for every equity share held as on record date, at an issue price of Rs.50 per Equity Share (including a premium of Rs. 48 per Equity Share), made by the Company, 20,63,662 equity shares have been allotted to the Trust in respect of its rights entitlement on August 17, 2020. All the option holders (beneficiaries) under existing grants have automatically become entitled to additional options at Rs.50/- per option as rights adjustment and accordingly, the number of outstanding options stand augmented in the same ratio as the rights issue. All the terms and conditions applicable to these additional options issued under rights issue have remained same as original grant.

Upon exercise of stock options, including additional options issued as per Rights issue, under the schemes by eligible employees, the Trust had issued 72,67,963 equity shares to employees up to March 31, 2026 (March 31, 2025: 70,25,425 equity shares), of which 2,42,538 equity shares (March 31, 2025: 4,75,271 equity shares) were issued during the current year. This has resulted in an increase in equity share capital by Rs. 0.05 crore for the year ended March 31, 2026 (March 31, 2025 : Rs. 0.10 crore).

a) The terms and conditions of the Employees Stock Option Plans

i) Employees Stock Option Scheme 2010

Particulars	Key Terms and conditions
Type of arrangement	Employees share based payment plan administered through ESOP Trust
Contractual life	3 years from the date of each vesting
Number of vested options exercisable	Minimum of 50 or number of options vested whichever is lower
Method of settlement	By issue of shares at exercise price
Vesting conditions	In 5 equal tranches @ 20% each on expiry of 12, 24, 36, 48 and 60 months from the date of grant

ii) MAHINDRA AND MAHINDRA FINANCIAL SERVICES LIMITED – RESTRICTED STOCK UNITS PLAN 2023 (“MMFSL RSU PLAN 2023”)

Mahindra and Mahindra Financial Services Limited – Restricted Stock Units Plan 2023 (“MMFSL RSU PLAN 2023”) formulated in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 was approved by the Board of Directors in their meeting held on April 28, 2023. Following are the key terms and conditions governing the scheme.

Particulars	Terms and conditions
Type of arrangement	Employees share based payment plan administered through ESOP Trust
Exercise price	The Exercise Price shall be the face value of the Share as on date of Exercise of RSUs.
Contractual life	5 years from the date of each vesting
Vesting terms & conditions	RSUs granted under the MMFSL RSU Plan 2023 shall vest not earlier than minimum Vesting Period of 1 (One) year and not later than the maximum Vesting Period of 7 (Seven) years from the date of Grant of such RSUs, The vesting of RSUs would be based on achievement of performance parameters. The Committee would lay down the parameters for vesting of RSUs which would include one or more of the Company performance parameters such as: - Asset Quality - Assets Under Management (AUM) Growth - Cost control - Profit growth - Return on Assets (ROA) - Digital maturity: use of technology and data - Environmental, Social & Governance (ESG) performance
Vesting Schedule	In 3 or 5 equal tranches on expiry of 12, 24 and 36 months (i.e. 33.33% each) or on expiry of 12, 24, 36, 48, 60 months (i.e. 20% each), up to a maximum of 7 years from the grant date
Method of settlement	By issue of shares at exercise price

iii) MAHINDRA & MAHINDRA FINANCIAL SERVICES LIMITED – SUBSIDIARIES RESTRICTED STOCK UNITS PLAN 2026 (“MMFSL SUBSIDIARIES RSU PLAN 2026”)

During the current financial year, the Company has formulated a new employee stock option plan, namely, ‘Mahindra & Mahindra Financial Services Limited- Subsidiaries Restricted Stock Units Plan 2026’ (“MMFSL Subsidiaries RSU Plan 2026”) to reward the key Employees of the Subsidiary Company(ies) of the Company for their performance and

motivate them to contribute to the consolidated growth and profitability of the Company, and the same was approved by the Board of Directors on January 7, 2026 and approved by the Shareholders of the Company on February 7, 2026 in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021. Following are the key terms and conditions governing the scheme.

Particulars	Key Terms and conditions
Type of arrangement	Employees share based payment plan administered through ESOP Trust
Exercise price	The Exercise Price shall be the face value of the Share as on date of Exercise of RSUs.
Authority and Ceiling	The maximum number of RSUs that may be granted to each Employee in aggregate shall vary depending upon the designation and the appraisal/ assessment process, however, shall not exceed 30,00,000 (Thirty Lakhs) in number per eligible Employee. However, the Committee reserves the right to decide the number of RSUs to be granted and the maximum number of RSUs that can be granted to each Employee within this ceiling.
Contractual life	5 years from the date of each vesting
Vesting terms & conditions	RSUs granted under the MMFSL Subsidiaries RSU Plan 2026 shall vest not earlier than minimum Vesting Period of 1 (One) year and not later than the maximum Vesting Period of 7 (Seven) years from the date of Grant of such RSUs, as may be determined by the Committee. The vesting of RSUs would be based on achievement of performance targets of the respective Subsidiaries. The Committee would lay down the performance targets for vesting of RSUs granted to employees of subsidiaries of the Company which would include one or more of the performance parameters of the subsidiary upto 100% weightage along with certain sub-weightage assigned to each of the following parameters : - Revenue Growth - Market Share Growth - Profit growth - Cost control - Asset quality - Digital maturity: use of technology and data - Environmental, Social & Governance (ESG) performance Besides the Subsidiary Company's performance parameters, vesting of RSUs may include grantee's individual performance (upto 50% of total RSUs granted), as determined by the Committee from time to time. In such instances the indicative weightages given above would be varied with the approval of the NRC. Each grant shall specify a target number of RSUs; actual vesting may range from 0% to 110% based on performance achievement.
Vesting Schedule	In 3 or 5 equal tranches on expiry of 12, 24 and 36 months (i.e. 33.33% each) or on expiry of 12, 24, 36, 48, 60 months (i.e. 20% each), up to a maximum of 7 years from the grant date
Method of settlement	By issue of shares at exercise price

b) Options granted during the year:
i) Employee Stock Option Scheme 2010

After formulation of new scheme - MMFSL RSU PLAN 2023, no further stock options can be granted under the old scheme - Employees' Stock Option Scheme 2010. However, live options already vested can be exercised within the validity period as per the terms and conditions of the scheme.

Following are the stock option grants under this scheme which were live during the year with remaining validity period for exercise of vested options.

Particulars	Grant dated January 24, 2018	Grant dated October 24, 2018
Exercise price (Rs.)	2.00	2.00
Fair value of option (Rs.)	495.92	355.34

ii) MMFSL RSU PLAN 2023

During the year ended March 31, 2026, the Company has granted 10,36,734 stock options (March 31, 2025 : 6,49,326) to eligible employees under the newly formulated employee stock option plan, namely, MMFSL RSU PLAN 2023, in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, which was approved by the Board of Directors in their meeting held on April 28, 2023.

Following are the grants which are live under MMFSL RSU PLAN 2023.

Particulars	Grant dated October 28 2025	Grant dated July 22 2025	Grant dated October 21 2024	Grant dated April 23 2024	Grant dated October 26 2023
Exercise price (Rs.)	2.00	2.00	2.00	2.00	2.00
Fair value of option (Rs.)	269.74	228.11	262.53	246.47	246.47

The key assumptions used in black-Scholes model for calculating fair value as on the date of grant are:

	Year ended March 31, 2026		Year ended March 31, 2025		Year ended March 31, 2024
	Grant dated October 28 2025	Grant dated July 22 2025	Grant dated October 21 2024	Grant dated April 23 2024	Grant dated October 26 2023
Particulars					
Variables#					
1) Risk free interest rate	6.11%	6.03%	6.64%	7.08%	7.29%
2) Expected life	4.50 years	5.50 years	4.50 years	5.50 years	4.51 years
3) Expected volatility	34.92%	47.79%	42.83%	44.27%	45.98%
4) Dividend yield	2.17%	2.47%	2.16%	2.15%	2.19%
5) Price of the underlying share in the market at the time of option grant (Rs.)	299.10	262.85	291.00	278.85	273.60

the values mentioned against each of the variables are based on the weighted average percentage of vesting.

iii) MMFSL SUBSIDIARIES RSU PLAN 2026

MMFSL Subsidiaries RSU Plan 2026' is a newly formulated stock option plan and approved by the Board and shareholders during last quarter of the financial year. There were no stock options granted to employees of the subsidiary company (ies) during the year.

c) i) Summary of stock options - Employee Stock Option Scheme 2010 :

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of stock options	Weighted average exercise price (Rs.) #	No. of stock options	Weighted average exercise price (Rs.) #
Options outstanding at the beginning of the year	156,627	26.58	612,763	26.97
Options granted during the year	–	–	–	–
Options expired/ forfeited during the year	8,532	26.66	11,350	27.45
Options cancelled/ lapsed during the year	–	–	–	–
Options exercised during the year	84,049	26.43	444,786	27.09
Options outstanding at the end of the year	64,046	26.77	156,627	26.58
Options vested but not exercised at the end of the year	64,046	26.77	156,627	26.58

Adjusted for additional options issued in the ratio of one equity share for every one equity share held under Rights issue made by the Company during August 2020. The options issued under ESOP scheme 2010 are exercisable at Rs.2/- per option and adjustment options issued under Rights issue are exercisable at Rs.50/- each, including premium of Rs. 48/- per option (being the issue price under Rights allotment).

ii) Summary of stock options - MMFSL RSU PLAN 2023:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of stock options	Weighted average exercise price (Rs.)	No. of stock options	Weighted average exercise price (Rs.)
Options outstanding at the beginning of the year	807,534	2.00	283,171	2.00
Options granted during the year	1,036,734	2.00	649,326	2.00
Options expired/ forfeited during the year	1,177	2.00	8,804	2.00
Options cancelled/ lapsed during the year #	120,276	2.00	85,674	2.00
Options exercised during the year	158,489	2.00	30,485	2.00
Options outstanding at the end of the year	1,564,326	2.00	807,534	2.00
Options vested but not exercised at the end of the year	69,834	2.00	36,216	2.00

includes 47,328 options (Year ended March 31, 2025: 9,194 options) cancelled/ lapsed on account of true-down effect applied on the specific tranche of respective grant/s covering all the beneficiaries due to non-achievement of specified performance parameters at the Company level as per the terms and conditions of the MMFSL RSU PLAN 2023.

True-down of options:

The vesting of options under each tranche of individual grants under MMFSL RSU PLAN 2023 is subject to achievement of specified performance parameters at the Company level and at the individual level for the relevant financial year as approved by the Nomination and Remuneration Committee (NRC) of the Board of Directors. If actual performance in a relevant financial year against the specified parameters is lower than the defined thresholds, the granted options under a particular tranche would vest in proportion to the level of actual performance (true-down effect) and that proportion of options attributable to lower performance would be cancelled/ lapsed with corresponding write-back of compensation expense recognized earlier in the Statement of profit and loss of current year.

d) Information in respect of options outstanding:

	As at March 31, 2026		As at March 31, 2025	
	No. of stock options	Weighted average remaining life	No. of stock options	Weighted average remaining life
Exercise price				
Employee Stock Option Scheme 2010 -				
- At Rs. 2.00 per option	31,000	7 months	76,411	14 months
- At Rs. 50.00 per option	33,046	7 months	80,216	14 months
MMFSL RSU PLAN 2023 -				
- At Rs. 2.00 per option	1,564,326	80 months	807,534	79 months
	1,628,372		964,161	

e) Average share price at recognized stock exchange on the date of exercise of the option is as under:

Year ended March 31, 2026		Year ended March 31, 2025	
Date of Exercise	Weighted average share price (Rs.)	Date of Exercise	Weighted Average share price (Rs.)
April 01, 2025 to March 31, 2026	313.88	April 01 2024 to March 31, 2025	286.73

f) Determination of expected volatility

The measure of volatility used in the Black-Scholes option pricing model is the annualized standard deviation of the continuously compounded rates of return on the stock over a period of time.

The determination of expected volatility is based on historical volatility of the stock over the most recent period that is generally commensurate with the expected life of the option being valued. The period considered for volatility is adequate to represent a consistent trend in the price movements and the movements due to abnormal events are evened out.

Accordingly, since each vest has been considered as a separate grant, the model considers the volatility for periods, corresponding to the expected lives of different vests, prior to the grant date. Volatility has been calculated based on the daily closing market price of the Company's stock price on NSE over these years. Similar approach was followed in determination of expected volatility based on historical volatility for all the grants under the scheme.

g) Compensation cost measurement and accounting

In respect of stock options granted under Employee Stock Option Scheme 2010 and MMFSL RSU PLAN 2023, the accounting is done as per the requirements of Ind AS 102 - Share-based payment. Consequently, Rs.15.82 crore (March 31, 2025: Rs.7.25 crore) has been included under 'Employee Benefits Expense' as 'Share-based payment to employees' based on respective grant date fair value, after adjusting for reversals on account of options forfeited. The amount includes cost reimbursements (net of recoveries of Rs. 0.34 crore) to the holding company of Rs.2.35 crore (March 31, 2025: Rs. 1.68 crore) in respect of options granted to employees of the Company and excludes net recovery of Rs.0.75 crore (March 31, 2025: Rs.0.09 crore) from its and holding company's subsidiaries for options granted to their employees.

36 Employee benefits

General description of defined benefit plans

Gratuity

The Company provides for the gratuity, a defined benefit retirement plan covering qualifying employees. The plan provides for gratuity benefits that become payable to eligible employees on death while in service or on separation from employment after completion of the stipulated period under the Code on Social Security, 2020. The Company makes annual contribution to the Gratuity scheme administered by the Life Insurance Corporation of India, HDFC life and Kotak life insurance through its Gratuity fund.

Post retirement medical cover

The Company provides for post retirement medical cover to select grade of employees to cover the retiring employee and their spouse up to a specified age through Medicaclaim policy on which the premiums are paid by the Company. The eligibility of the employee for the benefit as well as the amount of medical cover purchased is determined by the grade of the employee at the time of retirement.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk -

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets underperform compared to this yield, this will create or increase a deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Interest rate risk -

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Variability in withdrawal rates -

If actual withdrawal rates are higher than assumed withdrawal rate assumption then the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Regulatory Risk -

Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). There is a risk of change in the regulations requiring higher gratuity payments (e.g. raising the present ceiling of Rs. 20,00,000, raising accrual rate from 15/26 etc.).

Inflation risk -

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. The post retirement medical benefit obligation is sensitive to medical inflation and accordingly, an increase in medical inflation rate would increase the plan's liability.

Salary Risk -

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk -

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Concentration Risk -

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low.

Life expectancy -

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability. If actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Details of defined benefit plans as per actuarial valuation are as follows:

Particulars	Rs. in crores			
	Funded Plan Gratuity		Unfunded Plan Post retirement medical benefits	
	Year ended March 31 2026	2025	Year ended March 31 2026	2025
I. Amounts recognised in the Statement of Profit & Loss				
Current service cost	16.50	17.14	0.30	—
Net Interest cost	3.58	0.63	0.35	—
Past service cost (New Labour Code impact)	96.52	—	—	5.09
Interest Income	—	—	—	—
Adjustment due to change in opening balance of Plan assets	—	—	—	—
Total expenses included in employee benefits expense	116.60	17.77	0.65	5.09

Rs. in crores					Rs. in crores				

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

The Company's contribution to provident fund, superannuation fund and national pension scheme aggregating to Rs. 77.13 crore (March 31, 2025: Rs. 80.67 crore) has been recognized in the Statement of profit and loss under the head Employee benefits expense.

Compensated Absences

The principal assumptions used in determining obligations for the Company are shown below:

Particulars	Year ended March 31	
	2026	2025
Rate of discounting	6.77%	6.54%
Expected rate of salary increase	7.00%	7.00%
Attrition rate %	29.26% for age up to 30 years, 20.41% for age 31-50 years, 17.60% for 51 years and above	31.08% for age up to 30 years, 22.10% for age 31-50 years, 12.24% for 51 years and above
Mortality	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Expenses recognised in statement of profit and loss	2.42	10.45

includes the New Labour Code impact of Rs. 20.81 crore

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2026.

The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

Long Term Incentive Scheme

The Long-Term Incentive Plan is annually granted along with the performance cycle at the end of the financial year and determined on the individual performance rating criteria, awarded LTIP will vest equally in 3 years.

Actuarial assumptions and Sensitivity

Particulars	Year ended March 31	
	2026	2025
Retirement Age	60 Years	60 Years
Discount Rate	6.48%	6.54%
Attrition Rate	4.00%	8.00%
Performance Measurement	99.00%	99.00%

Reconciliation of the Liability recognised in the Balance Sheet:

Particulars	Year ended March 31	
	2026	2025
Opening Net Liability	1.39	–
Expense recognised in the P&L	4.17	1.39
Contribution/Benefit Paid by the Company	1.96	–
Amount recognised in the Balance Sheet under "Provision for Retirement Benefits"	3.60	1.39
Current portion of the above	2.21	0.86
Non Current portion of the above	1.39	0.53

The Company has not funded its long term incentive plan liability and the same continues to remain as unfunded as at March 31, 2026.

Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

37 Additional disclosures

- During the financial years ended March 31, 2026 and March 31, 2025, 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 the Companies Act, 2013), either severally or jointly with any other person (a) repayable on demand or (b) without specifying any terms or period of repayment.
- There is no Benami Property held by the Company and there is no proceeding initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- Disclosure of transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956

As at March 31, 2026

Name of Struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at March 31, 2026 (Rs. in crore)	Relationship with the Struck off Company, if any, to be disclosed
1 SHRUTI MOTORS PRIVATE LIMITED - MARUTI	Receivables	1.28	External
2 BALAJI INFRASTRUCTURE PRIVATE LIMITED	Receivables	0.80	External
3 AKSHARA PUBLIC SCHOOL	Receivables	0.41	External
4 SAKTHI TRAVELS PRIVATE LIMITED	Receivables	0.23	External
5 RAJ AND RAJ PVT LTD	Receivables	0.12	External
6 PROBUS INFRATECH PRIVATE LIMITED	Receivables	0.07	External
7 DRRC INFRA PROJECTS PVT LTD	Receivables	0.07	External
8 VH SQUARE HEALTHCARE PRIVATE LIMITED	Receivables	0.04	External
9 PRAMILA HOSPITAL	Receivables	0.03	External
10 CONSOLE CARGO LOGISTICS SERVICES (I) PRIVATE LIMITED	Receivables	0.02	External
11 SKS AUTOMOBILES INDIA PVT LTD	Receivables	–	External
12 SHRIRAM AUTOWHEELS PVT LTD	Receivables	–	External
13 RETONA MOTORS PRIVATE LIMITED	Receivables	–	External
14 EAST AFRICA MOBILES LTD - VADODARA	Receivables	–	External
15 FAIRDEAL MOTORS & WORKSHOP PVT LTD	Payables	(0.50)	External
16 CHOWDHARY MOTORS PVT LTD-JAMMU (C010211)	Payables	(0.05)	External
17 PLATINUM HOTEL (RAJKOT)	Payables	(0.00)	External
18 SAMEODHI TECH SOLUTIONS PRIVATE LIMITED	Payables	(0.00)	External
19 VMS CONSULTANTS PVT LTD	Corporate Depositor	0.70	External
20 OPTIMISTIC TRADING COMPANY PRIVATE LIMITED	Shares Held by Struck off Company	4,451*	External
21 SALASAR SECURITIES PVT LTD	Shares Held by Struck off Company	2,834*	External
22 UNICON FINCAP PRIVATE LIMITED	Shares Held by Struck off Company	689*	External
23 DREAMS BROKING PRIVATE LIMITED	Shares Held by Struck off Company	476*	External

* Number of Equity Shares

As at March 31, 2025

Name of Struck off Company	Nature of transactions with struck-off Company	Balance outstanding as at March 31, 2025 (Rs. in crore)	Relationship with the Struck off Company, if any, to be disclosed
1 SHIRIDI SRISAI SOLUTIONS PVT LIMITED	Receivables	0.18	External
2 CONSOLE CARGO LOGISTICS SERVICES (I) PRIVATE LIMITED	Receivables	0.04	External
3 SAMBODHI TECH SOLUTIONS PRIVATE LIMITED	Receivables	0.05	External
4 BALAJI INFRASTRUCTURE T&D PRIVATE LIMITED	Receivables	0.76	External
5 VH SQUARE HEALTHCARE PVT LTD	Receivables	0.06	External
6 PALLAVI INFRA HOLDING PRIVATE LIMITED	Receivables	0.07	External
7 PROBUS INFRATECH PRIVATE LIMITED	Receivables	0.06	External
8 MILLPOND HUMAN RESOURCE PRIVATE LIMITED	Receivables	–	External
9 SATHESRI AGRO PRODUCTS PRIVATE LIMITED	Receivables	–	External
10 ASVRJ LOGISTIC PRIVATE LIMITED	Receivables	–	External
11 PUNEETH TECHNO PROJECTS (OPC) PRIVATE LIMITED	Receivables	–	External
12 4 SQUARE FITNESS PRIVATE LIMITED	Receivables	–	External
13 COCOWINGS ENTERPRISES PRIVATE LIMITED	Receivables	–	External
14 ZAFCON ENGINEERING PRIVATE LIMITED	Receivables	–	External
15 RETONA MOTORS PRIVATE LIMITED	Receivables	0.09	External
16 CHOWDHARY MOTORS PRIVATE LIMITED	Payables	0.05	External
17 APARNA AUTOMOBILES PRIVATE LIMITED	Payables	0.01	External
18 LIANCE CONSULTANT&ENGINEERS PRIVATE LIMITED	Payables	–	External
19 GOMATESHWAR INVESTMENTS PVT LTD	Corporate Depositor	0.02	External
20 VMS CONSULTANTS PVT. LTD.	Corporate Depositor	0.70	External
21 DREAMS BROKING PRIVATE LIMITED	Shares Held by Struck off Company	476*	External
22 UNICKON FINCAP PRIVATE LIMITED	Shares Held by Struck off Company	689*	External

* Number of Equity Shares

- iv) There is no charges or satisfaction in relation to any debt/ borrowings yet to be registered with ROC beyond the statutory period.

38 Analytical Ratios

Particulars	As at March 31, 2026		As at March 31, 2025		% Variance	Reasons for variance (if above 25%)
	Numerator (Rs. in crore)	Denominator (Rs. in crore)	Ratio	Ratio		
Total Capital ratio (CRAR)	24,107.48	1,27,996.07	18.84%	18.33%	2.81%	NA
Tier - I capital ratio	21,317.98	1,27,996.07	16.66%	15.25%	9.21%	NA
Tier - II capital ratio	2,789.50	1,27,996.07	2.18%	3.08%	-29.24%	Decrease due to increase in credit enhancement for securitisation
Liquidity Coverage Ratio	4,976.43	2,223.50	224%	277%	-19.20%	NA

- v) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

- vi) Utilisation of Borrowed funds and share premium:

- A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -
- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -
- (i) 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
- (i) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- vii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

- viii) There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.

- ix) All the secured non-convertible debentures of the Company including those issued during the year ended March 31, 2026 are fully secured by pari-passu charge on Chhatrapati Sambhaji Nagar office erstwhile "Aurangabad" (wherever applicable) and/ or exclusive charge on present and/or future receivables under Loan contracts/Hire Purchase/Lease, owned Assets and book debts. Further, the Company in respect of secured listed non-convertible debt securities maintains 100% security cover or higher security cover as per the terms of Term Sheet/ Offer document/Information Memorandum and/or Debenture Trust Deed, sufficient to discharge the principal amount and the interest thereon.

The asset cover available as on March 31, 2026 in respect of listed secured debt securities is 1.09 (March 31, 2025: 1.08).

39 Funds raised by issue of equity shares through Rights Issue

Pursuant to authorization of further infusion of capital through Rights Issue by the Board of Directors of the Company at its meeting held on May 2, 2025, other resolutions passed on May 8, 2025 approving the issue size, rights entitlement ratio, fixing the issue price, fixing the record date and in accordance with the provisions of the Companies Act, 2013 and the applicable Rules prescribed thereunder, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Company had issued 15,44,41,240 fully paid-up equity shares of face value of Rs. 2 each for cash at a price of Rs. 194 per equity share (including a premium of Rs. 192 per equity share) aggregating to Rs. 2,996.16 crores on a rights basis to eligible equity shareholders in the ratio of one equity share for every eight fully paid-up equity share held on the record date, that is May 14, 2025. These equity shares were allotted on June 9, 2025. The Company has utilized the entire proceeds (net of issue related expenses) from the above referred Rights Issue for the purposes as stated in its 'Letter of Offer'.

The fresh allotment of equity shares through Rights Issue as stated above has resulted in an increase of equity share capital by Rs.30.89 crores and securities premium reserve by Rs. 2,965.27 crores. Consequently, the shareholding of the Parent Company (Mahindra & Mahindra Limited) had increased from 52.16% to 52.49% post allotment of fresh equity shares under rights issue.

The share issue expenses of Rs.7.60 crores have been adjusted against securities premium reserve as per the accounting policy.

40 Capital management

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or convertible and/or combination of short term /long term debt as may be appropriate.

The Company determines the amount of capital required on the basis of operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

The Company is subject to the capital adequacy requirements of the Reserve Bank of India (RBI). Under RBI's capital adequacy guidelines, the Company is required to maintain a capital adequacy ratio consisting of Tier I and Tier II Capital. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital. The minimum capital ratio as prescribed by RBI guidelines and applicable to the Company, consisting of Tier I and Tier II capital, shall not be less than 15 percent of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet.

The Company has complied with all regulatory requirements related to capital and capital adequacy ratios as prescribed by RBI.

Regulatory capital

Particulars	As at March 31, 2026	Rs. in crore
		As at March 31, 2025
Tier – I capital	21,317.98	17,835.12
Tier – II capital	2,789.50	3,602.40
Total Capital	24,107.48	21,437.51
Aggregate of Risk Weighted Assets	127,996.07	116,967.79
Tier – I capital ratio	16.66%	15.25%
Tier - II capital ratio	2.18%	3.08%
Total Capital ratio	18.84%	18.33%

"Tier I Capital" means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund."owned fund" means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in

share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any. Free reserves includes quarterly profit subject to reducing average dividend paid in the last three years.

Further, as required under Reserve Bank of India (Non-Banking Financial Companies – Prudential Norms on Capital Adequacy) Second Amendment Directions, 2026, vide RBI notification no. RBI/2025-26/226 DOR.CAP.REC.No.416/21.01.002/2025-26, the Company has reduced the amount of average dividend paid in the last three years from Owned funds/ Tier-1 capital in calculation of capital adequacy ratio effective from current financial year.

"Tier II capital" includes the following –

- preference shares other than those which are compulsorily convertible into equity;
- revaluation reserves at discounted rate of fifty five percent;
- General provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets. 12 month expected credit loss (ECL) allowances for financial instruments i.e. where the credit risk has not increased significantly since initial recognition, shall be included under general provisions and loss reserves in Tier II capital within the limits specified by extant regulations. Lifetime ECL shall not be reckoned for regulatory capital (numerator) while it shall be reduced from the risk weighted assets.
- hybrid debt capital instruments; and
- subordinated debt to the extent the aggregate does not exceed Tier I capital.

Aggregate Risk Weighted Assets –

Under RBI Guidelines, degrees of credit risk expressed as percentage weightages have been assigned to each of the on-balance sheet assets and off- balance sheet assets. Hence, the value of each of the on-balance sheet assets and off- balance sheet assets requires to be multiplied by the relevant risk weights to arrive at risk adjusted value of assets. The aggregate shall be taken into account for reckoning the minimum capital ratio.

41 Leases

I) In the cases where assets are taken on operating lease (as lessee) –

As a lessee, the Company's lease asset class primarily consist of buildings or part thereof taken on lease for office premises, certain IT equipments and general purpose office equipments used for operating activities.

The following is the summary of practical expedients applied as allowed under Ind AS 116.

- Availed the exemption of not to recognize ROU assets and liabilities for leases of low value assets and leases with less than 12 months (short-term lease) of lease term on the date of initial application as at April 1, 2019 and thereafter;
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application as at April 1, 2019 and thereafter;

a) Maturity Analysis – Contractual Undiscounted Cash Flow:

Particulars	Rs. in crore	
	As at March 31, 2026	As at March 31, 2025
Less than 1 year	104.85	101.56
1 - 3 years	164.88	169.31
3 - 5 years	124.00	116.99
More than 5 years	68.77	85.90
Total undiscounted lease liabilities	462.50	473.76

b) Other disclosures:

Following table summarizes other disclosures including the note references for the expense, asset and liability heads under which certain expenses, assets and liability items are grouped in the financial statements.

	Rs. in crore	
	Amount for the year ended/ As at	
	March 31, 2026	March 31, 2025
i) Depreciation charge for Right-Of-Use assets for Leasehold premises (presented under note - 31 "Depreciation, amortization and impairment")	84.14	82.15
ii) Interest expense on lease liabilities (presented under note - 28 "Finance costs")	30.14	31.04
iii) Expense relating to short-term leases (included in Rent expenses under note 32 "Other expenses")	5.10	3.56
iv) Expense relating to leases of low-value assets (included in Rent expenses under note 32 "Other expenses")	4.31	9.05
v) Payments for lease liability	107.28	102.41
vi) Additions to right-of-use assets during the year (refer note 11)	78.26	98.60
vii) Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset - - Property taken on lease for office premises (presented under note - 11 "Property, plant and equipments")	320.19	332.15
viii) Lease liabilities (presented under note - 20 "Other financial liabilities")	376.86	383.19

II) In the cases where assets are given on operating lease (as lessor) –

Key terms of the lease are as below:

- Both New and Used vehicles are offered on Lease for a tenure ranging upto 60 months.
- Customised leasing solutions are offered with value-added services like Fleet Management with regards to vehicle maintenance, Insurance management including claim settlement, pick-up and drop, replacement vehicle etc.
- The consideration payable is the monthly lease rental which varies based on the make/ model of the vehicle and tenure leased.

Rental income arising from these operating leases is accounted for on a straight-line basis over the lease tenure and is included in rental income in the Statement of profit and loss. Costs, including depreciation, incurred in earning the lease income are recognized as an expense.

Below are the list of risk mitigation strategy adopted by the company for the underlying assets as per provisions of Ind AS 116

- All the leased assets are insured.
- Hypothecation of assets in the name of company.
- Asset confirmations is obtained from lessee's on quarterly basis.
- Security deposit obtained to reduce the exposure on a case to case basis based on Customer profile.
- Variable lease payments based on usage of vehicles.

Other details are as follows:

	Rs. in crore	
	Year ended March 31, 2026	Year ended March 31, 2025
i) New vehicles to retail customers on operating lease –		
Gross carrying amount	699.23	571.59
Depreciation for the year	112.20	86.62
Accumulated Depreciation	225.11	178.05
Impairment losses for the year	0.55	–
Accumulated impairment	–	–

	Rs. in crore	
	Year ended March 31, 2026	Year ended March 31, 2025
ii) Used and refurbished vehicles to travel operators/taxi aggregators –		
Gross carrying amount	–	0.90
Depreciation for the year	–	0.01
Accumulated Depreciation	–	0.87
Impairment losses for the year	–	–
Accumulated impairment	–	–

The total future minimum lease rentals receivable for the non-cancellable lease period as at the Balance sheet date is as under:

	Rs. in crore	
	As at March 31, 2026	As at March 31, 2025
Particulars		
New vehicles to retail customers on operating lease –		
Not later than one year	139.11	124.58
Later than one year but not later than five years	247.40	225.38
Later than five years	–	0.01
	386.51	349.97

III) In the cases where assets are given on finance lease (as lessor) - Reconciliation of undiscounted lease payment to net investment :

	Rs. in crore	
	As at March 31, 2026	As at March 31, 2025
Particulars		
Gross Investment	1,316.76	1,090.81
Less: Unearned Income	164.12	165.11
Net investment before charging allowance for Impairment loss	1,152.64	925.70
Less: Allowance for Impairment losses	8.75	7.52
Total Net Investment	1,143.89	918.18

Maturity analysis:

	Within 1 year	1 to 5 years	Over 5 years	Total
Particulars				
Gross Investment	547.11	769.62	0.03	1,316.76
Less: Unearned Income	86.30	77.82	–	164.12
Net Investment before charging allowance for Impairment loss	460.81	691.80	0.03	1,152.64

IV) There has been a modification in the monthly Lease rentals for certain lease contracts post abolishment of Compensation cess under GST 2.0. The modification doesn't result in separate lease under Ind AS 116. The revised lease rentals are recognised prospectively over the remaining lease term of the said contracts.

42 Frauds reported during the year

There were 54 cases (March 31, 2025: 208 cases) of frauds amounting to Rs. 6.61 crore (March 31, 2025: Rs. 6.33 crore) reported during the year. Out of the fraud cases reported during the current year, the Company has recovered an amount of Rs. 2.14 crore (March 31, 2025: Rs. 2.26 crore) and has initiated appropriate legal actions against the individuals involved. The claims for the un-recovered losses have been lodged with the insurance companies on merit basis.

43 Contingent liabilities and commitments (to the extent not provided for)

	March 31, 2026	Rs. in crore March 31, 2025
i) Contingent liabilities		
Demand against the Company not acknowledged as debts -		
- Income Tax matters where Company has gone in Appeal	37.09	38.13
- Goods & Service Tax matters where Company has gone in Appeal	6.51	0.89
- Service Tax matters where Company has gone in Appeal	97.02	93.66
- Value Added Tax matters where Company has gone in Appeal	44.70	44.70
Disputed claims against the Company lodged by various parties under litigation (to the extent quantifiable)	3.25	5.47
Guarantees	1,112.49	868.56
	1,301.06	1,051.41
ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	67.23	92.86
Other commitments - loan sanctioned but not disbursed	858.31	234.39
	925.54	327.25
Total	2,226.60	1,378.66

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Income Tax, service tax, sales tax/ VAT, Goods and Services Tax and other authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions/ contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial performance and financial position regarding the amounts disclosed above, it is not practicable to disclose information on the possibility of any reimbursements as it is determinable only on the occurrence of uncertain future events.

44 Transfer of financial assets

a) Transferred financial assets that are not derecognized in their entirety - Securitization transactions

The Company has transferred certain pools of fixed rate loan receivables backed by underlying assets in the form of tractors, vehicles, equipments etc. by entering in to securitization transactions with the Special Purpose Vehicle Trusts ("SPV Trust") sponsored by Commercial banks for consideration received in cash at the inception of the transaction.

The Company, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and depositing the same in Collection and Pay-out Account maintained by the SPV Trust for making scheduled pay-outs to the investors in Pass

Though Certificates (PTCs) issued by the SPV Trust. These securitization transactions also requires the Company to provide for first loss credit enhancement in various forms, such as corporate guarantee, cash collateral, subscription to subordinated PTCs. as credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the Company is exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the Company has retained substantially all the risks and rewards of ownership of the financial asset and thereby does not meet the de-recognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as "Associated liability related to Securitization transactions" under Note no.17.

The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for de-recognition, together with the associated liabilities:

	As at March 31, 2026	Rs. in crore As at March 31, 2025
Particulars		
Securitized assets –		
Carrying amount of transferred assets measured at amortized cost	12,537.40	8,541.39
Carrying amount of associated liabilities	12,784.25	8,672.79
Fair value of transferred assets (A)	13,132.77	8,400.38
Fair value of associated liabilities (B)	13,082.93	8,845.87
Net position (A–B)	49.84	(445.48)

b) Transferred financial assets that are not derecognized in their entirety - Assignment Deals

During the previous year ended March 31, 2025, the company had sold loans and advances measured at amortized cost as per assignment deals undertaken by the company. As per the terms of these deals, since substantial risk and reward related to these assets were transferred to the buyer, the assets have been derecognized from the company's balance sheet to the extent of share of assignee.

The management has evaluated the impact of assignment deals done during the year for its business model. Based on the future business plans, the company's business model remains to hold the assets for collecting contractual cash flows.

The Company has assigned loans (earlier measured at amortised cost) by way of direct assignment. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the extent of 80% to the buyer, the assets have been de-recognised from the Company's Balance Sheet. The following table provide a summary of the carrying amount of the derecognised financial assets:

	As at March 31, 2026*	Rs. in crore As at March 31, 2025
Particulars		
Direct Assignment-		
Carrying amount of de-recognized financial assets measured at amortized cost	–	41.34
Carrying amount of exposures retained by the Company at amortised cost	–	10.33

* During the current year, the Company has not transferred or acquired any loan exposures through assignment/ novation and loan participation.

c) Details of stressed loans transferred

The Company has transferred one stressed loan to Asset Reconstruction Company (ARC) through direct assignment during the year ended March 31, 2026. The details of the same are as under:

Particulars	To ARCs		To Permitted transferees	To Other transferees (specify)
	NPA	SMA		
Count of loan accounts	1	–	–	–
Aggregate principal outstanding of loans transferred (Rs. in crore)	18.02	–	–	–
Weighted average residual tenor of loans transferred (in years)	0.27	–	–	–
Net book value of loans transferred (Rs. in crore) (at the time of transfer)	–	–	–	–
Aggregate consideration (Rs. in crore)	9.46	–	–	–
Additional consideration realized in respect of accounts transferred in earlier years	–	–	–	–

There was no such direct assignment/ transfer of stressed loans to Asset Reconstruction Company (ARC) during the previous year ended March 31, 2025.

c) Amount spent by the Company during the year on :

Particulars	Rs. in crore			Rs. in crore		
	For the year ended March 31, 2026			For the year ended March 31, 2025		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
i) Construction/ acquisition of any asset	–	–	–	–	–	–
ii) On purpose other than (i) above	47.78	–	47.78	34.61	–	34.61

d) Amount of shortfall at the end of the year: NIL (for relating to an ongoing project)

In case of S. 135(5) unspent amount

Rs. in crore

Opening balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year*	Amount required to be transferred to unspent bank account related to ongoing project	Closing Balance
–	–	–	–	–	–

e) Nature of CSR activities: Contributions/ donations made to the trusts which are engaged in activities prescribed under section 135 of the Companies Act, 2013 read with Schedule VII to the said Act and CSR activities undertaken by the Company.

f) Provision made with respect to a liability already incurred by entering into a contractual obligation : Nil

46 The Board of Directors of the Company, at their meeting held on January 28, 2026, has accorded its in principle approval for evaluating the proposal for consolidation including Scheme of merger by absorption of Mahindra Rural Housing Finance Limited ("MRHFL"), a 98.43% owned subsidiary of the Company with the Company and authorised the management to appoint various consultants, advisors and intermediaries for the purpose.

The said in-principle approval is subject to further evaluation to be carried out by the Committee of Independent Directors and Audit Committee of the Board and necessary recommendations to be made by them in accordance with applicable laws and regulatory requirements.

47 The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

45 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the Company is required to spend 2% of its average Net Profit of the immediately three preceding financial years on CSR.

The Company's CSR mission aims to actively contribute to the socio-economic development of communities, enabling individuals to partake in and derive benefits from the ongoing socio-economic progress. The Company is dedicated to integrating economically, physically, and socially challenged groups into mainstream society through its CSR initiatives.

The CSR activities of the Company shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time. Further, the Company reviews the sectors/activities from time to time and make additions/ deletions/ clarifications to the above sectors/activities.

During the year ended March 31, 2026, the Company has incurred an expenditure of Rs. 47.78 crore (March 31, 2025: Rs.34.10 crore) towards CSR activities which includes contribution/ donations made to the trusts which are engaged in activities prescribed under section 135 of the Companies Act, 2013 read with Schedule VII to the said Act and expense of Rs. 0.48 crore (March 31, 2025: Rs. 0.51 crore) towards the CSR activities undertaken by the Company.

Detail of amount spent towards CSR activities :

- Gross amount required to be spent by the Company during the year is Rs. 47.75 crore (March 31, 2025: Rs. 34.58 crore).
- Amount approved by the Board to be spent during the year : Rs. 47.75 crore (March 31, 2025: Rs. 34.58 crore).

48 Reconciliation of movement of liabilities to cash flows arising from financing activities

Year ended March 31, 2026

Rs. in crore

Particulars	April 1, 2025	Cash flows (net)	Exchange difference	Others	March 31, 2026
Proceeds from issue of Equity shares, including securities premium (net of issue expenses)	—	2,988.56	—	—	2,988.56
Debt securities	25,176.02	505.15	—	7.52	25,688.69
Borrowings (Other than debt securities)	69,503.91	4,027.04	544.37	12.08	74,087.40
Deposits	10,893.25	2,485.71	—	(11.88)	13,367.08
Subordinated liabilities	5,229.70	(174.82)	—	1.99	5,056.87
Lease liabilities	383.19	(107.28)	—	100.95	376.87
Total	1,11,186.07	9,724.36	544.37	110.66	1,21,565.46

Year ended March 31, 2025

Particulars	April 1, 2024	Cash flows (net)	Exchange difference	Others	March 31, 2025
Debt securities	26,725.94	(1,564.11)	—	14.19	25,176.02
Borrowings (Other than debt securities)	54,318.83	15,134.02	43.39	7.67	69,503.91
Deposits	7,174.74	3,733.33	—	(14.82)	10,893.25
Subordinated liabilities	4,005.66	1,225.96	—	(1.92)	5,229.70
Lease liabilities	367.92	(102.41)	—	117.68	383.19
Total	92,593.09	18,426.79	43.39	122.80	1,11,186.07

49 Financial Risk Management Framework

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk, currency risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors.

Board of Directors of the Company have established Asset and Liability Management Committee (ALCO), which is responsible for developing and monitoring risk management policies for its business. The Company's financial services business is exposed to high credit risk given the unbanked rural customer base and diminishing value of collateral. The credit risk is managed through credit norms established based on historical experience.

49.1 Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

a) Pricing Risk

The Company's Investments in Commercial Papers, Certificate of Deposits with Banks and Mutual Funds are exposed to pricing risk. A 5 percent increase in market price would increase profit before tax by approximately Rs. 41.60 crore (March 31, 2025 : Rs. 150.11 crore). A similar percentage decrease would have resulted equivalent opposite impact.

b) Currency Risk

Currency Risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency

risk arise majorly on account of foreign currency borrowings. The Company's foreign currency exposures are managed in accordance with its derivative Risk Management Policy which has been approved by its Board of Directors. The Company manages its foreign currency risk by entering into forward contract, cross currency swaps, principal and interest rate swaps. Other derivative Instruments may be used if deemed appropriate.

The carrying amounts of the Company's foreign currency exposure at the end of the reporting period are as follows :

Particulars	JPY	US Dollar	Total
As at March 31, 2026			
Financial Assets	—	—	—
Financial Liabilities	—	5,663.69	5,663.69
As at March 31, 2025			
Financial Assets	—	—	—
Financial Liabilities	936.53	5,964.24	6,900.77

Hedge Accounting - Forwards & Swaps

Contracts that meet the requirements for hedge accounting are accounted as per the hedge accounting requirements of Ind AS 109 - Financial Instruments. Hedge effectiveness is determined at the inception of the hedge relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of the hedging instrument match with the terms of the hedged item, and so a qualitative and quantitative assessment of effectiveness is performed. Hedge effectiveness for all hedges are 100%.

Details of foreign currency forward contracts and swaps outstanding at the end of reporting period

Rs. in crore

	March 31, 2026		March 31, 2025	
	Notional Value (#)	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Notional Value (#)	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)
Outstanding Contracts				
Cash Flow Hedges				
Buy Currency				
Maturing in 1+ years				
JPY/INR	—	—	—	—
USD/INR	5,141.00	400.80	5,141.00	(90.32)
Maturing less than year				
JPY/INR	—	—	831.13	(221.16)
USD/INR	—	—	827.70	17.08

There are no significant transactions of hedges which are ineffective.

Notional value of respective currency pair have been converted into presentation currency i.e. INR using year end closing exchange rate.

The movements in cash flow hedge reserve for instruments designated in a cash flow hedge are as follows:

Rs. in crore

Particulars	March 31, 2026			March 31, 2025		
	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total
Balance at the beginning of the year	3.43	(57.28)	(53.85)	(0.09)	(7.19)	(7.28)
(Gains)/Losses transferred to Profit or Loss on occurrence of the forecast transaction	—	—	—	—	—	—
Change in fair value of effective portion of cash flow hedges	565.76	(463.03)	102.73	4.71	(66.94)	(62.23)
Total	569.19	(520.31)	48.88	4.62	(74.13)	(69.51)
Deferred tax on the above	(142.38)	116.53	(25.85)	(1.19)	16.85	15.66
Balance at the end of the year	426.81	(403.78)	23.03	3.43	(57.28)	(53.85)
Of the above:						
Balance relating to continuing hedges	426.81	(403.78)	23.03	3.43	(57.28)	(53.85)

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant.

Particulars	Currency	Change in rate	Rs. in crore Effect on OCI
Year ended March 31, 2026			
	INR/JPY	NA	NA
	INR/USD	(+/-) 10.00%	(+/-) 567.93
Year ended March 31, 2025			
	INR/JPY	(+/-) 10.00%	(+/-) 93.77
	INR/USD	(+/-) 10.00%	(+/-) 599.07

The sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

c) Interest Rate Risk

The Company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Further, certain interest bearing liabilities carry variable interest rates.

Interest Rate risk on variable rate borrowings is managed by way of interest rate swaps, wherever necessary.

Interest Rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rate for both derivative and non-derivative instruments at the end of reporting period. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

The carrying value of floating rate loans is **Rs. 4,173.26 crore** (March 31, 2025: Rs. 3,169.05 crore) and floating rate borrowings is **Rs. 37,786.90 crore** (March 31, 2025: Rs. 43,245.87 crore).

Rs. in crore

Particulars	Currency	Increase/ decrease in basis points	Effect on profit before tax
Year ended March 31, 2026			
	INR	100	336.14
Year ended March 31, 2025			
	INR	100	400.77

d) Off-setting of balances

The table below summarizes the financial liabilities offsetted against financial assets and shown on a net basis in the balance sheet :

Financial assets subject to offsetting

Particulars	Rs. in crore		
	Offsetting recognized on the balance sheet		
	Gross assets before offset	Financial liabilities netted	Assets recognized in balance sheet
Loan assets			
At March 31, 2026	1,30,251.06	(90.92)	1,30,160.14
At March 31, 2025	1,16,311.91	(97.89)	1,16,214.02

49.2 Credit Risk Management

Credit risk is the risk that the Company will incur a loss because its customers fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of all its portfolios under respective business verticals based on Days past due. The customer repayment and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

i) Credit Quality of Financial assets

The following table sets out information about credit quality of loans and investments measured at amortized cost primarily based on days past due information. The amount represents gross carrying amount.

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
<u>Gross carrying value of Retail loans including Finance Lease</u>		
Neither Past due nor impaired	1,01,753.06	89,657.93
Past Due but not impaired:		
- 1-30 days past due	10,279.36	9,874.38
- 31-90 days past due	6,318.50	6,454.22
Impaired (more than 90 days)	4,491.81	4,340.48
Total Gross carrying value as at reporting date	1,22,842.73	1,10,327.01
Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
<u>Gross carrying value of SME loans including Bills of exchange</u>		
Neither Past due nor impaired	7,621.33	5,810.25
Past Due but not impaired:		
- 1-30 days past due	320.02	218.18
- 31-90 days past due	68.20	55.05
Impaired (more than 90 days)	80.57	65.07
Total Gross carrying value as at reporting date	8,090.12	6,148.55
Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
<u>Gross carrying value of Trade Advances</u>		
Upto 60 days past due	3,154.28	3,186.76
61-90 days past due	2.93	2.32
Impaired (more than 90 days)	6.00	8.38
Total Gross carrying value as at reporting date	3,163.21	3,197.46

Overdue amount:

Particulars - Days past due	Rs. in crore	
	March 31, 2026	March 31, 2025
1-30 days	460.07	435.98
31-90 days	765.76	743.42
More than 90 days	2,064.51	1,789.95
Total	3,290.34	2,969.35

Particulars	Rs. in crore	
	March 31, 2026	March 31, 2025
<u>Gross carrying value of Financial Investments measured at amortised cost</u>		
Neither Past due nor impaired	923.23	1,219.81
Past Due but not impaired:		
- 1-30 days past due	-	-
- 31-90 days past due	-	-
Impaired (more than 90 days)	-	-
Total Gross carrying value as at reporting date	923.23	1,219.81

The Credit quality of the loans is monitored concurrently. Since the company is primarily into retail lending business, there is no significant credit risk of any individual customer that may impact the company adversely, and hence the Company has calculated its ECL allowances on a collective basis.

ii) Inputs considered in the ECL model

In assessing the impairment of financial loans under Expected Credit Loss (ECL) Model, the assets have been classified into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorizes loan assets (except Trade advances) into stages primarily based on the Days Past Due status.

Stage 1 : 0-30 days past due

Stage 2 : 31- 90 days past due

Stage 3 : More than 90 days

The Company categorizes Trade advances into stages primarily based on the Days Past Due status.

Stage 1 : 0-60 days past due

Stage 2 : 61- 90 days past due

Stage 3 : More than 90 days

The ECL estimates are forward looking and include probability weighted outcomes. A macroeconomic overlay is applied to the observed default rate (ODR) considering portfolio specific macroeconomic factors that affect the Probability of Default (PD) due to underlying economic conditions of the country.

The Company has computed expected credit losses for Trade Advance Portfolio based on historical movement data, capturing transitions between stages and loss on historically written off unrecovered amounts from dealers. A month on month Data Analysis and Transition Matrix is developed based on historical movement data capturing transitions between stages. The transition probabilities are used to compute Through The Cycle (TTC) PDs.

For Bill discounting, as the average portfolio lifetime is 90 days, month on month flow rate analysis is undertaken on the basis of DPD buckets. Historical PDs are calculated using the average inter-bucket flow rates.

For leasing portfolio comprising of Operating and Finance Lease, the company uses ECL coverage of Industry Peers in similar business line, considering limited history of collection and loss data for the completed life cycle for these portfolios which is needed for determining PD and LGD parameters for computation of ECL allowance.

iii) Definition of default

The Company considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower account becomes more than 90 days past due on its contractual payments.

Since the Company's portfolio predominantly includes retail vehicle loan portfolio with around 3.5 million loan accounts making it difficult to define default at an individual loan account, the company has considered the event of default when overdue is more than 90 days past due. The same is also in line with the regulator's definition of default, when overdue is more than 90 days past due.

iv) Exposure at default

Exposure at Default (EAD) represents the gross exposure balance when default had occurred. EAD is subject to impairment calculation for Stage 3 assets.

Aggregate portfolio (outstanding exposure) on the Balance sheet date is considered for calculation of ECL on Stage 1 assets.

Overdue Interest plus overdue Principal and Future Principal for respective future years is considered for calculation of ECL on Stage 2 assets

v) Estimations and assumptions considered in the ECL model

The Company has made following assumptions in the ECL Model:

a) Loss Given Default (LGD):

LGD represents expected losses on the EAD given that the event of default had occurred, considering the time value of money on recoveries determined based on appropriate discount rate. It is an estimate of the loss from a transaction given that a default had occurred.

Wherever historical data is available, the workout period based LGD methodology is used for developing the LGD model, which involves analysing the historical recoveries and actual losses incurred post default. The workout period is calculated on the recovery percentage of closed pool of loan contracts and is applied on live pool of contracts to consider cases which have survived the workout period. In the absence of sufficient historical data, regulatory LGDs are leveraged, or peer benchmarks are used as proxies.

Under the Workout - period based LGD approach, defaulted accounts are identified in line with the PD definition, and recoveries are tracked from the first date of default to ensure the full loss cycle is captured. A recovery period (or recovery threshold) is established based on the observed recovery curve of closed accounts, representing the point beyond which further recoveries are remote or minimal.

LGD population include all closed accounts and only those live accounts that have completed this recovery window implying further recoveries are remote/ minimal. Recoveries are discounted back to the default date using the interest rate of the respective loan account and adjusted for reasonable estimate of recovery costs, and the realized LGD is calculated as the proportion of exposure at default.

For calculating LGD, the Company considers historical data set of impaired loans for 8 years. Defaulted loan accounts which are open but completed the recovery period (loans surviving workout period) and all the closed default accounts are considered. Actual cash flows pertaining to this portfolio from the first default date to the cut off date are then discounted at Loan EIR rate for arriving at this loss rate.

In computation of LGD for Bill discounting portfolio, the historical data for 5 years is considered.

For Trade advance portfolio, the LGD has been determined using a practical and data-driven approach where historically written off unrecovered amount has been considered as per the Technical Write off policy, regardless of when the loans were classified as defaulted.

b) Probability of Default (PD)

- It is an estimate of likelihood or risk of default occurring over a particular time horizon.
- The measurement of risk of defaults is computed on homogenous portfolios, generally by nature of loans, underlying collateral, and borrower profiles. The default risk is assessed using PD (probability of default) derived from past behavioural trends of default across the identified homogenous portfolios. These past trends factor in the past customer behavioural trends, credit transition probabilities and macroeconomic conditions. The

assessed PDs are then aligned considering future economic conditions that are determined to have a bearing on ECL.

- The time period considered for TTC PD is 5 years rolling window as per BASEL norms.
- For Stage 1 assets, 12 months PD is considered which represents default events that are possible within 12 months after the reporting date.
- For Stage 2 assets, life time PD is considered which represents default events that are possible over the expected life/ tenor of the financial instrument. PD is applied on Stage 1 and Stage 2 assets on a portfolio basis;
- For Stage 3 assets, PD is always at 100% as these are impaired assets.
- The Company has further segregated Stage 1 and Stage 2 portfolio into 1A and 1B and 2A and 2B respectively.
 - 1A comprises of performing loan accounts.
 - 1B comprises of the cohort which is impaired in the past but after impairment the entire overdue is not fully recovered.
 - 2A comprises of those loans which are in Stage 2 categorised as SICR
 - 2B comprises of stage 2 loans which are impaired in the past but after impairment the entire overdue is not fully recovered.

The Flow-Rate Approach (FRA) was applied for Bills Discounting to estimate the Through-The-Cycle (TTC) Probability of Default (PD) since these are short tenure loans and the average tenure is 3-6 months. This method involves analyzing the transitions of accounts between different delinquency buckets over time. The process uses historical data to compute transition rates between these buckets, which are then used to estimate default probabilities.

For Bill discounting PD computation, the historical data for 5 years has been considered.

For Trade advance accounts, a month on month Data Analysis and Transition Matrix is developed based on historical movement data capturing transitions between stages (e.g., Performing → Underperforming → Default).

The transition probabilities are used to compute Through The Cycle (TTC) PDs.

(vi) Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted.

ECL on on-book exposure/portfolio:

It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of respective portfolios over a period of time have been applied to determine impact of most relevant macroeconomic variables (MEVs) through forward-looking adjustment to derive TTC PDs.

ECL allowance on Stage 1 assets = Aggregate portfolio (exposure) on the Balance sheet date for Stage 1 multiplied by PD for Stage 1 and LGD.

ECL allowance on Stage 2 assets = Overdue Interest and Principal and Future Principal for respective future years multiplied by Marginal PDs for respective years and LGD percentage.

ECL allowance on Stage 3 assets = Gross exposure at reporting date multiplied by LGD.

Interest income on Stage 3 assets is recognized at an amount that is attributable to the net carrying value or net recoverable value of the impaired asset.

Recoverable Stage 3 Income= Interest income accrued at contractual rate × (1–allowance rate)

Where: (1–allowance rate) is the recovery rate, representing the portion of the income expected to be collected from the impaired asset.

ECL on Undrawn loan commitments:

ECL on the amount of undrawn loan commitments is calculated by applying the Stage 1 allowance rate of the respective portfolio.

ECL on Lease business portfolio:

The customer segment catered under leasing business consist of employees of corporates (Employee Lease Programs) and B2B segment which includes business entities, firms, trusts and societies, fleet operators, commercial vehicles, construction equipment etc.

Since the Lease business comprising Operating and Finance lease is relatively a new line of business, there is limited history of collection and loss data for the completed life cycle for these portfolios which is needed for determining PD and LGD parameters for computation of ECL allowance

In view of the above, the Company has adopted Industry level benchmark, i.e. ECL coverage rate, for estimating ECL allowance on operating and finance lease portfolio considering the similarities in products offered, customer segments catered and average tenure of lease contracts.

ECL on Investments:

Expected Credit Loss (ECL) framework is tailored to the company's diverse investment portfolio. The company applies a structured ECL approach to all investment instruments held as part of statutory requirement, collateral assets held under securitization transactions, liquidity pool of investments spread across multiple instruments. These investments typically cover instruments like Government Securities (G-Secs), Bonds, Commercial Papers (CPs), and Certificates of Deposit (CDs), Term deposits with Banks and Pass-Through Certificates (PTCs) under securitization transactions. These investments are categorized as financial assets measured either at amortized cost or fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI) as per Ind AS 109 depending upon the nature and purpose for which these are held within the business model (to receive regular/periodic cash flows and to hold till maturity or as available for sale/ realization when needed).

i. Investments carried at amortized cost - Government Securities, Debt instruments and Fixed Deposits with Banks:

All these financial assets are held within the business model for collecting the contractual cash flows as per the contractual terms that give rise to cash flows on specified dates that are solely payment of principal and interest (SPPI) on the principal amount outstanding.

No ECL has been applied on these instruments as there was no history of loss or delay in servicing of interest/repayments. The Company does not expect any loss or delay in interest/redemption servicing in future.

ii. Investments carried at FVTPL and FVOCI - Mutual fund units, G-Secs, Bonds, CP, and CD as part of liquidity pool:

Investments in above referred instruments are measured at fair value through profit and loss (FVTPL) or other comprehensive income (FVOCI) based on their designation at inception at instrument level.

As required under Ind AS 109, the investment instruments under FVTPL category are fair valued to reflect such investments at current market price with corresponding gains/losses recognized in the statement of profit and loss. ECL is not applicable on these instruments.

The investment instruments under FVOCI category are fair valued through other comprehensive income, thereby these investments reflect fair market value at each reporting date. Further, FVOCI category investment instruments are subject to ECL as per Ind AS 109. Since there was no history of loss or delay in servicing of interest/repayments and the Company does not expect loss, no ECL provision is created on these investment instruments.

iii) Pass through Certificates (PTCs):

The creditworthiness of the underlying loan pool is assessed using historical performance data, default rates, and recovery trends.

Insights from these evaluations guide the classification and risk provisioning of PTC investments.

Stage Classification:

Stage 1: Investments with low credit risk, requiring computation of 12-month ECL.

Stage 2: Investments with a significant increase in credit risk, necessitating lifetime ECL.

Stage 3: Defaulted investments, for which lifetime ECL is calculated with elevated provisioning requirements.

ECL Estimation Metrics:

Probability of Default (PD): Based on historical data and forward-looking macroeconomic factors.

Loss Given Default (LGD): Reflecting recovery rates and collateral quality.

Exposure at Default (EAD): The total value exposed to credit risk.

Time Value Adjustment: Future ECL amounts are discounted to present value using the effective interest rate, ensuring accurate reflection of economic impacts.

iv) Others - Equity investments in subsidiary companies/JVs/ Associates:

Equity investments in subsidiary companies/JVs/Associates are not subject to impairment under Ind AS 109. These are assessed for impairment as per Ind AS 36.

ECL on Other Financial Assets:

MMFSL has Simplified Approach to Expected Credit Loss (ECL) under Ind AS 109 for other financial assets that involve credit risk. This approach is considered suitable for as receivables portfolios as aging and historical recovery trends are the primary drivers of credit risk assessment. These assets include receivables, Insurance Claims, Professional Charges, Interest Receivables (Interest accrued but not yet received), Brokerage/ incentive receivables etc.

The calculation of lifetime ECL is based on historical coverage rates which incorporates Probability of Default (PD) and Loss Given Default (LGD). The coverage rate is used to estimate the credit loss for each aging bucket, avoiding the need to compute PD and LGD separately.

Receivables Outstanding $\leq$ 90 DPD: A specific coverage rate is applied based on historical recovery patterns from retail vehicle loan portfolio which is the largest portfolio for MMFSL and reflects long term trends.

Receivables Outstanding $>$ 90 DPD: 100% provision is created, assuming all receivables aged beyond 90 days are fully uncollectible based on historical trends.

vii) Forward Looking adjustments

The Historical PDs are converted into forward looking Point-in-Time PDs using statistical model incorporating the forward looking economic outlook, as required by Ind AS 109.

The macroeconomic variables considered by the Company are robust reflections of the state of economy which result into systematic risk for the respective product categories.

Additionally, three different scenarios (Base, Best, Worst) with appropriate weights for probability outcome have been considered for ECL calculation.

viii) Assessment of significant increase in credit risk

When determining whether the credit risk has increased significantly since initial recognition, the Company considers both quantitative and qualitative information and analysis based on the Company's historical experience, including forward-looking information. As per Ind AS 109, loans are required to be moved from Stage 1 to Stage 2 if and only if they have been the subject of a SICR. A SICR occurs when there has been a significant increase in the risk of a default occurring over the expected life of a financial instrument. In line with Basel guidance on ECL, the definition of default and the convention for counting days past due adopted for accounting purposes will be guided by the definition used for regulatory purposes. The Company considers reasonable and supportable information that is relevant and available without undue cost and effort. The Company's accounting policy is not to use the practical expedient that the financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk (SICR). As a result, the Company monitors all financial assets and loan commitments that are subject to impairment for SICR.

As a part of the qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikelihood to pay. In such instances, the Company treats the customer at default and therefore assesses such loans as Stage 3 for ECL calculations. Such qualitative factors include:

- A Stage 3 customer having other loans which are in Stage 1 or 2.
- Primary Exposure of Co – applicant of a Stage 3 customer/ customer group which are in Stage 1 or 2.
- Not to consider Uncleared cheques as on reporting date for outstanding DPD calculation for retail vehicle loans

- iv. Retail vehicle loans, where asset has been repossessed.
- v. Cases where Company suspects fraud and legal proceedings are initiated.
- vi. SME loans where the Company has resorted to its rights under the SARFAESI Act.

The Company regularly reviews its ECL model based on actual loss experience and update the parameters used for ECL calculations.

ix) Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets are netted off against the amount of financial assets written off during the year under "Bad debts and write offs" forming part of "Impairment on financial instruments" in Statement of profit and loss.

x) Inputs to the model

- a. Observed Default Rates (ODRs) over past 5 years rolling window as per BASEL norms for each product category.
- b. Macro economic variables provided by Economist Intelligence Unit (EIU)#
- c. 27 MEVs (as per list #) used in the model based on R² above the company defined threshold representing level of relevance/fitment out of 61 shortlisted MEVs considered as the key indicators having relevance to company's business portfolios.

The Economist Intelligence Unit (EIU) is the research and analysis division of the Economist Group, providing forecasting, macro-economic analysis and advisory services through research and analysis, such as monthly country reports, five-year country economic forecasts, country risk service reports, and industry reports.

Model process

1. OLS Regression Methodology:

The Ordinary Least Square (OLS) regression approach begins with the development of an initial macroeconomic variable (MEV) framework, where lagged variables and appropriate transformations are applied to capture delayed and non-linear relationships. Standard regression assumptions are then tested to ensure model validity and statistical robustness. Three tests are carried out: Correlation, Stationarity and Directionality. Final set of MEVs are selected for each of the product categories out of shortlisted MEVs based on explanatory power (R² above the company defined threshold representing level of relevance/fitment) and consistency with recent index trends, ensuring both statistical strength and economic interpretability. This approach is considered for retail vehicle loan portfolio.

2. Vasicek 2-factor Approach

The Vasicek approach is adopted for deriving PIT PDs for SME portfolio. For portfolios characterized by limited data history, low default counts, or high volatility in observed default rates, the Vasicek portfolio model has been adopted. This approach provides more stable and robust PiT PD estimates by smoothing idiosyncratic volatility and capturing systematic risk in portfolios with data constraints.

Listing of MEVs used in the model:

Description of MEV

Average real wage index (LCU, 2010=100)
 Budget expenditure (LCU)
 Consumer price index (2010=100; av)
 Consumer prices (% change pa; av)
 Current-account balance (US\$)
 Domestic credit growth (%)
 Domestic demand (% real change pa)
 Exports of G&S (% real change pa)
 Government consumption (% real change pa)
 Gross fixed investment (% real change pa)
 Imports of G&S (% real change pa)

Description of MEV

Industrial production (% change pa)
 Industrial production (2010=100; av)
 Lending interest rate (%)
 Nominal exports of G&S (LCU)
 Nominal government consumption (LCU)
 Nominal gross fixed investment (US\$)
 Nominal imports of G&S (LCU)
 Nominal private consumption (LCU)
 Real GDP (% change pa)
 Real GDP (PPP US\$ at 2010 prices)
 Real government consumption (LCU)
 Real gross fixed investment (LCU)
 Real gross fixed investment (US\$ at 2010 prices)
 Real imports of G&S (LCU)
 Real private consumption (US\$ at 2010 prices)
 Unemployment rate (%)

Where reasonable scalars are not available, as measured by R square, the scalars of the nearest other portfolio are applied.

The Company has estimated the ECL provision for the year ended March 31, 2026, in accordance with the updated ECL model. Further, during the year ended March 31, 2026, the Company has created management overlay of Rs. 852.00 crore.

Net carrying values

Net carrying values and ECL rates for **Retail Loans including Finance lease** is determined as follows:

Particulars	Rs. in crore			
	Performing Loans - 12 month ECL	Underperforming loans - 'lifetime ECL not credit impaired'	Impaired loans - 'lifetime ECL credit impaired'	Total
Gross Balance as at March 31, 2026	1,12,032.42	6,318.50	4,491.81	1,22,842.73
Expected credit loss rate	0.60%	7.82%	58.51%	
Carrying amount as at March 31, 2026 (net of impairment provision)	1,11,363.57	5,824.16	1,863.63	1,19,051.36
Gross Balance as at March 31, 2025	99,532.31	6,454.22	4,340.48	1,10,327.01
Expected credit loss rate	0.57%	9.05%	50.82%	
Carrying amount as at March 31, 2025 (net of impairment provision)	98,969.48	5,870.29	2,134.49	1,06,974.26

Net carrying values and ECL rates for **SME Loans including Bills of exchange** are as follows:

Particulars	Rs. in crore			
	Performing Loans - 12 month ECL	Underperforming loans - 'lifetime ECL not credit impaired'	Impaired loans - 'lifetime ECL credit impaired'	Total
Gross Balance as at 31 March 2026	7,941.35	68.20	80.57	8,090.12
Expected credit loss rate	0.77%	28.18%	63.52%	
Carrying amount as at March 31, 2026 (net of impairment provision)	7,879.98	48.98	29.39	7,958.35
Gross Balance as at 31 March 2025	6,028.43	55.05	65.07	6,148.54
Expected credit loss rate	0.22%	33.50%	76.15%	
Carrying amount as at March 31, 2025 (net of impairment provision)	6,015.25	36.60	15.52	6,067.37

Net carrying values and ECL rates for **Trade Advances** are as follows:

Rs. in crore

Particulars	Less than 60 days past due	61-90 days past due	Credit impaired (more than 90 days)	Total
Gross Balance as at March 31, 2026	3,154.28	2.93	6.00	3,163.21
Expected credit loss rate	0.36%	2.73%	22.50%	
Carrying amount as at March 31, 2026 (net of impairment provision)	3,142.93	2.85	4.65	3,150.43
Gross Balance as at March 31, 2025	3,186.76	2.32	8.38	3,197.46
Expected credit loss rate	0.71%	4.84%	29.87%	
Carrying amount as at March 31, 2025 (net of impairment provision)	3,164.29	2.21	5.88	3,172.38

The contractual amount outstanding for trade advance that has been written off by the Company during the year ended March 31, 2026 and that were still subject to enforcement activity was Rs. 7.23 crore (March 31, 2025: Rs. 1.60 crore).

Net carrying values and ECL rates for **Financial Investments measured at amortized cost** are as follows:

Rs. in crore

Particulars	Performing Loans - 12 month ECL	Underperforming loans - 'lifetime ECL not credit impaired'	Impaired loans - 'lifetime ECL credit impaired'	Total
Gross Balance as at March 31, 2026	923.23	-	-	923.23
Expected credit loss rate	-	-	-	-
Carrying amount as at March 31, 2026 (net of impairment provision)	923.23	-	-	923.23
Gross Balance as at March 31, 2025	1,219.81	-	-	1,219.81
Expected credit loss rate	-	-	-	-
Carrying amount as at March 31, 2025 (net of impairment provision)	1,219.81	-	-	1,219.81

Level of Assessment - Aggregation Criteria

The Company recognizes the expected credit losses (ECL) on a collective basis that takes into account comprehensive credit risk information. Considering the economic and risk characteristics, pricing range, sector concentration (e.g. vehicle loans in unorganized sectors) the Company calculates ECL on a collective basis for all stages - Stage 1, Stage 2 and Stage 3 assets.

An analysis of changes in the gross carrying amount and the corresponding ECLs in relation to Retail Loans including Finance Lease is, as follows :

Gross exposure reconciliation

As at March 31, 2025

Rs. in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1, 2024	86,364.49	5,099.84	3,440.93	94,905.26
Changes due to loans recognized in the opening balance that have:				
- Transfers to Stage 1	994.13	(906.18)	(87.94)	-
- Transfers to Stage 2	(5,536.02)	5,620.23	(84.22)	-
- Transfers to Stage 3	(1,950.74)	(1,073.99)	3,024.73	-
- Loans that have been derecognized during the period	(8,858.46)	(1,013.47)	(1,068.85)	(10,940.78)
New loans originated during the year	48,797.59	680.71	215.84	49,694.14
Write-offs	(5.62)	(31.81)	(771.54)	(808.97)
Impact of changes on items within the same stage	(20,273.08)	(1,921.11)	(328.47)	(22,522.66)
Gross carrying amount balance as at March 31, 2025	99,532.30	6,454.21	4,340.48	1,10,327.00

As at March 31, 2026

Rs. in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1, 2025	99,532.30	6,454.21	4,340.48	1,10,327.00
Changes due to loans recognized in the opening balance that have:				
- Transfers to Stage 1	1,374.71	(1,232.22)	(142.49)	-
- Transfers to Stage 2	(5,189.75)	5,298.73	(108.98)	-
- Transfers to Stage 3	(1,622.16)	(1,105.95)	2,728.11	-
- Loans that have been derecognized during the period	(10,663.01)	(1,325.17)	(1,277.88)	(13,266.06)
New loans originated during the year	52,660.54	450.01	140.35	53,250.90
Write-offs	(4.89)	(34.65)	(973.96)	(1,013.50)
Impact of changes on items within the same stage	(24,055.32)	(2,186.47)	(213.83)	(26,455.62)
Gross carrying amount balance as at March 31, 2026	1,12,032.42	6,318.49	4,491.80	1,22,842.72

Reconciliation of ECL balance
As at March 31, 2025

	Rs. in crore			
Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at April 1 2024	586.90	584.17	2,178.71	3,349.78
Changes due to loans recognized in the opening balance that have:				
- Transfers to Stage 1	159.72	(104.26)	(55.47)	-
- Transfers to Stage 2	(37.69)	90.81	(53.12)	-
- Transfers to Stage 3	(13.28)	(123.56)	136.84	-
- Loans that have been derecognized during the period	(62.53)	(119.09)	(676.40)	(858.02)
New loans originated during the year	276.95	61.99	107.59	446.52
Write-offs	(0.04)	(3.66)	(486.61)	(490.31)
Impact of changes on items within the same stage	(347.22)	197.53	1,054.45	904.77
ECL allowance balance as at March 31, 2025	562.81	583.93	2,205.99	3,352.74

As at March 31, 2026

	Rs. in crore			
Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at April 1 2025	562.81	583.93	2,205.99	3,352.74
Changes due to loans recognized in the opening balance that have:				
- Transfers to Stage 1	184.45	(112.21)	(72.24)	-
- Transfers to Stage 2	(29.46)	84.71	(55.25)	-
- Transfers to Stage 3	(9.21)	(100.71)	109.92	-
- Loans that have been derecognized during the period	(62.06)	(117.93)	(646.98)	(826.97)
New loans originated during the year	316.23	35.27	81.95	433.45
Write-offs	(0.03)	(3.16)	(493.81)	(497.00)
Impact of changes on items within the same stage	(293.88)	124.44	1,498.60	1,329.16
ECL allowance balance as at March 31, 2026	668.85	494.34	2,628.18	3,791.38

The contractual amount outstanding on financial assets that has been written off by the Company during the year ended March 31, 2026 and that were still subject to enforcement activity was Rs 1,016.30 crore (March 31, 2025: Rs 820.18 crore).

The Company does not originate loans classified as Stage 3 assets, and loans classified as Stage 2 assets are originated only based on specific credit assessments and requisite approvals. Write offs are undertaken only in respect of Stage 3 loans. This disclosure represents movements between opening and closing balances for the year and, accordingly, does not capture inter stage transfers during the period (i.e., movements between Stage 1, Stage 2, and Stage 3). Accordingly, the write offs reported above relate only to loans forming part of the opening balance.

An analysis of changes in the gross carrying amount and the corresponding ECLs in relation to SME Loans including Bills of exchange is, as follows :

Gross exposure reconciliation
As at March 31, 2025

	Rs. in crore			
Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1 2024	4,728.37	40.94	43.10	4,812.41
Changes due to loans recognized in the opening balance that have:				
- Transfers to Stage 1	7.86	(7.67)	(0.19)	0.00
- Transfers to Stage 2	(41.17)	41.82	(0.65)	(0.00)
- Transfers to Stage 3	(69.23)	(8.23)	77.46	-
- Loans that have been derecognised during the period	(1,745.49)	(12.41)	(6.22)	(1,764.12)
New loans originated during the year	3,917.60	15.90	0.81	3,934.31
Write-offs	(8.04)	(3.99)	(28.80)	(40.83)
Impact of changes on items within the same stage	(761.46)	(11.32)	(20.45)	(793.23)
Gross carrying amount balance as at March 31, 2025	6,028.43	55.04	65.06	6,148.54

As at March 31, 2026

	Rs. in crore			
Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1 2025	6,028.43	55.04	65.06	6,148.54
Changes due to loans recognized in the opening balance that have:				
- Transfers to Stage 1	10.15	(9.22)	(0.93)	-
- Transfers to Stage 2	(65.91)	65.91	-	-
- Transfers to Stage 3	(63.24)	(12.28)	75.52	-
- Loans that have been derecognised during the period	(2,259.95)	(7.88)	(21.21)	(2,289.04)
New loans originated during the year	4,912.22	7.86	6.42	4,926.50
Write-offs	(13.66)	(19.25)	(34.28)	(67.19)
Impact of changes on items within the same stage	(606.69)	(11.98)	(10.01)	(628.69)
Gross carrying amount balance as at March 31, 2026	7,941.35	68.20	80.57	8,090.12

Reconciliation of ECL balance
As at March 31, 2025

	Rs. in crore			
Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at April 1 2024	8.08	5.02	19.37	32.47
Changes due to loans recognized in the opening balance that have:				
- Transfers to Stage 1	1.03	(0.94)	(0.09)	-
- Transfers to Stage 2	(0.12)	0.41	(0.30)	(0.01)
- Transfers to Stage 3	(0.21)	(1.00)	1.20	(0.01)
- Loans that have been derecognised during the period	(1.46)	(1.53)	(2.85)	(5.84)
New loans originated during the year	7.31	6.08	0.61	14.00
Write-offs	(0.02)	(0.49)	(12.84)	(13.35)
Impact of changes on items within the same stage	(1.41)	10.89	44.43	53.91
ECL allowance balance as at March 31, 2025	13.20	18.44	49.53	81.17

As at March 31, 2026

	Rs. in crore			
Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at April 1 2025	13.20	18.44	49.53	81.17
Changes due to loans recognized in the opening balance that have:				
- Transfers to Stage 1	3.55	(2.84)	(0.71)	-
- Transfers to Stage 2	(0.18)	0.18	-	-
- Transfers to Stage 3	(0.17)	(4.08)	4.25	-
- Loans that have been derecognized during the period	(2.68)	(2.45)	(16.18)	(21.31)
New loans originated during the year	28.06	2.22	4.08	34.36
Write-offs	(0.04)	(7.10)	(26.07)	(33.21)
Impact of changes on items within the same stage	19.63	14.85	36.28	70.76
ECL allowance balance as at March 31, 2026	61.37	19.22	51.18	131.77

The contractual amount outstanding on financial assets that has been written off by the Company during the year ended March 31, 2026 and that were still subject to enforcement activity was Rs.67.19 crore (March 31, 2025: Rs.40.83 crore).

An analysis of changes in the outstanding exposure and the corresponding ECLs in relation to other undrawn commitments is as follows:

Gross exposure reconciliation
As at March 31, 2025

	Rs. in crore			
Particulars	Stage 1	Stage 2	Stage 3	Total
Opening balance of outstanding exposure as at April 1 2024	28.00	-	-	28.00
New Exposures	234.39	-	-	234.39
Exposure derecognized or matured/ lapsed (excluding write-offs)	(28.00)	-	-	(28.00)
- Transfers to Stage 1	-	-	-	-
- Transfers to Stage 2	-	-	-	-
- Transfers to Stage 3	-	-	-	-
Write-offs	-	-	-	-
Impact of changes on items within the same stage	-	-	-	-
Closing balance of outstanding exposure as at March 31, 2025	234.39	-	-	234.39

As at March 31, 2026

	Rs. in crore			
Particulars	Stage 1	Stage 2	Stage 3	Total
Opening balance of outstanding exposure as at April 1 2025	234.39	-	-	234.39
New Exposures	858.31	-	-	858.31
Exposure derecognized or matured/ lapsed (excluding write-offs)	(234.39)	-	-	(234.39)
- Transfers to Stage 1	-	-	-	-
- Transfers to Stage 2	-	-	-	-
- Transfers to Stage 3	-	-	-	-
Write-offs	-	-	-	-
Impact of changes on items within the same stage	-	-	-	-
Closing balance of outstanding exposure as at March 31, 2026	858.31	-	-	858.31

Reconciliation of ECL balance
As at March 31, 2025

	Rs. in crore			
Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at April 1 2024	0.02	-	-	0.02
New Exposures	0.69	-	-	0.69
Exposure derecognized or matured/ lapsed (excluding write-offs)	(0.02)	-	-	(0.02)
- Transfers to Stage 1	-	-	-	-
- Transfers to Stage 2	-	-	-	-
- Transfers to Stage 3	-	-	-	-
- Loans that have been derecognized during the period	-	-	-	-
Impact of changes on items within the same stage	-	-	-	-
ECL allowance balance as at March 31, 2025	0.69	-	-	0.69

As at March 31, 2026

	Rs. in crore			
Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at April 1 2025	0.69	-	-	0.69
New Exposures	4.77	-	-	4.77
Exposure derecognized or matured/ lapsed (excluding write-offs)	(0.69)	-	-	(0.69)
- Transfers to Stage 1	-	-	-	-
- Transfers to Stage 2	-	-	-	-
- Transfers to Stage 3	-	-	-	-
- Loans that have been derecognized during the period	-	-	-	-
Impact of changes on items within the same stage	-	-	-	-
ECL allowance balance as at March 31, 2026	4.77	-	-	4.77

An analysis of changes in the gross carrying amount and the corresponding ECLs in relation to Financial Investments measured at amortized cost is as follows :

Gross exposure reconciliation
As at March 31, 2025

	Rs. in crore			
Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1 2024	1,388.85	-	-	1,388.85
Changes due to loans recognized in the opening balance that have:				
- Transfers to Stage 1	-	-	-	-
- Transfers to Stage 2	-	-	-	-
- Transfers to Stage 3	-	-	-	-
- Investments that have been derecognized during the period	(124.98)	-	-	(124.98)
New Investments originated during the year	-	-	-	-
Write-offs	-	-	-	-
Impact of changes on items within the same stage	(44.06)	-	-	(44.06)
Gross carrying amount balance as at March 31, 2025	1,219.81	-	-	1,219.81

As at March 31, 2026

Rs. in crore

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at April 1 2025	1,219.81	-	-	1,219.81
Changes due to loans recognized in the opening balance that have:				
- Transfers to Stage 1	-	-	-	-
- Transfers to Stage 2	-	-	-	-
- Transfers to Stage 3	-	-	-	-
- Investments that have been derecognized during the period	(286.40)	-	-	(286.40)
New Investments originated during the year	-	-	-	-
Write-offs	-	-	-	-
Impact of changes on items within the same stage	(10.18)	-	-	(10.18)
Gross carrying amount balance as at March 31, 2026	923.23	-	-	923.23

Significant changes in the gross carrying value that contributed to change in loss allowance

The Company mostly provide loans to retail individual customers, which is of small ticket size. Change in any single customer repayment will not impact significantly to Company's provisioning. All customers are being monitored based on past due and corrective actions are taken accordingly to limit the Company's risk.

Concentration of Credit Risk

The Company's loan portfolio is predominantly to finance retail automobile loans. The Company manages concentration of risk primarily by geographical region in India. The following tables show the geographical concentrations of loans and trade advances:

Rs. in crore

Particulars	March 31, 2026	March 31, 2025
Concentration by Geographical region in India:		
North	46,163.69	40,642.29
East	24,071.03	22,582.75
West	39,470.69	34,238.63
South	24,390.64	22,209.35
Total Gross Carrying Value	1,34,096.05	1,19,673.02

Fair value of collateral held against Credit Impaired assets

Rs. in crore

March 31, 2026	Maximum exposure to Credit Risk	Vehicles	Plant and Machinery	Land and Building	Book Debts, Inventory and other Working Capital items	Surplus/ (Deficient) Collateral	Total Secured Collateral	Net Exposure	Associated ECL
Retail Loans	4,491.81	7,161.54	-	-	-	2,936.14	4,225.40	266.41	2,628.18
SME Loans	80.57	-	69.36	80.24	-	96.53	53.07	27.50	51.18

March 31, 2025	Maximum exposure to Credit Risk	Vehicles	Plant and Machinery	Land and Building	Book Debts, Inventory and other Working Capital items	Surplus/ (Deficient) Collateral	Total Secured Collateral	Net Exposure	Associated ECL
Retail Loans	4,340.48	6,750.71	-	-	-	2,596.74	4,153.97	186.51	2,205.99
SME Loans	65.07	-	42.57	38.15	44.00	85.69	39.03	26.04	49.53

Maximum Exposure to credit Risk

The maximum exposure to credit risk of loans and investment securities is their carrying amount. The maximum exposure is before considering the effect of mitigation through collateral.

Narrative Description of Collateral

Collateral primarily include vehicles purchased by retail loan customers and machinery & property in case of SME customers. The financial investments are secured by way of a first ranking pari-passu and charge created by way of hypothecation on the receivables of the other company.

Quantitative Information of Collateral

The Company monitors its exposure to loan portfolio using the Loan To Value (LTV) ratio, which is calculated as the ratio of the gross amount of the loan to the value of the collateral. The value of the collateral for Retail loans is derived by writing down the asset cost at origination by 20% p.a on reducing balance basis. And the value of the collateral of Stage 3 Retail loans is based on the Indian Blue Book value for the particular asset. The value of collateral of SME loans is based on fair market value of the collaterals held.

Gross value of total secured loans to value of collateral:

Rs. in crore

Loan To Value	Gross Value of Secured Retail loans		Gross Value of Secured SME loans	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
0 - 50%	8,545.88	7,517.50	2,344.13	2,183.72
51 - 70%	18,106.16	15,982.16	1,616.83	1,074.94
71 - 100%	70,269.34	64,844.68	817.53	610.80
Above 100%	24,692.52	21,244.73	26.45	41.13
	1,21,613.90	1,09,589.07	4,804.94	3,910.59

Gross value of credit impaired loans to value of collateral:

Rs. in crore

Loan To Value	Gross Value of Retail loans in Stage 3		Gross Value of SME loans in Stage 3	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
0 - 50%	669.13	604.52	22.34	27.51
51 - 70%	752.13	714.56	18.25	5.10
71 - 100%	1,608.48	1,781.86	12.66	6.31
Above 100%	1,462.07	1,239.54	27.32	26.15
	4,491.81	4,340.48	80.57	65.07

The below tables provide an analysis of the current fair values of collateral held for Stage 3 assets. The value of collateral has not been considered while recognizing the loss allowances.

49.3 Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established Asset and Liability Management Committee (ALCO) for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

a) Maturity profile of non-derivative financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted contractual cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include 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 the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Rs. in crore

Particulars	Less than 1 Year	1 - 3 Years	3 - 5 Years	5 years and above
Non-derivative financial liabilities				
As at March 31, 2026				
Trade Payable	895.23	-	-	-
Debt Securities	12,124.42	9,062.27	5,338.98	4,543.49
Borrowings (Other than Debt Securities)	37,693.92	39,425.47	2,901.85	18.13
Deposit	6,738.87	8,131.11	932.46	-
Subordinated liabilities	1,392.85	1,470.91	550.23	4,219.28
Other financial liabilities	808.37	176.92	132.55	95.84
Total	59,653.66	58,266.68	9,856.07	8,876.74
As at March 31, 2025				
Trade Payable	1,228.89	-	-	-
Debt Securities	10,179.30	9,839.12	6,190.60	4,669.96
Borrowings (Other than Debt Securities)	29,027.88	41,437.05	7,126.56	69.30
Deposit	4,609.27	7,032.41	1,306.95	-
Subordinated liabilities	606.62	2,093.38	912.79	4,359.87
Other financial liabilities	463.24	184.04	128.29	105.60
Total	46,115.20	60,586.00	15,665.19	9,204.73

b) Maturity profile of derivative financial instruments

The following table details the Company's liquidity analysis for its undiscounted value of derivative financial instruments.

Rs. in crore

Particulars	Less than 1 Year	1 - 3 Years	3 - 5 Years	5 years and above
Derivative financial instruments				
As at March 31, 2026				
Foreign exchange forward contracts				
- Payable	-	-	-	-
- Receivable	-	443.53	-	-
Interest Rate swaps				
- Payable	-	7.24	-	-
- Receivable	-	5.77	-	-
Currency swaps				
- Payable	-	-	-	-
- Receivable	-	-	-	-
Total Payable	-	7.24	-	-
Total Receivable	-	449.30	-	-
As at March 31, 2025				
Foreign exchange forward contracts				
- Payable	233.74	49.81	-	-
- Receivable	-	6.02	-	-
Interest Rate swaps				
- Payable	8.21	59.78	19.26	-
- Receivable	-	-	-	-
Currency swaps				
- Payable	47.18	-	-	-
- Receivable	24.33	-	-	-
Total Payable	289.13	109.59	19.26	-
Total Receivable	24.33	6.02	-	-

49.4 a) Financial Instruments regularly measured using Fair Value - recurring items

Rs. in crore

Type of instrument	Fair Value				Fair value hierarchy	Valuation technique(s)	Key inputs	Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
	Financial assets/ financial liabilities	Category	As at March 31, 2026	As at March 31, 2025					
1) Foreign currency forwards, Interest rate, currency swaps & commodity derivatives	Financial Assets/ (Liabilities)	Financial Instruments measured at FVTPL	395.75	(359.10)	Level 2	Discounted Cash Flow	Future cash flows are based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.		
2) Investment in Mutual Funds	Financial Assets	Financial instrument measured at FVTPL	83.24	78.12	Level 1	Quoted market price			

Type of instrument	Fair Value				Fair value hierarchy	Valuation technique(s)	Key inputs	Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
	Financial assets/ financial liabilities	Category	As at March 31, 2026	As at March 31, 2025					
3) Investment in Commercial Paper	Financial Assets	Financial instrument measured at FVTPL	–	593.75	Level 2	Quoted market price of similar instrument			
4) Investment in Certificate of deposits with banks	Financial Assets	Financial instrument measured at FVTPL	440.51	–	Level 1	Quoted market price			
5) Investment in Certificate of deposits with banks	Financial Assets	Financial instrument measured at FVTPL	308.29	2,330.40	Level 2	Quoted market price of similar instrument			
6) Investment in equity instruments-Quoted	Financial Assets	Financial instrument measured at FVTPL	0.10	0.18	Level 1	Quoted market price			
7) Investment in equity instruments-Unquoted	Financial Assets	Financial instrument designated at FVOCI	155.25	126.67	Level 3	Discounted Cash Flow/ Book Value	The discounted cash flow method used the future free cash flows of the Company discounted by firm's WACC plus a risk factor measured by beta, to arrive at the present value. The key inputs includes projection of financial statements (key value driving factors), the cost of capital to discount the projected cash flows.	Terminal growth rate, Weighted average cost of capital.	Increase or decrease in multiple will result in increase or decrease in valuation.
8) Investment in Govt securities and bonds	Financial Assets	Financial instrument measured at FVOCI	3,110.07	4,247.99	Level 1	Quoted market price			
9) Investment in Bonds	Financial Assets	Financial instrument measured at FVOCI	302.41	282.09	Level 2	Quoted market price of similar instrument			

The Company doesn't carry any financial asset or liability which it fair values on a non recurring basis.

49.4 b) Reconciliation of Level 3 fair value measurements of financial instruments measured at fair value

Particulars	Rs. in crore Unquoted Equity investment	Particulars	Rs. in crore Unquoted Equity investment
Year ended March 31, 2026		Year ended March 31, 2025	
Opening balance	126.67	Opening balance	42.41
Total gains or losses recognized:		Total gains or losses recognized:	
In Profit or loss		In Profit or loss	
a) in profit or loss	–	a) in profit or loss	–
b) in other comprehensive income	28.58	b) in other comprehensive income	84.26
Fair value of -		Fair value of -	
Purchases made during the year	–	Purchases made during the year	–
Disposals made during the year	–	Issues made during the year	–
Transfers into Level 3	–	Disposals made during the year	–
Transfers out of Level 3	–	Transfers into Level 3	–
Closing balance	155.25	Transfers out of Level 3	–
		Closing balance	126.67

c) Equity Investments designated at Fair value through Other Comprehensive Income

The Company has made the below equity investments neither for the purpose of trading nor for the purpose of acquiring controlling stake, and accordingly, the investment has been classified in other comprehensive income as per Ind AS 109.5.7.5.

Rs. in crore

Particulars	March 31, 2026	March 31, 2025
Equity investment in Smartshift Logistic Solutions Private Limited (formerly Known as Orizonte Business Solutions Limited)		
Fair Value of Investments	155.25	126.67

There are no disposal of investment during the year ended March 31, 2026 and March 31, 2025 respectively.

49.4 d) Financial Instruments measured at amortized cost

Rs. in crore

Particulars	Carrying Value	Fair value	Fair value		
			Level 1	Level 2	Level 3
As at March 31, 2026					
Financial assets					
a) Bank balances other than cash and cash equivalent	6,949.26	6,949.71	6,947.38	–	2.33
b) Loans and advances to customers	1,30,160.14	1,40,882.69	–	–	1,40,882.69
c) Financial investments - at amortized cost	923.23	941.42	941.42	–	–
Total	1,38,032.63	1,48,773.82	7,888.80	–	1,40,885.02
Financial liabilities					
a) Debt securities	26,539.06	26,833.18	25,818.56	1,014.62	–
b) Borrowings other than debt securities	74,240.03	74,592.14	–	74,592.14	–
c) Deposits	14,196.03	14,639.12	–	14,639.12	–
d) Subordinated Liabilities	5,359.74	5,399.02	2,823.83	2,575.19	–
e) Other financial liabilities	1,128.02	1,125.83	–	751.16	374.67
Total	1,21,462.88	1,22,589.29	28,642.39	93,572.23	374.67
As at March 31, 2025					
Financial assets					
a) Bank balances other than cash and cash equivalent	3,869.31	3,869.80	3,781.23	–	88.57
b) Loans and advances to customers	1,16,214.02	1,17,980.45	–	–	1,17,980.45
c) Financial investments - at amortized cost	1,219.81	1,252.78	1,252.78	–	–
Total	1,21,303.14	1,23,103.03	5,034.01	–	1,18,069.02
Financial liabilities					
a) Debt securities	26,204.83	26,441.52	25,560.65	880.87	–
b) Borrowings other than debt securities	69,734.92	69,913.48	–	69,913.48	–
c) Deposits	11,404.15	11,617.38	–	11,617.38	–
d) Subordinated Liabilities	5,529.57	5,499.93	2,960.00	2,539.93	–
e) Other financial liabilities	790.60	788.21	–	407.41	380.80
Total	1,13,664.07	1,14,260.52	28,520.65	85,359.07	380.80

There were no transfers between Level 1 and Level 2.

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalent, trade receivables, balances other than cash and cash equivalents, term deposits and trade payables. Further, such financial assets and financial liabilities are disclosed at Level 1 fair value.

Long-term financial assets and liabilities

For other long term financial asset and liabilities like lease liabilities, the fair value are estimated by discounted cash flow models based on contractual cash flows, and are disclosed as Level 3 fair value.

Loans and advances to customers

The fair values of loans and advances are estimated by discounted cash flow models based on contractual cash flows using actual yields.

Financial Investments

For Government Securities and bonds, the quoted market price as on date of reporting is considered for fair value computations. Where such price is not available, quoted market price of similar instruments as on date of reporting is considered.

Borrowings other than deposits from public

The fair value of borrowings is estimated by a discounted cash flow model incorporating interest rate estimates from market-observable data such as secondary prices for its traded debt itself.

Deposits from public

The fair value of deposits received from public is estimated by discounting the future cash flows considering the interest rate applicable on the reporting date for that class of deposits segregated by their tenure.

50 Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled.

Rs. in crores

Assets	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Cash and cash equivalents	391.22	–	391.22	1,666.56	–	1,666.56
Bank balance	6,947.09	2.17	6,949.26	3,777.92	91.39	3,869.31
Derivative financial instruments	–	402.60	402.60	25.69	5.26	30.95
Trade receivables	86.12	–	86.12	53.02	–	53.02
Loans	49,034.29	81,125.85	1,30,160.14	43,226.76	72,987.26	1,16,214.02
Investments	1,681.33	5,139.04	6,820.37	5,105.40	5,295.08	10,400.48
Other financial assets	127.54	94.56	222.10	152.89	94.64	247.53
Current tax assets (Net)	–	438.64	438.64	–	601.68	601.68
Deferred tax Assets (Net)	–	654.12	654.12	–	640.99	640.99
Property, plant and equipment	–	939.31	939.31	–	876.38	876.38
Intangible assets under development	–	5.42	5.42	–	65.10	65.10
Capital work-in-progress	–	1.65	1.65	–	0.52	0.52
Other Intangible assets	–	248.37	248.37	–	172.89	172.89
Other non-financial assets	498.47	87.48	585.95	587.48	121.27	708.75
Total Assets	58,766.06	89,139.21	1,47,905.27	54,595.72	80,952.46	1,35,548.18
Liabilities						
Financial Liabilities						
Derivative financial instruments	–	6.85	6.85	276.82	113.23	390.05
Payables						
Trade Payables						
i) total outstanding dues of micro enterprises and small enterprises	–	–	–	–	–	–
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	855.51	–	855.51	1,208.56	–	1,208.56
Other Payables						
i) total outstanding dues of micro enterprises and small enterprises	5.72	–	5.72	2.71	–	2.71
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	34.00	–	34.00	17.62	–	17.62
Debt Securities	11,170.35	15,368.71	26,539.06	9,572.72	16,632.11	26,204.83
Borrowings (Other than Debt Securities)	34,334.32	39,905.71	74,240.03	25,124.62	44,610.30	69,734.92
Deposits	6,235.31	7,960.72	14,196.03	4,249.79	7,154.36	11,404.15
Subordinated Liabilities	1,235.03	4,124.71	5,359.74	443.71	5,085.86	5,529.57
Other financial liabilities	782.09	345.93	1,128.02	436.00	354.60	790.60
Non-Financial Liabilities						
Current tax liabilities (Net)	158.87	–	158.87	69.73	–	69.73
Provisions	253.68	153.54	407.22	145.27	71.77	217.04
Other non-financial liabilities	214.51	1.01	215.52	163.71	2.46	166.17
Total Liabilities	55,279.39	67,867.18	1,23,146.57	41,711.26	74,024.69	1,15,735.95
Net	3,486.67	21,272.03	24,758.70	12,884.46	6,927.77	19,812.23

51 Related party disclosures:

i) As per Ind AS 24 on 'Related party disclosures', the related parties of the Company are as follows:

a) Holding Company	Mahindra & Mahindra Limited
b) Subsidiary Companies: (entities on whom control is exercised)	Mahindra Insurance Brokers Limited Mahindra Rural Housing Finance Limited Mahindra Ideal Finance Limited Mahindra & Mahindra Financial Services Ltd Employees' Stock Option Trust MRHFL Employees Welfare Trust Mahindra Finance CSR Foundation
c) Fellow Subsidiaries: (entities with whom the Company has transactions)	Mahindra USA, Inc NBS International Limited Mahindra First Choice Wheels Limited Mahindra Defence Systems Limited Mahindra Integrated Business Solutions Private Limited Mahindra Logistics Limited Mahindra Accelo Limited Gromax Agri Equipment Limited Mahindra Holidays & Resorts India Limited Mahindra Susten Pvt Limited Mahindra EPC Irrigation Limited Mahindra Industrial Park Chennai Limited Mahindra Summit Agriscience Limited Swaraj Engines Limited Mahindra Racing UK Limited Mahindra Teqo Pvt Limited Mahindra World City Developers Limited Mahindra Aerostructures Private Limited Mahindra Agri Solutions Limited Mahindra Electric Automobile Limited Mahindra HZPC Private Limited Mahindra Last Mile Mobility Limited Mahindra Lifespace Developers Limited Mahindra Solarize Private Limited Mahindra World City (Jaipur) Limited Naandi Community Water Services Private Limited Sustainable Energy Infra Investment Managers Private Limited MLL Express Services Private Limited MLL Mobility Private Limited
d) Joint Ventures/ Associates: (entities on whom control is exercised)	Mahindra Finance USA, Inc Mahindra Manulife Investment Management Pvt. Ltd Mahindra Manulife Trustee Pvt. Ltd
e) Joint Ventures/ Associates of Holding Company: (entities with whom the Company has transactions)	Tech Mahindra Limited Smartshift Logistics Solutions Pvt Ltd PSL Media & Communications Ltd Tech Mahindra Foundation
f) Key Management Personnel:	Mr. Raul Rebello Mr. Anish Shah Mr. Milind Sarwate Dr. Rebecca Nugent

Mr. Diwakar Gupta
Mr. Ashwani Ghai
Mr. Vijay Kumar Sharma
Mr. Amarjyoti Barua
Mrs. Padmaja Chunduru
Mr. Ramesh Iyer (Ceased to be KMP w.e.f April 29, 2024)
Mr. C. B. Bhawe (Ceased to be KMP w.e.f February 02, 2025)
Mr. Dhananjay Mungale (Ceased to be KMP w.e.f July 23, 2024)
Mrs. Rama Bijapurkar (Ceased to be KMP w.e.f July 23, 2024)
Mr. Joan Rebello
Mr. Dinesh Iyer (Relative of Ceased KMP w.e.f April 29, 2024)
Mrs. Janki Iyer (Relative of Ceased KMP w.e.f April 29, 2024)
Mrs. Girija Subramanian (Relative of Ceased KMP w.e.f April 29, 2024)
Mr. Risheek Ramesh Iyer (Relative of Ceased KMP w.e.f April 29, 2024)
Mahindra & Mahindra Financial Services Limited
Group Gratuity Cum Life Assurance Scheme
Mahindra & Mahindra Financial Services Limited Superannuation Scheme

g) Relatives of Key Management Personnel

(where there are transactions)

h) Welfare Funds/Post-employment benefit plans

(entities with whom the Company has transactions)

ii) The nature and volume of transactions of the Company during the year with above related parties were as follows:

RELATED PARTY TRANSACTIONS	Rs. in crores													
	Holding Company		Subsidiary Companies		Fellow Subsidiaries/ Associate of Holding Company		Associate companies		Key Management Personnel		Relatives of Key Management Personnel		Post employment benefit plan	
Particulars	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Subvention/ Incentive income														
- Mahindra & Mahindra Limited	3.20	19.17	-	-	-	-	-	-	-	-	-	-	-	-
- Mahindra Last Mile Mobility Ltd	-	-	-	-	9.51	9.88	-	-	-	-	-	-	-	-
Lease rental income														
- Mahindra & Mahindra Limited	116.63	93.73	-	-	-	-	-	-	-	-	-	-	-	-
- Sustainable Energy Infra Investment Managers Private Limited	-	-	-	-	0.22	0.20	-	-	-	-	-	-	-	-
- Swaraj Engines Limited	-	-	-	-	0.58	0.41	-	-	-	-	-	-	-	-
- Mahindra Susten Private Limited	-	-	-	-	0.48	0.30	-	-	-	-	-	-	-	-
- Mahindra Heavy Engines Limited	-	-	-	-	-	0.04	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	0.28	0.28	-	-	-	-	-	-	-	-
- Mahindra Solarize Private Limited	-	-	-	-	0.03	0.07	-	-	-	-	-	-	-	-
- Mahindra Integrated Business Solutions Pvt Limited	-	-	-	-	0.33	0.30	-	-	-	-	-	-	-	-
- Mahindra Tego Pvt Limited	-	-	-	-	0.28	0.13	-	-	-	-	-	-	-	-
- Mahindra HZPC Pvt Ltd	-	-	-	-	0.23	0.13	-	-	-	-	-	-	-	-
- Mahindra Last Mile Mobility Ltd	-	-	-	-	5.49	4.20	-	-	-	-	-	-	-	-
- Mahindra Summit Agriscience Limited	-	-	-	-	1.84	1.50	-	-	-	-	-	-	-	-
- Mahindra Two Wheelers Limited	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	1.22	0.59	-	-	-	-	-	-	-	-

RELATED PARTY TRANSACTIONS	Rs. in crores													
	Holding Company		Subsidiary Companies		Fellow Subsidiaries/ Associate of Holding Company		Associate companies		Key Management Personnel		Relatives of Key Management Personnel		Post employment benefit plan	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
- Mahindra Lifespace Developers Ltd.	-	-	-	-	1.91	0.95	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	12.44	8.51	-	-	-	-	-	-	-	-
- Mahindra Agri Solutions Ltd	-	-	-	-	1.93	1.42	-	-	-	-	-	-	-	-
- Mahindra Defence Systems Ltd	-	-	-	-	1.04	0.60	-	-	-	-	-	-	-	-
- Smartshift Logistics Solutions Pvt Ltd.	-	-	-	-	0.35	0.47	-	-	-	-	-	-	-	-
- Mahindra Aerostructures Private Limited	-	-	-	-	0.05	0.02	-	-	-	-	-	-	-	-
- Mahindra Electric Automobile Limited (MEAL)	-	-	-	-	1.52	0.20	-	-	-	-	-	-	-	-
- Mahindra World City (Jaipur) Limited	-	-	-	-	0.14	0.02	-	-	-	-	-	-	-	-
- Mahindra Logistics Limited	-	-	-	-	0.20	0.02	-	-	-	-	-	-	-	-
- MLL Mobility Private Limited	-	-	-	-	0.07	-	-	-	-	-	-	-	-	-
- MLL Express Services Private Limited	-	-	-	-	0.08	-	-	-	-	-	-	-	-	-
- Mahindra EPC Irrigation Limited	-	-	-	-	0.03	-	-	-	-	-	-	-	-	-
- Mahindra World City Developers Limited	-	-	-	-	0.09	-	-	-	-	-	-	-	-	-
- Mahindra Industrial Park Chennai Ltd	-	-	-	-	0.03	-	-	-	-	-	-	-	-	-
Interest income														
- Mahindra & Mahindra Limited	2.60	2.17	-	-	-	-	-	-	-	-	-	-	-	-
Income from sharing services														
- Mahindra Rural Housing Finance Limited	-	-	7.60	4.07	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	4.00	1.56	-	-	-	-	-	-	-	-	-	-
- Mahindra Manulife Investment Management Pvt Ltd	-	-	-	-	-	-	-	1.05	-	-	-	-	-	-
Other Income														
- Mahindra & Mahindra Limited	0.13	0.34	-	-	-	-	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	-	0.22	-	-	-	-	-	-	-	-	-	-
Dividend Income														
- Mahindra Insurance Brokers Limited	-	-	177.32	15.46	-	-	-	-	-	-	-	-	-	-
Interest expense														
- Mahindra Insurance Brokers Limited	-	-	22.08	13.54	-	-	-	-	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	0.07	0.07	-	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	13.42	11.92	-	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	-	0.06	-	-	-	-
- Mr Raul Rebello	-	-	-	-	-	-	-	-	0.00	0.00	-	-	-	-
- Others	-	-	-	-	-	-	-	-	-	-	0.00	0.18	-	-
Other expenses														
- Mahindra & Mahindra Limited	29.95	25.32	-	-	-	-	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	0.00	0.16	-	-	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	24.46	23.73	-	-	-	-	-	-	-	-

	Rs. in crores													
RELATED PARTY TRANSACTIONS	Holding Company		Subsidiary Companies		Fellow Subsidiaries/ Associate of Holding Company		Associate companies		Key Management Personnel		Relatives of Key Management Personnel		Post employment benefit plan	
Particulars	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
- Bristlecone India Limited	-	-	-	-	-	0.54	-	-	-	-	-	-	-	-
- Mahindra Integrated Business Solutions Pvt Limited	-	-	-	-	66.11	61.87	-	-	-	-	-	-	-	-
- NBS International Limited	-	-	-	-	0.86	0.58	-	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	0.36	0.08	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	47.36	62.72	-	-	-	-	-	-	-	-
- Others	-	-	-	-	0.01	0.28	-	-	-	-	-	-	-	-
Donations/CSR Expenses														
- Mahindra Finance CSR Foundation	-	-	0.02	0.02	-	-	-	-	-	-	-	-	-	-
- New Democratic Electoral Trust	-	-	-	-	-	21.00	-	-	-	-	-	-	-	-
- Tech Mahindra Foundation	-	-	-	-	1.00	0.15	-	-	-	-	-	-	-	-
Remuneration														
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	-	3.65	-	-	-	-
- Mr Raul Rebello	-	-	-	-	-	-	-	-	5.98	3.95	-	-	-	-
Sitting fees and commission														
- Mr C. B. Bhave	-	-	-	-	-	-	-	-	-	0.57	-	-	-	-
- Mr Dhananjay Mungale	-	-	-	-	-	-	-	-	-	0.24	-	-	-	-
- Ms Rama Bijapurkar	-	-	-	-	-	-	-	-	-	0.23	-	-	-	-
- Mr Milind Sarwate	-	-	-	-	-	-	-	-	0.71	0.69	-	-	-	-
- Dr Rebecca Nugent	-	-	-	-	-	-	-	-	0.56	0.54	-	-	-	-
- Mr Diwakar Gupta	-	-	-	-	-	-	-	-	0.66	0.65	-	-	-	-
- Mr Ashwani Ghai	-	-	-	-	-	-	-	-	0.52	0.47	-	-	-	-
- Mr Vijay Kumar Sharma	-	-	-	-	-	-	-	-	0.60	0.45	-	-	-	-
- Mrs Padmaja Chunduru	-	-	-	-	-	-	-	-	0.20	-	-	-	-	-
Reimbursement from parties														
- Mahindra & Mahindra Limited	5.06	1.86	-	-	-	-	-	-	-	-	-	-	-	-
- Gromax Agri Equipment Limited	-	-	-	-	2.13	3.90	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	0.06	1.37	-	-	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	0.55	0.07	-	-	-	-	-	-	-	-
- Mahindra Last Mile Mobility Ltd	-	-	-	-	1.37	-	-	-	-	-	-	-	-	-
- Mahindra Integrated Business Solutions Pvt Limited	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-
- Mahindra Lifespace Developers Ltd	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-
- Mahindra Manulife Investment Management Pvt Ltd	-	-	-	-	-	-	0.79	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	0.24	3.75	-	-	-	-	-	-	-	-	-	-
- Mahindra & Mahindra Financial Services Limited Group Gratuity Cum Life Assurance Scheme	-	-	-	-	-	-	-	-	-	-	-	-	21.46	-
Reimbursement to parties														
- Mahindra & Mahindra Limited	31.10	25.91	-	-	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	0.03	0.06	-	-	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	0.19	0.93	-	-	-	-	-	-	-	-	-	-

RELATED PARTY TRANSACTIONS	Rs. in crores													
	Holding Company		Subsidiary Companies		Fellow Subsidiaries/ Associate of Holding Company		Associate companies		Key Management Personnel		Relatives of Key Management Personnel		Post employment benefit plan	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
- Mahindra USA, Inc	-	-	-	-	2.06	3.09	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	0.48	0.42	-	-	-	-	-	-	-	-
- Mahindra Lifespace Developers Ltd	-	-	-	-	-	0.02	-	-	-	-	-	-	-	-
- Mahindra Racing UK Limited	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	0.03	0.01	-	-	-	-	-	-	-	-
- Mahindra Logistics Limited	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-
- Mahindra Last Mile Mobility Ltd	-	-	-	-	-	0.16	-	-	-	-	-	-	-	-
- Mahindra & Mahindra Financial Services Limited Superannuation Scheme	-	-	-	-	-	-	-	-	-	-	-	-	7.45	-
Purchase of fixed assets (incl Capital advances)														
- Mahindra & Mahindra Limited	116.98	126.34	-	-	-	-	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	0.17	0.01	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	0.20	0.25	-	-	-	-	-	-	-	-	-	-
- Mahindra Lifespace Developers Ltd.	-	-	-	-	-	0.19	-	-	-	-	-	-	-	-
- NBS International Limited	-	-	-	-	13.46	9.19	-	-	-	-	-	-	-	-
- Mahindra Electric Automobile Limited (MEAL)	-	-	-	-	22.50	3.11	-	-	-	-	-	-	-	-
Sale of fixed assets														
- Mahindra & Mahindra Limited	0.25	0.44	-	-	-	-	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	0.29	0.05	-	-	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	0.08	0.27	-	-	-	-	-	-	-	-
- Mahindra World City (Jaipur) Limited	-	-	-	-	-	0.20	-	-	-	-	-	-	-	-
- Mahindra Accelo Limited	-	-	-	-	0.04	-	-	-	-	-	-	-	-	-
- MLL Mobility Private Limited	-	-	-	-	7.45	-	-	-	-	-	-	-	-	-
Fixed deposits taken														
- Mahindra Insurance Brokers Limited	-	-	229.23	180.00	-	-	-	-	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	-	0.21	-	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	-	25.00	-	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	-	0.17	-	-	-	-
- Mr Raul Rebello	-	-	-	-	-	-	-	-	-	0.00	-	-	-	-
- Others	-	-	-	-	-	-	-	-	-	-	-	2.40	-	-
Fixed deposits matured														
- Mahindra Insurance Brokers Limited	-	-	155.50	115.50	-	-	-	-	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	-	0.21	-	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	-	15.00	-	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	-	0.85	-	-	-	-
- Mr Raul Rebello	-	-	-	-	-	-	-	-	-	0.00	-	-	-	-

	Rs. in crores													
RELATED PARTY TRANSACTIONS	Holding Company		Subsidiary Companies		Fellow Subsidiaries/ Associate of Holding Company		Associate companies		Key Management Personnel		Relatives of Key Management Personnel		Post employment benefit plan	
Particulars	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
- Others	-	-	-	-	-	-	-	-	-	-	-	2.30	-	-
Dividend paid														
- Mahindra & Mahindra Limited	474.23	405.97	-	-	-	-	-	-	-	-	-	-	-	-
- Mahindra & Mahindra Financial Services Ltd Employees' Stock Option Trust	-	-	0.41	0.61	-	-	-	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	-	1.00	-	-	-	-
- Ms Rama Bijapurkar	-	-	-	-	-	-	-	-	-	0.02	-	-	-	-
- Mr Dhananjay Mungale	-	-	-	-	-	-	-	-	-	0.01	-	-	-	-
- Mr Raul Rebello	-	-	-	-	-	-	-	-	0.00	0.00	-	-	-	-
- Others	-	-	-	-	-	-	-	-	-	-	-	0.00	-	-
Inter corporate deposits taken														
- Mahindra & Mahindra Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Inter corporate deposits repaid/ matured														
- Mahindra Insurance Brokers Limited	-	-	18.50	41.00	-	-	-	-	-	-	-	-	-	-
Trade Advance given														
- NBS International Limited	-	-	-	-	34.23	-	-	-	-	-	-	-	-	-
Trade Advance Settled														
- NBS International Limited	-	-	-	-	33.31	-	-	-	-	-	-	-	-	-
Balances as at the end of the period														
Receivables														
- Mahindra & Mahindra Limited	1.48	5.93	-	-	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	2.10	0.12	-	-	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	3.28	1.50	-	-	-	-	-	-	-	-	-	-
- NBS International Limited	-	-	-	-	2.11	1.19	-	-	-	-	-	-	-	-
- Mahindra Susten Private Limited	-	-	-	-	0.00	-	-	-	-	-	-	-	-	-
- Mahindra Integrated Business Solutions Pvt Limited	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	0.02	-	-	-	-	-	-	-	-	-
- Mahindra Summit Agriscience Limited	-	-	-	-	0.00	-	-	-	-	-	-	-	-	-
- Mahindra Teqo Pvt Limited	-	-	-	-	0.03	-	-	-	-	-	-	-	-	-
- Mahindra HZPC Pvt Ltd	-	-	-	-	0.03	-	-	-	-	-	-	-	-	-
- Mahindra Logistics Limited	-	-	-	-	0.03	-	-	-	-	-	-	-	-	-
- Sustainable Energy Infra Investment Managers Private Limited	-	-	-	-	0.04	-	-	-	-	-	-	-	-	-
- Mahindra Lifespace Developers Ltd.	-	-	-	-	0.22	-	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	0.44	0.98	-	-	-	-	-	-	-	-
- Mahindra Last Mile Mobility Ltd	-	-	-	-	3.84	4.42	-	-	-	-	-	-	-	-
- Mahindra Defence Systems Ltd	-	-	-	-	0.01	0.09	-	-	-	-	-	-	-	-
- MLL Mobility Private Limited	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-

Rs. in crores														
RELATED PARTY TRANSACTIONS	Holding Company		Subsidiary Companies		Fellow Subsidiaries/ Associate of Holding Company		Associate companies		Key Management Personnel		Relatives of Key Management Personnel		Post employment benefit plan	
Particulars	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
- MLL Express Services Private Limited	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-
- Mahindra Epc Irrigation Limited	-	-	-	-	0.02	-	-	-	-	-	-	-	-	-
- Mahindra Agri Solutions Ltd	-	-	-	-	0.18	-	-	-	-	-	-	-	-	-
Investments														
- Mahindra Rural Housing Finance Limited	-	-	799.29	799.29	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	206.84	206.84	-	-	-	-	-	-	-	-	-	-
- Mahindra Manulife Investment Management Pvt Ltd	-	-	-	-	-	-	195.30	195.30	-	-	-	-	-	-
- Mahindra Manulife Trustee Company Pvt Ltd	-	-	-	-	-	-	0.50	0.50	-	-	-	-	-	-
- Mahindra Finance CSR Foundation	-	-	0.00	0.00	-	-	-	-	-	-	-	-	-	-
- Mahindra Finance USA, Inc	-	-	-	-	-	-	210.55	210.55	-	-	-	-	-	-
- Mahindra Ideal Finance Ltd	-	-	77.97	77.97	-	-	-	-	-	-	-	-	-	-
- New Democratic Electoral Trust	-	-	-	-	0.02	0.02	-	-	-	-	-	-	-	-
- Smartshift Logistics Solutions Pvt Ltd.	-	-	-	-	9.50	9.50	-	-	-	-	-	-	-	-
Payables														
- Mahindra & Mahindra Limited	5.79	16.52	-	-	-	-	-	-	-	-	-	-	-	-
- Mahindra Rural Housing Finance Limited	-	-	0.13	0.01	-	-	-	-	-	-	-	-	-	-
- Mahindra First Choice Wheels Limited	-	-	-	-	3.12	2.04	-	-	-	-	-	-	-	-
- Tech Mahindra Limited	-	-	-	-	0.08	9.97	-	-	-	-	-	-	-	-
- Mahindra USA, Inc	-	-	-	-	0.09	2.35	-	-	-	-	-	-	-	-
- Mahindra Integrated Business Solutions Pvt Limited	-	-	-	-	1.41	1.41	-	-	-	-	-	-	-	-
- NBS International Limited	-	-	-	-	1.35	1.02	-	-	-	-	-	-	-	-
- Mahindra Logistics Limited	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-
- Mahindra Last Mile Mobility Ltd	-	-	-	-	0.05	-	-	-	-	-	-	-	-	-
- Mahindra Electric Automobile Limited (MEAL)	-	-	-	-	0.73	1.50	-	-	-	-	-	-	-	-
- Others	-	-	-	-	0.00	0.00	-	-	-	-	-	-	-	-
Inter corporate deposits taken (including interest accrued but not due)														
- Mahindra Insurance Brokers Limited	-	-	-	21.64	-	-	-	-	-	-	-	-	-	-
Fixed deposits (including interest accrued but not due)														
- Mahindra & Mahindra Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Mahindra Insurance Brokers Limited	-	-	291.81	210.80	-	-	-	-	-	-	-	-	-	-
- PSL Media & Communications Ltd	-	-	-	-	0.88	0.86	-	-	-	-	-	-	-	-
- Mahindra Holidays & Resorts India Ltd	-	-	-	-	176.62	164.54	-	-	-	-	-	-	-	-
- Mr Ramesh Iyer	-	-	-	-	-	-	-	-	-	0.17	-	-	-	-
- Mr Raul Rebello	-	-	-	-	-	-	-	-	0.00	0.00	-	-	-	-
- Others	-	-	-	-	-	-	-	-	-	-	0.05	2.48	-	-

Key Management Personnel as defined in Ind AS 24 - Related Party Disclosures

iii) Details of related party transactions with Key Management Personnel (KMP) are as under :

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company or its employees. Accordingly, the Company considers any Director, including independent and non-executive directors, to be key management personnel for the purposes of IND AS 24 - Related Party Disclosures.

Name of the KMP	Nature of transactions	Rs. in crores	
		March 31, 2026	March 31, 2025
Mr. Ramesh Iyer (Vice-Chairman & Managing Director) (Ceased to be a director w.e.f 29 April 2024)	Gross Salary including perquisites	–	3.65
	Commission	–	–
	Stock Option	–	–
	Others - Contribution to Funds	–	–
		–	3.65
Mr. Raul Rebello (Managing Director & Chief Executive Officer)	Gross Salary including perquisites	5.60	3.62
	Commission	–	–
	Stock Option	–	–
	Others - Contribution to Funds	0.38	0.33
		5.98	3.95
Mr. Dhananjay Mungale (Independent Director) (Ceased to be a director w.e.f 23 July 2024)	Commission	–	0.14
	Sitting fees	–	0.11
		–	0.25
Ms. Rama Bijapurkar (Independent Director) (Ceased to be a director w.e.f 23 July 2024)	Commission	–	0.14
	Sitting fees	–	0.09
		–	0.23
Mr. C.B. Bhawe (Independent Director) (Ceased to be a director w.e.f 02 Feb 2025)	Commission	–	0.34
	Sitting fees	–	0.23
		–	0.57
Mr. Milind Sarwate (Independent Director)	Commission	0.44	0.40
	Sitting fees	0.27	0.29
		0.71	0.69
Dr. Rebecca Nugent (Independent Director)	Commission	0.44	0.40
	Sitting fees	0.12	0.14
		0.56	0.54
Diwakar Gupta (Independent Director)	Commission	0.44	0.40
	Sitting fees	0.22	0.24
		0.66	0.64
Vijay Kumar Sharma (Appointed w.e.f. 15 May 2024)	Commission	0.43	0.35
	Sitting fees	0.17	0.09
		0.60	0.44
Ashwani Ghai (LIC of India representative)	Commission	0.43	0.39
	Sitting fees	0.09	0.08
		0.52	0.47
Padmaja Chunduru (Appointed w.e.f. 10 Nov 2025)	Commission	0.18	–
	Sitting fees	0.02	–
		0.20	–

iv) Disclosure required under Section 186 (4) of the Companies Act, 2013
As at March 31, 2026

		Rs. in crores			
Particulars	Relationship	Balance as on April 1, 2025	Advances/ investments	Repayments/ sale	Balance as on March 31, 2026
(A) Loans and advances		-	-	-	-
		-	-	-	-
(B) Unsecured redeemable non-convertible subordinate debentures		-	-	-	-
		-	-	-	-
(C) Investments:					
Mahindra Insurance Brokers Limited	Subsidiary	206.84	-	-	206.84
Mahindra Rural Housing Finance Limited	Subsidiary	799.30	-	-	799.30
Mahindra Manulife Investment Management Private Limited	Joint Venture	195.30	-	-	195.30
Mahindra Manulife Trustee Private Limited	Joint Venture	0.50	-	-	0.50
Mahindra Finance CSR Foundation	Wholly owned Subsidiary	0.00	-	-	0.00
Mahindra Finance USA, LLC	Joint Venture	210.55	-	-	210.55
Mahindra Ideal Finance Limited, Sri Lanka (considered as Subsidiary w.e.f. 8 July 2021) (Formerly known as Ideal Finance Limited)	Subsidiary	77.97	-	-	77.97
Smartshift Logistics Solutions Private Limited	Fellow Associate	9.50	-	-	9.50
New Democratic Electoral Trust	Fellow subsidiary	0.02	-	-	0.02
		1,499.98	-	-	1,499.98
Total		1,499.98	-	-	1,499.98

As at March 31, 2025

		Rs. in crores			
Particulars	Relation	Balance as on April 1, 2024	Advances/ investments	Repayments/ sale	Balance as on March 31, 2025
(A) Loans and advances		-	-	-	-
		-	-	-	-
(B) Unsecured redeemable non-convertible subordinate debentures		-	-	-	-
		-	-	-	-
(C) Investments					
Mahindra Insurance Brokers Limited	Subsidiary	206.84	-	-	206.84
Mahindra Rural Housing Finance Limited	Subsidiary	799.30	-	-	799.30
Mahindra Manulife Investment Management Private Limited	Joint Venture	195.30	-	-	195.30
Mahindra Manulife Trustee Private Limited	Joint Venture	0.50	-	-	0.50
Mahindra Finance CSR Foundation	Wholly owned Subsidiary	0.00	-	-	0.00
Mahindra Finance USA, LLC	Joint Venture	210.55	-	-	210.55
Mahindra Ideal Finance Limited, Sri Lanka	Subsidiary	77.97	-	-	77.97
Smartshift Logistics Solutions Private Limited	Fellow Associate	9.50	-	-	9.50
New Democratic Electoral Trust	Fellow subsidiary	0.02	-	-	0.02
		1,499.98	-	-	1,499.98
Total		1,499.98	-	-	1,499.98

Notes:

- Above loans & advances and investments have been given for general business purposes of the recipient and figures are at historical cost.
- There were no guarantees given/ securities provided during the year.

52 Disclosures Pursuant To Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 vide circular no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025

Rs. in crores

Sr. No. Particulars	As at March 31, 2026		As at March 31, 2025	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities				
1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :				
(a) Debentures:				
- Secured	19,305.00	–	22,974.56	–
- Unsecured	1,077.09	–	1,076.79	–
(b) Deferred Credits	–	–	–	–
(c) Term Loans	55,718.10	–	52,998.12	–
(d) Inter-corporate loans and Other Borrowings	–	–	30.48	–
(e) Commercial Paper	6,156.97	–	2,153.48	–
(f) Public Deposits	7,175.75	–	6,947.62	–
(g) Fixed Deposits accepted from Corporates	7,020.28	–	4,456.53	–
(h) External Commercial Borrowings	5,722.28	–	7,022.09	–
(i) Associated liabilities in respect of securitization transactions	12,799.65	–	8,684.41	–
(j) Triparty repo dealing and settlement (TREPs) against Government securities	–	–	999.82	–
(k) Subordinate debt (including NCDs issued through Public issue)	5,359.74	–	5,529.57	–
(l) Other Short Term Loans and credit facilities from banks	–	–	–	–
2) Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) :				
(a) In the form of Unsecured debentures	–	–	–	–
(b) In the form of partly secured debentures i.e. Debentures where there is a shortfall in the value of security	–	–	–	–
(c) Other public deposits	7,175.75	–	6,947.62	–
			Amount Outstanding	
			As at March 31, 2026	As at March 31, 2025
Asset side:				
3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :				
(a) Secured			–	–
(b) Unsecured			7,655.90	6,149.03
4) Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities :				
(i) Lease assets including lease rentals under sundry debtors:				
(a) Financial lease			–	–
(b) Operating lease			4.92	2.72
(ii) Stock on hire including hire charges under sundry debtors:				
(a) Assets on hire			–	–
(b) Repossessed Assets			–	–
(iii) Other loans counting towards AFC activities:				
(a) Loans where assets have been repossessed			105.67	162.14
(b) Loans other than (a) above			1,22,479.77	1,09,953.15
5) Break-up of Investments:				
Current Investments:				
1. Quoted:				
(i) Shares:				
(a) Equity			–	–
(b) Preference			–	–
(ii) Debentures and Bonds			6.75	161.43
(iii) Units of mutual funds			83.24	78.12
(iv) Government Securities			842.53	1,941.69
(v) Investments in Certificate of Deposits with Banks			748.80	2,330.40
(vi) Investments in Commercial Papers			–	593.75
2. Unquoted:				
(i) Shares:				
(a) Equity			–	–
(b) Preference			–	–
(ii) Debentures and Bonds			–	–
(iii) Units of mutual funds			–	–
(iv) Government Securities			–	–
(v) Certificate of Deposits with Banks			–	–
(vi) Commercial Papers			–	–
(vii) Investments in Pass Through Certificates under securitization transactions			–	–
(viii) Investment in Triparty Repo Dealing System (TREPS)			–	–

	Amount Outstanding	
	As at March 31, 2026	As at March 31, 2025
Asset side:		
Long Term Investments:		
1. Quoted:		
(i) Shares:		
(a) Equity	0.10	0.18
(b) Preference	—	—
(ii) Debentures and Bonds	327.95	333.88
(iii) Units of mutual funds	—	—
(iv) Government Securities	3,219.80	3,398.41
2. Unquoted:		
(i) Shares:		
(a) Equity	1,591.20	1,562.62
(b) Preference	—	—
(ii) Debentures and Bonds	—	—
(iii) Units of mutual funds	—	—
(iv) Government Securities	—	—
(v) Investments in Pass Through Certificates under securitization transactions	—	—

6) Borrower group-wise classification assets financed as in (3) and (4) above:

Category	As at March 31, 2026			As at March 31, 2025		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	—	—	—	—	—	—
(b) Companies in the same group	17.10	12.06	29.16	12.54	8.89	21.43
(c) Other related parties	—	—	—	—	—	—
2. Other than related parties	1,22,568.34	7,648.76	1,30,217.10	1,10,102.75	6,142.86	1,16,245.61
Total	1,22,585.44	7,660.82	1,30,246.26	1,10,115.29	6,151.75	1,16,267.04

7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at March 31, 2026		As at March 31, 2025	
	Market Value/ Break up or fair value or NAV	Book Value (net of provisions)	Market Value/ Break up or fair value or NAV	Book Value (net of provisions)
1. Related Parties				
(a) Subsidiaries	1,029.60	1,029.60	1,029.60	1,029.60
(b) Companies in the same group	561.60	561.60	533.02	533.02
(c) Other related parties	—	—	—	—
2. Other than related parties	5,265.49	5,229.17	8,870.83	8,837.86
Total	6,856.69	6,820.37	10,433.45	10,400.48

8) Other information:

Particulars	As at March 31, 2026	As at March 31, 2025
	Amount	Amount
i) Gross Non-Performing Assets:		
(a) Related parties	—	—
(b) Other than related parties	4,578.38	4,413.94
ii) Net Non-Performing Assets:		
(a) Related parties	—	—
(b) Other than related parties	1,897.65	2,155.89
iii) Assets acquired in satisfaction of debt:	0.10	0.18

53 Disclosures Pursuant To Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 vide circular no. RBI/DOR/2025-26/359 DOR.ACC.REC. No.278/21.04.018/2025-26 dated November 28, 2025

I) Capital

Particulars	As at March 31, 2026	As at March 31, 2025
CRAR (%)	18.84%	18.33%
CRAR-Tier I Capital (%)	16.66%	15.25%
CRAR-Tier II Capital (%)	2.18%	3.08%
Amount of subordinated debt raised as Tier-II capital (Rs. in crores)	–	1,500.00

II) Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Value of Investments		
(i) Gross Value of Investments		
(a) In India	6,586.36	10,166.47
(b) Outside India	288.52	288.52
(ii) Provisions for Depreciation		
(a) In India	–	–
(b) Outside India	54.51	54.51
(iii) Net Value of Investments		
(a) In India	6,586.36	10,166.47
(b) Outside India	234.01	234.01

Movement of provisions held towards depreciation on investments.

(i) Opening balance	54.51	54.51
(ii) Add: Provisions made during the year	–	–
(iii) Less: Write-off/write-back of excess provisions during the year	–	–
(iv) Closing balance	54.51	54.51

III) Derivatives

a) Forward Rate Agreement (FRA)/ Cross Currency, Interest Rate Swap (IRS)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) The notional principal of swap agreements	6,682.16	8,582.05
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	–	–
(iii) Collateral required by the Company upon entering into swaps	–	–
(iv) Concentration of credit risk arising from the swaps	–	–
(v) The fair value of the swap book (Asset/ (Liability (net))	395.75	(359.10)

b) Exchange Traded Interest Rate (IR) Derivatives

The Company has not entered into any exchange traded derivative during the current and previous year.

The Company is not carrying out any activity of providing Derivative cover to third parties.

c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures –

- i) The Company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing or to diversify sources of borrowing and to maintain fixed and floating borrowing mix. The Company does not indulge into any derivative trading transactions. The Company reviews, the proposed transaction and outline any considerations associated with the transaction,

including identification of the benefits and potential risks (worst case scenarios); an independent analysis of potential savings from the proposed transaction. The Company evaluates all the risks inherent in the transaction viz., counter party risk, Market Risk, Operational Risk, basis risk etc.

- ii) Credit risk is controlled by restricting the counterparties that the Company deals with, to those who either have banking relationship with the Company or are internationally renowned or can provide sufficient information. Market/Price risk arising from the fluctuations of interest rates and foreign exchange rates or from other factors shall be closely monitored and controlled. Normally transaction entered for hedging, will run till its life, irrespective of profit or loss. However in case of exceptions it has to be un-winded only with prior approval of M.D/ CFO/ Treasurer. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information, and sizable trading capacity and capability to enter into transactions in any markets around the world.
- iii) The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back-office role is well defined and segregated. All the derivatives transactions is quarterly monitored and reviewed by CFO and Treasurer. All the derivative transactions have to be reported to the board of directors on every quarterly board meetings including their financial positions.
- iv) Company has a hedging policy in place which mandates to have a hedge relation established before a derivative transaction is entered into. The Company ensures that the hedging effectiveness is monitored continuously during the life of the derivative contract. The company has put in place accounting policy covering recording hedge and non-hedge transactions, recognition of income, premiums and discounts; valuation of outstanding contracts, provisioning and credit risk mitigation.

Quantitative Disclosures –

d) Foreign currency non-repatriate loans availed:

		Rs. in crores			
		As at March 31, 2026		As at March 31, 2025	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	– For hedging	–	6,682.16	–	8,582.05
(ii)	Marked to Market Positions [1]				
(a)	Asset (+) Estimated gain	397.06	5.54	30.95	–
(b)	Liability (-) Estimated loss	–	(6.85)	(309.81)	(80.24)
(iii)	Credit Exposure [2]	–	–	–	–
(iv)	Unhedged Exposures	–	–	–	–

IV) During the year ended March 31, 2026, the Company has undertaken co-lending arrangements with respective participating banks and NBFCs in accordance with RBI circular no. RBI/2020-21/63 FIDD. CO.Plan.BC. No.8/04.09.01/2020-21, dated November 05, 2020. The details of such co-lending arrangements are provided in the below table.

Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
I) As Originator RE -			
1) Quantum of CLAs:			
– Number of CLA Partners		2	–
– Number of Outstanding cases		448	–
Amount disbursed under CLA (Rs. in crore)		36.11	–
2) Weighted Average Rate of Interest (%)		10.52%	–
3) Fees received (Rs. in crore)		0.96	–

Rs. in crores			Rs. in crores				
Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025	Sr. No.	Particulars	As at March 31, 2026	As at March 31, 2025
4)	Fees Paid (Rs. In crore)	-	-	4)	Amount of exposures to securitization transactions other than MRR		
5)	Broad Sectors in which CLA was made	Vehicle Loans	-	a)	Off-balance sheet exposures		
6)	Performance of loans under CLA:			(i)	Exposure to own securitizations		
	- Standard (Rs. In crore)	35.66	-		First loss	-	-
	- Non-Performing Loans (Rs. In crore)	-	-		Others -	-	-
7)	Details related to Default Loss Guarantee (DLG)	-	-	-	Excess Interest Spread	866.89	819.74
II)	As Partner RE -			(ii)	Exposure to third party securitizations		
1)	Quantum of CLAs:				First loss	-	-
	- Number of CLA Partners	2	-		Others	-	-
	- Number of Outstanding cases	1,918	-	b)	On-balance sheet exposures		
2)	Amount disbursed under CLA (Rs.in crore)	12.73	-	(i)	Exposure to own securitizations		
3)	Weighted Average Rate of Interest (%)	12.48%	-		First loss	-	-
4)	Fees received (Rs. In crore)	-	-		Others -	-	-
5)	Fees Paid (Rs. In crore)	0.03	-	-	Cash collateral term deposits with banks	-	-
6)	Broad Sectors in which CLA was made	Loan Against Property & Unsecured loans to MSME's	-	(ii)	Exposure to third party securitizations		
					First loss	-	-
					Others	-	-
7)	Performance of loans under CLA:			5)	Sale consideration received for the securitised assets (for transactions executed during the year)	9,648.54	6,477.28
	- Standard (Rs. In crore)	103.84	-		Gain/loss on sale on account of securitisation	Nil	Nil
	- Non-Performing Loans (Rs. In crore)	2.96	-	6)	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc. * The Company has assumed Role of Servicer for all outstanding securitization transactions. Servicing fee received during the financial year is disclosed.	26.63	14.20
8)	Details related to Default Loss Guarantee (DLG)#	20.83	-	7)	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
# Of the amount mentioned in point no.7 as DLG, Rs. 9.95 Crore stands Invoked.					Credit Enhancement:		
During the year ended March 31, 2026, the Company has not undertaken any co-lending arrangements with any of the banks or NBFCs in accordance with Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk), Directions, 2025 RBI/DOR/2025-26/352 DOR.STR. REC.271/21.04.048/ 2025/26 dated November 28, 2025.					a) Opening Balance Outstanding	1,840.68	1,893.39
V) Disclosures relating to Securitization					b) Additions during the year (Fresh Transactions)	1,225.12	778.17
a)	Disclosures in the notes to the accounts in respect of securitization transactions as required under Disclosures Pursuant To Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 vide circular no. RBI/ DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025			c) Top Up during the year	-	-	
				d) Reductions during the year (Matured Transactions)	-	830.88	
				e) Withdrawal during the year	-	-	
				f) Closing Balance Outstanding	3,065.80	1,840.68	
					Excess Interest Spread (EIS) (Amount Held In Trust):		
				a) Opening Balance Outstanding	545.29	896.13	
				b) Additions during the year (Fresh Transactions)	3.95	18.06	
				c) Top Up during the year	317.66	186.18	
				d) Reductions during the year (Matured Transactions)	-	555.08	
				e) Withdrawal during the year	-	-	
				f) Closing Balance Outstanding	866.90	545.29	
				8)	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc. # # (may mention average default rate of previous 5 years)		
				a) Agriculture & allied activities*	4.95%	7.44%	
				b) Auto Loans*	3.89%	5.52%	
					* % of NPA to total advances to that asset class		
				9)	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc.	Nil	Nil
				10)	Investor complaints -		
				a) Directly/Indirectly received	Nil	Nil	
				b) Complaints outstanding	Nil	Nil	

b) Details of Financial Assets sold to Securitization/ Reconstruction Company for Asset Reconstruction

The Company has transferred one stressed loan to Asset Reconstruction Company (ARC) through direct assignment during the year ended March 31, 2026. The details of the same are as under:

Particulars	Rs. in crores			
	NPA	To ARCs SMA	To Permitted transferees	To Other transferees (specify)
Count of loan accounts	1	—	—	—
Aggregate principal outstanding of loans transferred (Rs. in crore)	18.02	—	—	—
Weighted average residual tenor of the loans transferred (in years)	0.27	—	—	—
Net book value of loans transferred (Rs. in crore) (at the time of transfer)	—	—	—	—
Aggregate consideration (Rs. in crore)	9.46	—	—	—
Additional consideration realized in respect of accounts transferred in earlier years	—	—	—	—

*During the previous year, the Company has not assigned /transferred any stress loan exposures.

VI) Disclosures relating to loans transferred/ acquired through assignment/ novation and loan participation

- a) During the current year, details of assignment transactions undertaken by the Company

Sr. No.	Particulars	Rs. in crores	
		As at March 31, 2026*	As at March 31, 2025
1)	No. of accounts	—	749.00
2)	Aggregate value (net of provision) of account sold	—	51.67
3)	Aggregate consideration (to the extent of 80% of assets assigned)	—	41.34
4)	No. of transactions	—	1.00
5)	Weighted average maturity (residual maturity) (in months)	—	47.40
6)	Weighted average holding period (in months)	—	7.89
7)	Retention of beneficial economic interest (MRR of the assignor)	—	20.00%
8)	Coverage of tangible security coverage	—	100.00%
9)	Rating-wise distribution of weighted loans	NA	Unrated
10)	Number of instances (transactions) where transferor has agreed to replace the transferred loans	—	—
11)	Number of transferred loans replaced	—	—
12)	Net gain on derecognition of financial instruments under amortised cost category	—	1.90

*During the current year, the Company has not acquired any loan exposures through assignment/ novation and loan participation.

- b) During the current year and the previous year, the Company has not acquired any stressed loans.
- c) During the current year and the previous year, the Company has not acquired any loans not in default through assignment.

VII) Exposures
a) Exposure to Real Estate Sector

Category	Rs. in crores	
	As at March 31, 2026	As at March 31, 2025
i) Direct exposure		
a) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits	1,845.91	1,291.89
b) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	3.68	50.01
c) Investments in Mortgage Backed Securities (MBS) and other securitized exposures -		
a. Residential	—	—
b. Commercial Real Estate	—	—
ii) Indirect exposure		
Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	—	17.93
Total Exposure to Real Estate Sector	1,849.59	1,359.83

b) Exposure to Capital Market

Particulars	Rs. in crores	
	As at March 31, 2026	As at March 31, 2025
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt*	155.35	126.85
(ii) Advances against shares/ bonds/ debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	—	—
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	—	—
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/ convertible debentures/ units of equity oriented mutual funds does not fully cover the advances	—	—
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	—	—
(vi) Loans sanctioned to corporates against the security of shares/ bonds/ debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	—	—
(vii) Bridge loans to companies against expected equity flows/ issues	—	—
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	—	—

Particulars	Rs. in crores	
	As at March 31, 2026	As at March 31, 2025
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Alternative Investment Funds:		
i) Category I	-	-
ii) Category II	-	-
iii) Category III	-	-
Total Exposure to Capital Market	155.35	126.85

*Excludes investments in its subsidiaries, associates and joint ventures.

c) Sectoral exposure

Sectors	As at March 31, 2026			As at March 31, 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1) Agriculture & allied activities	21,041.00	947.72	4.5%	17,098.73	901.42	5.3%
2) Industry						
i) Micro and Small	4,314.36	70.35	1.6%	2,796.47	34.94	1.2%
ii) Medium	1,682.72	6.75	0.4%	1,219.63	1.52	0.1%
iii) Large	1,582.41	-	0.0%	669.92	0.15	0.0%
iv) Others - Trade advances to Dealers	3,163.21	6.00	0.2%	3,197.47	8.39	0.3%
Total of Industry	10,742.70	83.10	0.8%	7,883.49	45.00	0.6%
3) Services						
i) Transport Operators	21,156.41	1,089.93	5.2%	23,405.07	1,120.30	4.8%
ii) Others	510.63	3.47	0.7%	1,462.52	28.46	1.9%
Total of Services	21,667.04	1,093.40	5.0%	24,867.59	1,148.76	4.6%
4) Retail/ Personal loans						
i) Vehicle/Auto Loans	77,847.40	2,365.98	3.0%	67,308.80	2,257.09	3.4%
ii) Personal loans	1,228.82	21.54	1.8%	726.12	16.93	2.3%
iii) Others	1,569.09	66.64	4.2%	1,788.29	44.74	2.5%
Total of Retail /Personal loans	80,645.31	2,454.16	3.0%	69,823.21	2,318.76	3.3%
5) Others (if any; to specify)						
Total	1,34,096.05	4,578.38	3.4%	1,19,673.02	4,413.93	3.7%

- i) The disclosures as above shall be based on the sector-wise and industry-wise bank credit (SIBC) return submitted by scheduled commercial banks to the Reserve Bank and published by Reserve Bank as 'Sectoral Deployment of Bank Credit'.
- ii) In the disclosures as above, if within a sector, exposure to a specific sub-sector/industry is more than 10 per cent of Tier I Capital of a NBFC, the same shall be disclosed separately within that sector. Further, within a sector, if exposure to specific sub-sector/industry is less than 10 per cent of Tier I Capital, such exposures shall be clubbed and disclosed as "Others" within that sector.

d) Intra-group exposures

Particulars	Rs. in crores	
	Year ended March 31, 2026	Year ended March 31, 2025
i) Total amount of intra-group exposures	1664.92	1630.26
ii) Total amount of top 20 intra-group exposures	1664.92	1630.26
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	1.18%	1.25%

e) Unhedged foreign currency exposure

Details of its unhedged foreign currency exposures:

As at March 31, 2026: Nil

As at March 31, 2025: Nil

Policies to manage currency induced risk:

Currency Risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency borrowings. The Company's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Company manages its foreign currency risk by entering into forward contract and cross currency swaps.

f) Details of financing of parent company products

Of the total financing activity undertaken by the Company during the financial year 2025-26: 48 % (March 31, 2025: 44%) of the financing was towards parent company products.

g) Details of Single Borrower Limit (SGL) /Group Borrower Limit (GBL) exceeded by the NBFC

During the current year and the previous year, the Company has not exceeded the prudential exposure limits for Single Borrower Limit (SGL) /Group Borrower Limit (GBL).

h) Unsecured Advances

As at March 31, 2026, the amount of unsecured advances stood at Rs. 7,677.22 crore (March 31, 2025: Rs. 6,161.54 crore). There are no advances secured against intangible assets.

VIII) Miscellaneous

a) Registration obtained from other financial sector regulators

Rs. in crores

Sr. No.	Regulator	Registration no.	Valid From	Valid Up to
1)	AMFI Registered Mutual Fund Advisor (ARMFA)	ARN-30156	Aug 05, 2025	Aug 04, 2028
2)	Insurance Regulatory and Development Authority - Corporate agent	CA0939	May 21, 2024	May 20, 2027

b) Disclosure of Penalties and strictures imposed by RBI and other regulators

During the year under review, following monetary penalty was levied by RBI:

- Rs. 0.71 crores vide its order dated April 25, 2025 for non-compliance with certain provisions of the 'Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016' and 'Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016'
- Rs. 0.12 crores vide its order dated February 27, 2026 for non-compliance with certain directions issued by RBI on 'Fair Practices Code' and 'Internal Ombudsman for Regulated Entities'

c) Related Party Transactions

(Refer note no. 51)

d) Rating assigned by credit rating agencies and migration of ratings during the year

Credit Rating -

During the year under review, CRISIL Ratings Limited (CRISIL), has reaffirmed the credit rating of the Company's Long Term Bank Facilities, Non- Convertible Debentures, Subordinated Debt, Bank Facilities and Fixed Deposit as 'CRISIL AAA/ Stable'. The rating on the Company's Short-term Bank facilities and Commercial Paper has been reaffirmed at 'CRISIL A1+' which indicates very strong degree of safety regarding timely payment of financial obligations. Such securities carry lowest credit risk.

During the year under review, India Ratings & Research Private Limited (IND), which is part of Fitch Group, reaffirmed the rating of Company's Long-term Debt instruments, Subordinated Debt programme, Bank Facilities and Fixed Deposit Programme as 'IND AAA/Stable' and Principal protected market linked debenture as IND PP-MLD AAA /Stable. The Company's Short Term Bank Loans, Commercial Paper has been rated at IND A1+.

During the year under review, CARE Ratings, also reaffirmed the 'CARE AAA; Stable' rating to Company's Long-term debt instrument and Subordinated Debt programme.

During the year under review, Brickwork Ratings India Private Limited (BWR) has, reaffirmed the 'BWR AAA/stable' rating of the Company's Long-term Subordinated Debt Issue.

The 'AAA' ratings denote the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

'A1+' ratings indicate very strong degree of safety regarding timely payment of financial obligations. Such securities carry lowest credit risk.

e) During the year, the Company has not carried out any project finance activities.

f) During the year, the Company has not carried out any transactions related to off-balance sheet exposures and structured products.

g) During the year, the Company has not carried out any transactions related to Non-Fund Based (NFB) Credit Facilities.

IX) Net Profit of Loss for the period, prior period items and change in accounting policies

There are no such material items which require disclosures in the notes to Accounts in terms of the relevant Accounting Standard.

X) Revenue Recognition

Refer note no. 2.6 under Summary of Material Accounting Policies.

XI) Indian Accounting Standard 27 (Ind AS 27) - Consolidated and Separate Financial Statements (CFS)

All the subsidiaries of the Company have been consolidated as per Ind AS 27. Refer consolidated financial statements (CFS)

XII) Provisions and Contingencies

Rs. in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account		
Provisions for depreciation on Investment	-	-
Provision towards non-performing assets (Stage 3 assets)	422.30	53.36
Provision made towards Income tax	923.02	779.45
Other Provision and Contingencies (Loan commitment)	4.08	0.67
Provision for diminution in the fair value of restructured advances	-	-
Provision for Standard Assets (Stage 1 and Stage 2 assets)	59.75	5.59

Draw Down from Reserves

Year ended March 31, 2026: Nil

Year ended March 31, 2025: Nil

XIII) Concentration of Deposits, Advances, Exposures and NPAs

a) Concentration of Deposits (for deposit taking NBFCs)

Rs. in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Total Deposits of twenty largest depositors	3,788.44	3,229.25
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC.	26.7%	28.3%

b) Concentration of Advances

Rs. in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Total Advances to twenty largest borrowers	1,852.89	1,322.63
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	1.4%	1.1%

c) Concentration of Exposures

Rs. in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Total Exposure to twenty largest borrowers/ customers	1,854.04	1,322.63
Percentage of Exposures to twenty largest borrowers/ customers to Total Exposure of the NBFC on borrowers/ customers	1.4%	1.1%

d) Concentration of NPAs

Rs. in crores

Particulars	As at March 31, 2026	As at March 31, 2025
Total Exposure to top four NPA accounts	20.77	24.65

e) Movement of NPAs*

		Rs. in crores	
Particulars		As at March 31, 2026	As at March 31, 2025
i)	Net NPAs to Net Advances (%)	1.44%	1.84%
ii)	Movement of NPAs (Gross)		
	(a) Opening balance	4,413.94	3,490.90
	(b) Additions during the year	2,731.42	2,973.04
	(c) Reductions during the year	(2,566.98)	(2,050.00)
	(d) Closing balance	4,578.38	4,413.94
iii)	Movement of Net NPAs		
	(a) Opening balance	2,155.89	1,285.96
	(b) Additions during the year	990.26	1,630.66
	(c) Reductions during the year	(1,248.50)	(760.73)
	(d) Closing balance	1,897.65	2,155.89
iv)	Movement of provisions for NPAs		
	(a) Opening balance	2,258.04	2,204.94
	(b) Provisions made during the year	1,741.16	1,342.37
	(c) Write-off/write-back of excess provisions	(1,318.48)	(1,289.27)
	(d) Closing balance	2,680.72	2,258.04

* NPA represent stage 3 assets

XIV) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

				Rs. in crores	
				Total Assets [#]	
Name of the Joint Venture/ Subsidiary	Other Partner in the JV/ Subsidiary	Country	As at March 31, 2026	As at March 31, 2025	
Mahindra Ideal Finance Limited	Ideal Finance Limited, Sri Lanka	Sri Lanka	539.64	287.95	
Mahindra Finance USA, LLC*	De Lage Landen Financial Services	USA	4,869.30	4,653.59	

* For financial reporting purpose, Mahindra Finance USA, LLC is considered an associate.

Figures represent ownership of MMFSL in the entities.

XV) Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

Name of the SPV sponsored -	
Domestic	Overseas
N/A	N/A

XVI) Participation in currency futures and currency options

The company has not undertaken any transaction during the current year and previous year for currency futures and options.

XVII) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities*

As at March 31, 2026

		Rs. in crores									
				Over 1 month	Over 2 months	Over 3 months					Total
Particulars	1 to 7 days	8 to 14 days	15 days to 31 days	up to 2 months	up to 3 months	& up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 year & up to 5 years	Over 5 years	
Deposits	110.80	78.58	301.59	300.72	358.94	1,891.44	3,193.24	7,189.49	771.23	–	14,196.03
Advances	1,533.82	2,219.17	4,989.33	4,812.34	4,720.09	11,247.19	19,512.35	56,579.84	19,719.69	4,826.32	1,30,160.14
Investments	87.56	187.19	12.06	217.42	442.26	520.53	214.31	1,679.12	1,383.95	2,075.97	6,820.37
Borrowings	1,146.93	246.45	4,312.91	6,871.29	8,026.94	8,094.58	17,982.01	39,302.92	7,178.31	7,254.21	1,00,416.55
Foreign Currency liabilities	0.73	–	40.98	–	–	16.88	–	5,663.69	–	–	5,722.28

As at March 31, 2025

		Rs. in crores									
				Over 1 month	Over 2 months	Over 3 months					Total
Particulars	1 to 7 days	8 to 14 days	15 days to 31 days	up to 2 months	up to 3 months	& up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 year & up to 5 years	Over 5 years	
Deposits	29.01	444.86	525.65	160.33	245.71	1,041.29	1,802.94	6,092.00	1,062.36	–	11,404.15
Advances	1,263.44	1,869.91	1,829.81	4,063.99	4,183.83	10,190.74	17,737.94	53,247.59	18,108.83	3,717.94	1,16,214.02
Investments	785.40	8.89	597.48	1,110.69	983.72	645.72	973.51	1,758.14	713.39	2,823.54	10,400.48
Borrowings	1,333.53	191.39	3,977.45	3,031.91	4394.10	7,661.11	12,639.18	41,650.92	12,261.88	7,305.76	94,447.23
Foreign Currency liabilities	–	200.12	40.98	–	–	23.62	1,647.66	5,109.71	–	–	7,022.09

*Figures based on contractual maturity.

XVIII) Disclosure of complaints
a) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr No	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	3,555	405
2	Number of complaints received during the year	52,574	43,174
3	Number of complaints disposed during the year	55,217	40,024
3.1	Of which, number of complaints rejected by the NBFC	–	–

Sr No	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
4	Number of complaints pending at the end of the year	912	3,555
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5*	Number of maintainable complaints received by the NBFC from Office of Ombudsman	2,309	1,737
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	325	528
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	627	428
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	—	—
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	—	—

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCs which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

b) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
Year ended March 31, 2026					
Loan and advances	1,404	35,121	38%	380	80
Levy of charges without prior notice/ excessive charges/ foreclosure charges	684	6,887	76%	131	34
Staff behaviour	612	3,809	47%	226	22
Fraud	447	1,853	13%	68	24
Repossession	161	1,419	104%	45	7
Others	247	3,485	(61%)	62	13
Total	3,555	52,574	22%	912	180
Year ended March 31, 2025					
Loan and advances	122	25,396	148%	1,404	194
Levy of charges without prior notice/ excessive charges/ foreclosure charges	12	3,908	364%	684	16
Staff behaviour	111	2,583	1%	612	387
Fraud	42	1,643	233%	447	259
Difficulty in operation of accounts	2	880	215%	45	22
Others	116	8,764	123%	363	226
Total	405	43,174	142%	3,555	1,104

XIX) Breach of covenant

During the current year and previous year there is no instances of breach of covenant of loan availed or debt securities issued.

XX) Divergence in Asset Classification and Provisioning

Disclosure of details of divergence, if either or both of the following conditions are satisfied:

- the additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period, or
- the additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period.

As per the RBI inspection report for the reference period March 31, 2025, the assessment of Divergence in Asset Classification and Provisioning is below the threshold as defined under a) and b) above and hence the details as required in tabular form is not presented here.

XXI) Disclosure for NBFCs-UL

Mandatory listed within three years of identification as NBFC-UL - Not Applicable for the Company

XXII) Loan to Directors, Senior Officers and Relatives of Directors

Particulars	Year ended March 31, 2026	Rs. in crores Year ended March 31, 2025
i) Directors and their relatives	—	—
ii) Entities associated with directors and their relatives	—	—
iii) Senior officers and their relatives	—	—

XXIII) Related party disclosures (refer annexure - 1)
53) Annexure - 1
Related Party Disclosure for the year ended March 31, 2026

Rs. in crores

Sr No.	Item/Related Party	1. Parent (as per ownership or control)			2. Subsidiaries			3. Fellow Subsidiaries			4. Associate*			5. Directors		
		Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year
1	Borrowings	-	-	-	(18.50)	-	18.50	-	-	-	-	-	-	-	-	-
2	Deposits	-	-	-	73.73	291.81	317.50	-	177.50	177.50	-	-	-	-	-	-
3	Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Advances	-	-	-	-	-	-	0.92	2.11	4.50	-	-	-	-	-	-
5	Investments	-	-	-	-	1,084.10	1,084.10	-	9.52	9.52	-	406.35	406.35	-	-	-
6	Purchase of fixed/other assets	116.98	-	-	-	-	-	35.95	-	-	-	-	-	-	-	-
7	Sale of fixed/other assets	0.25	-	-	0.29	-	-	7.58	-	-	-	-	-	-	-	-
8	Interest paid	-	-	-	22.08	-	-	13.49	-	-	-	-	-	-	-	-
9	Interest received	2.60	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	Dividend paid	474.23	-	-	0.41	-	-	-	-	-	-	-	-	-	-	-
-	Lease rental income	116.63	-	-	-	-	-	30.86	-	-	-	-	-	-	-	-
-	Subvention/Incentive	3.20	-	-	-	-	-	9.52	-	-	-	-	-	-	-	-
-	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	Transactions	66.23	7.27	-	189.46	5.51	-	146.85	11.81	-	0.79	-	-	3.24	-	-
Total		780.12	7.27	-	267.85	1,381.42	1,420.10	245.17	200.94	191.52	0.79	406.35	406.35	3.24	-	-

Sr No.	Item/Related Party	6. Relatives of Directors			7. Key Management Personnel			8. Relatives of Key Management Personnel			9. Others			Total		
		Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year
1	Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-18.50	-	18.50
2	Deposits	-	-	-	-	0.00	0.00	-	0.05	0.05	-	-	-	73.73	469.36	495.05
3	Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Advances	-	-	-	-	-	-	-	-	-	-	-	-	0.92	2.11	4.50
5	Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	1,499.97	1,499.97
6	Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	153.31	-	-
7	Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Interest paid	-	-	-	0.00	-	-	-	-	-	-	-	-	8.12	-	-
9	Interest received	-	-	-	-	-	-	-	-	-	-	-	-	35.57	-	-
10	Others	-	-	-	-	-	-	-	-	-	-	-	-	2.60	-	-
-	Dividend paid	-	-	-	0.00	-	-	-	-	-	-	-	-	474.64	-	-
-	Lease rental income	-	-	-	-	-	-	-	-	-	-	-	-	147.49	-	-
-	Subvention/Incentive	-	-	-	-	-	-	-	-	-	-	-	-	12.72	-	-
-	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	Transactions	-	-	-	5.98	-	-	-	28.91	-	-	-	-	441.46	24.59	-
Total		-	-	-	5.98	0.00	0.00	0.00	0.05	0.05	-	-	-	1,332.06	1,996.03	2,018.02

Annexure - 1
Related Party Disclosure for the year ended March 31, 2025

										Rs. in crores	
1. Parent (as per ownership or control)											
Sr No.	Item/Related Party	2. Subsidiaries			3. Fellow Subsidiaries			4. Associate*		5. Directors	
		Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year	Maximum O/s during the year
1	Borrowings	-	-	65.19	-	-	-	-	-	-	-
2	Deposits	-	-	210.80	10.00	165.40	165.40	-	-	-	-
3	Placement of deposits	-	-	-	-	-	-	-	-	-	-
4	Advances	-	-	-	-	-	-	-	-	-	-
5	Investments	-	-	1,084.10	-	9.52	9.52	-	406.35	406.35	-
6	Purchase of fixed/other assets	126.34	-	-	12.49	-	-	-	-	-	-
7	Sale of fixed/other assets	0.44	-	-	0.47	-	-	-	-	-	-
8	Interest paid	-	-	-	11.98	-	-	-	-	-	-
9	Interest received	2.17	-	-	-	-	-	-	-	-	-
10	Others	-	-	-	-	-	-	-	-	-	-
-	Dividend paid	405.97	-	-	-	-	-	-	-	-	-
-	Lease rental income	93.73	-	-	20.38	-	-	-	-	-	-
-	Subvention/Incentive	19.17	-	-	9.88	-	-	-	-	-	-
-	Other Transactions	53.43	22.44	1.63	178.60	24.96	-	1.05	-	-	-
Total		701.25	22.44	1,360.09	243.80	199.88	174.92	1.05	406.35	406.35	-

8. Relatives of Key Management Personnel											
9. Others											
Sr No.	Item/Related Party	7. Key Management Personnel			8. Relatives of Key Management Personnel			9. Others		Total	
		Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year	Transaction value	Outstanding year end	Maximum O/s during the year	Maximum O/s during the year
1	Borrowings	-	-	-	-	-	-	-	-	-	65.19
2	Deposits	-	-	0.17	0.10	2.48	2.61	-	-	21.64	378.97
3	Placement of deposits	-	-	-	-	-	-	-	-	-	-
4	Advances	-	-	-	-	-	-	-	-	-	-
5	Investments	-	-	-	-	-	-	-	-	1,499.97	1,499.97
6	Purchase of fixed/other assets	-	-	-	-	-	-	139.09	-	-	-
7	Sale of fixed/other assets	-	-	-	-	-	-	0.96	-	-	-
8	Interest paid	-	-	-	0.18	-	-	25.76	-	-	-
9	Interest received	-	-	-	-	-	-	2.17	-	-	-
10	Others	-	-	-	-	-	-	-	-	-	-
-	Dividend paid	-	-	-	0.00	-	-	407.60	-	-	-
-	Lease rental income	-	-	-	-	-	-	114.11	-	-	-
-	Subvention/Incentive	-	-	-	-	-	-	29.06	-	-	-
-	Other Transactions	-	-	-	-	-	-	280.31	49.03	-	-
Total		-	-	0.17	0.28	2.48	2.61	1,031.98	1,949.48	1,944.13	-

XXIV) Public disclosure on liquidity risk:
a) Funding Concentration based on significant counterparty (both deposits and borrowings)
As at March 31, 2026

Sr. no.	Type of instrument	Number of Significant Counterparties	Amount (Rs. in crores)	% of Total deposits	% of Total Liabilities
1	Deposits	Nil	Nil	Nil	Nil
2	Borrowings	19	78,449.39	552.6%	63.7%

As at March 31, 2025

Sr. no.	Type of instrument	Number of Significant Counterparties	Amount (Rs. in crores)	% of Total deposits	% of Total Liabilities
1	Deposits	Nil	Nil	Nil	Nil
2	Borrowings	19	72,670.65	637.2%	62.8%

b) Top 20 large deposits (amount in Rs. in crore and % of total deposits)
As at March 31, 2026

Description	Amount (Rs. in crores)	% of Total deposits
Total for Top 20 large deposits	3,788.44	26.7%

As at March 31, 2025

Description	Amount (Rs. in crores)	% of Total deposits
Total for Top 20 large deposits	3,229.25	28.3%

c) Top 10 borrowings (amount in Rs. in crore and % of total borrowings)
As at March 31, 2026

Description	Amount (Rs. in crores)	% of Total borrowings
Total for Top 10 borrowings	63,072.17	52.41%

As at March 31, 2025

Description	Amount (Rs. in crores)	% of Total borrowings
Total for Top 10 borrowings	59,289.58	52.53%

d) Funding Concentration based on significant instrument/product*

Sr. no.	Name of the instrument/product	As at March 31, 2026		As at March 31, 2025	
		Amount (Rs. in crores)	% of Total liabilities	Amount (Rs. in crores)	% of Total liabilities
1	Non-convertible debentures (Secured)	20,382.09	16.55%	24,051.35	20.78%
2	Term loans from banks (including FCNR loans)	55,718.10	45.25%	52,998.12	45.79%
3	External Commercial Borrowings	5,722.28	4.65%	7,022.09	6.07%
4	Associated liabilities in respect of securitization transactions	12,799.65	10.39%	8,684.41	7.50%
5	Triparty repo dealing and settlement (TREPs) against Government securities	—	0.00%	999.82	0.86%
6	Deposits	14,196.03	11.53%	11,404.15	9.85%
7	Subordinated redeemable non-convertible debentures	5,359.74	4.35%	5,529.57	4.78%
8	Commercial Papers (Unsecured)	6,156.97	5.00%	2,153.48	1.86%
9	Inter-corporate deposits (ICDs)	—	—	—	0.00%
		1,20,334.86	97.72%	1,12,842.99	97.50%
	Funding Concentration pertaining to insignificant instruments/products	—	0.00%	30.48	0.03%
	Total borrowings under all instruments/products	1,20,334.86	97.72%	1,12,873.47	97.53%

* The amount stated in this disclosure is based on the audited financial statements for the years ended March 31, 2025 and March 31, 2026.

** Top counterparty and top 20 deposits are arrived excluding interest accrued.

e) Stock Ratios

As at March 31, 2026

Sr. no.	Name of the instrument/product	Amount (Rs. in crores)	% of total public funds	% of total liabilities	% of total assets
a)	Commercial papers (CPs)	6,156.97	5.12%	5.00%	4.16%
b)	Non-convertible debentures (NCDs) with original maturity of less than 1 year	Nil	Nil	Nil	Nil
c)	Other short-term liabilities	10,266.85	8.53%	8.34%	6.94%

As at March 31, 2025

Sr. no.	Name of the instrument/product	Amount (Rs. in crores)	% of total public funds	% of total liabilities	% of total assets
a)	Commercial papers (CPs)	2,153.48	1.91%	1.86%	1.59%
b)	Non-convertible debentures (NCDs) with original maturity of less than 1 year	Nil	Nil	Nil	Nil
c)	Other short-term liabilities	4,224.93	3.74%	3.65%	3.12%

f) Institutional set-up for liquidity risk management

The Liquidity Risk Management framework of the Company is governed by its Liquidity Risk Management Policy and Procedures approved by the Board. The Asset Liability Committee of the Board (ALCO) and Asset Liability Management Committee (ALMCO) oversee the implementation of liquidity risk management strategy of the Company and ensure adherence to the risk tolerance/limits set by the Board.

The Company maintains a robust funding profile with no undue concentration of funding sources. In order to ensure a diversified borrowing mix, concentration of borrowing through various sources is monitored. The Company maintains a positive cumulative mismatch in all buckets. As on March 31, 2026, the Company maintained a liquidity buffer of approximately Rs.9,191 crore.

Definition of terms as used in the table above:

a) Significant counterparty:

A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC's total liabilities.

b) Significant instrument/product:

A "Significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC's total liabilities.

c) Total liabilities:

Total liabilities include all external liabilities (other than equity).

d) Public funds:

"Public funds" includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of Commercial Papers, Debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a period not exceeding 5 years from the date of issue. It includes total borrowings outstanding under all types of instruments/products.

e) Other short-term liabilities:

All short-term borrowings other than CPs and NCDs with original maturity less than 12 months.

53 Disclosures Pursuant To Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 vide circular no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025

Liquidity Coverage Ratio (LCR) for the year ended March 31, 2026

Particulars	Rs. in crores							
	Quarter ended March 31, 2026		Quarter ended December 31 2025		Quarter ended September 30 2025		Quarter ended June 30 2025	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA) (refer note 1 and 2 below)	5,040.01	4,976.43	5,433.88	5,361.77	5,540.87	5,419.11	5,968.70	5,894.45
Cash Outflows								
2 Deposits (for deposit taking companies)	307.56	353.69	248.54	285.82	271.26	311.95	319.51	367.43
3 Unsecured wholesale funding	1,309.27	1,505.66	1,477.30	1,698.89	548.90	631.23	630.66	725.26
4 Secured wholesale funding	4,791.72	5,510.47	3,455.19	3,973.47	3,304.66	3,800.36	3,442.97	3,959.41
5 Additional requirements, of which								
i) Outflows related to derivative exposures and other collateral requirements	79.31	91.20	69.62	80.06	44.45	51.12	114.78	132.00
ii) Outflows related to loss of funding on debt products	—	—	—	—	—	—	—	—
iii) Credit and liquidity facilities	—	—	—	—	—	—	—	—

		Rs. in crores							
		Quarter ended March 31, 2026		Quarter ended December 31 2025		Quarter ended September 30 2025		Quarter ended June 30 2025	
Particulars		Total	Total	Total	Total	Total	Total	Total	Total
		Unweighted Value (average)	Weighted Value (average)	Unweighted Value (average)	Weighted Value (average)	Unweighted Value (average)	Weighted Value (average)	Unweighted Value (average)	Weighted Value (average)
6	Other contractual funding obligations	646.33	743.27	650.92	748.56	848.97	976.32	1,612.75	1,854.66
7	Other contingent funding obligations	599.73	689.69	465.01	534.76	434.13	499.25	238.05	273.76
8	TOTAL CASH OUTFLOWS	7,733.92	8,893.98	6,366.58	7,321.56	5,452.37	6,270.23	6,358.72	7,312.52
Cash Inflows									
9	Secured lending	—	—	—	—	—	—	—	—
10	Inflows from fully performing exposures	6,079.81	4,559.86	6,161.43	4,621.07	5,636.03	4,227.02	5,805.93	4,354.45
11	Other cash inflows	8,358.12	6,268.59	11,375.55	8,531.66	9,050.59	6,787.94	8,906.51	6,679.88
12	TOTAL CASH INFLOWS	14,437.93	10,828.45	17,536.98	13,152.73	14,686.62	11,014.96	14,712.44	11,034.33
TOTAL ADJUSTED VALUES									
13	TOTAL HQLA	5,040.01	4,976.43	5,433.88	5,361.77	5,540.87	5,419.11	5,968.70	5,894.45
14	TOTAL NET CASH OUTFLOWS	(6,704.01)	(1,934.47)	(11,170.40)	(5,831.17)	(9,234.25)	(4,744.73)	(8,353.72)	(3,721.81)
	25% of Total Cash Out Flow	1,933.48	2,223.50	1,591.65	1,830.39	1,363.09	1,567.56	1,589.68	1,828.13
15	LIQUIDITY COVERAGE RATIO (%)	261%	223.81%	341%	293%	406%	346%	375%	322%

Computation of Net cash outflows
Notes:

- 1) The average weighted and unweighted amounts are calculated taking simple average based on daily observation for the respective quarter. Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
- 2) Components of High Quality Liquid Assets (HQLA).

		Quarter ended March 31, 2026		Quarter ended December 31 2025		Quarter ended September 30 2025		Quarter ended June 30 2025	
Particulars		Total	Total	Total	Total	Total	Total	Total	Total
		Unweighted Value (average)	Weighted Value (average)	Unweighted Value (average)	Weighted Value (average)	Unweighted Value (average)	Weighted Value (average)	Unweighted Value (average)	Weighted Value (average)
I	Assets to be included as HQLA without any haircut:								
	- Cash	186.04	186.04	121.27	121.27	112.32	112.32	158.26	158.26
	- Government securities	4,430.08	4,430.08	4,831.90	4,831.90	4,616.76	4,616.76	5,315.39	5,315.39
II	Assets to be considered for HQLA with a minimum haircut of 15%:								
	- Corporate Bonds	306.67	260.67	300.00	255.00	302.17	256.85	350.00	297.50
	- Commercial Papers	117.22	99.64	180.71	153.60	509.62	433.18	145.05	123.30
III	Assets to be considered for HQLA with a minimum haircut of 50%:								
	- Commercial Papers	—	—	—	—	—	—	—	—
	TOTAL	5,040.01	4,976.43	5,433.88	5,361.77	5,540.87	5,419.11	5,968.70	5,894.45

The Company complies with the guidelines for computation of the Liquidity Coverage Ratio and shall all times meet the minimum requirements of LCR as laid down by the Reserve Bank of India and as applicable from time to time. The Liquidity Risk Management framework of the Company is governed by its Liquidity Risk Management Policy and Procedures approved by the Board. The Asset Liability Committee of the Board (ALCO) and Asset Liability Management Committee (ALMCO) oversee the implementation of liquidity risk management strategy of the Company and ensure adherence to the risk tolerance/limits set by the Board.

The HQLAs comprises of Cash*, Investment in Central and State Government Securities#, and highly-rated Corporate Bonds and Commercial papers, including those of Public Sector Enterprises, as adjusted after assigning the haircuts as prescribed by RBI.

* Cash would mean cash on hand and demand deposits with Scheduled Commercial Banks.

Investment in Central and State Government Securities- This also includes securities held as per the provisions of Section 45IB of the RBI Act, 1934 (reckoned as HQLA only to the extent of 80% of the required holding).

53 Disclosures Pursuant To Master Direction – Reserve Bank Of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (As amended from time to time)
Liquidity Coverage Ratio (LCR) for the year ended March 31, 2025

Particulars	Rs. in crores							
	Quarter ended March 31, 2025		Quarter ended December 31 2024		Quarter ended September 30 2024		Quarter ended June 30 2024	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)	5,643.06	5,542.23	4,956.00	4,459.00	4,871.84	4,378.70	5,164.29	4,642.96
(refer note 1 below)	–	–	–	–	–	–	–	–
Cash Outflows								
2 Deposits (for deposit taking companies)	387.45	387.45	202.00	202.00	176.71	176.71	155.05	155.05
3 Unsecured wholesale funding	2,091.64	2,091.64	2,581.00	2,581.00	1,513.54	1,513.54	1,824.54	1,824.54
4 Secured wholesale funding	2,877.80	2,877.80	1,708.00	1,708.00	1,885.25	1,885.25	1,491.18	1,491.18
5 Additional requirements, of which								
i) Outflows related to derivative exposures and other collateral requirements	87.69	87.92	–	–	–	–	–	–
ii) Outflows related to loss of funding on debt products	–	–	–	–	–	–	–	–
iii) Credit and liquidity facilities	–	–	–	–	–	–	–	–
6 Other contractual funding obligations	1,308.33	1,308.33	1,758.00	1,758.00	1,828.02	1,828.02	1,891.30	1,891.30
7 Other contingent funding obligations	207.22	197.50	272.00	16.00	193.13	193.13	90.72	90.72
8 TOTAL CASH OUTFLOWS	6,960.13	6,950.64	6,521.00	6,265.00	5,596.65	5,596.65	5,452.78	5,452.78
Cash Inflows								
9 Secured lending	–	–	–	–	–	–	–	–
10 Inflows from fully performing exposures	1,084.62	1,084.62	4,646.20	4,646.20	4,310.19	4,310.19	6,103.32	6,103.32
11 Other cash inflows	11,217.86	11,217.86	4,426.61	3,803.35	3,417.34	3,417.34	1,175.32	1,175.32
12 TOTAL CASH INFLOWS	12,302.48	12,302.48	9,072.81	8,449.55	7,727.53	7,727.53	7,278.63	7,278.63
TOTAL ADJUSTED VALUES								
13 TOTAL HQLA	5,643.06	5,542.23	4,956.00	4,459.00	4,871.84	4,378.70	5,164.29	4,642.96
14 TOTAL NET CASH OUTFLOWS	(5,342.35)	(5,351.84)	(2,551.81)	(2,184.55)	(2,130.88)	(2,130.88)	(1,825.86)	(1,825.86)
25% of Total Cash Out Flow	1,740.03	1,737.66	1,630.25	1,566.25	1,399.16	1,399.16	1,363.19	1,363.19
15 LIQUIDITY COVERAGE RATIO (%)	324%	319%	304%	285%	348%	313%	379%	341%

Computation of Net cash outflows

Net Cash outflows over the 30 days period	Rs. in crores							
	Quarter ended March 31, 2025		Quarter ended December 31 2024		Quarter ended September 30 2024		Quarter ended June 30 2024	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
A Stressed Cash Outflows @ 115% of Outflows	8,004.15	7,993.23	7,499.15	7,204.75	6,436.15	6,436.15	6,270.70	6,270.70
B Stressed Cash Inflows @ 75% of Inflows	9,226.86	9,226.86	6,804.61	6,337.16	5,795.65	5,795.65	5,458.98	5,458.98
C Net Stressed Cash Flows (Stressed Cash Out Flow - Stressed Cash Inflow)	(1,222.71)	(1,233.62)	694.54	867.59	640.50	640.50	811.72	811.72
D 25% of Stressed Cash Outflows	2,001.04	1,998.31	1,874.79	1,801.19	1,609.04	1,609.04	1,567.67	1,567.67
E Greater Value of C or D	2,001.04	1,998.31	1,874.79	1,801.19	1,609.04	1,609.04	1,567.67	1,567.67
F Liquidity Coverage Ratio (%) After Applying Stress Factor - (1/ E)	282%	277%	264%	248%	303%	272%	329%	296%

Notes:

- The average weighted and unweighted amounts are calculated taking simple average based on daily observation for the respective quarter. The weightage factor applied to compute weighted average value is constant for all the quarters.
- Prior to introduction of LCR framework, the Company used to maintain a substantial share of its liquidity in form of fixed deposits with banks and investment in debt mutual funds. Post the introduction of LCR framework, the Company has consciously worked towards increasing its investment in High Quality Liquid Assets (HQLA) as per the RBI guidelines in order to meet the LCR requirement.
- Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
- Components of High Quality Liquid Assets (HQLA)

Particulars	Rs. in crores							
	Quarter ended March 31, 2025		Quarter ended December 31 2024		Quarter ended September 30 2024		Quarter ended June 30 2024	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
I Assets to be included as HQLA without any haircut:								
- Cash	141.23	141.23	159.86	159.86	116.69	116.69	126.27	126.27
- Government securities	4,829.66	4,829.66	4,445.51	4,000.96	4,402.60	3,962.34	4,687.63	4,218.87
II Assets to be considered for HQLA with a minimum haircut of 15%:								
- Corporate Bonds	350.00	297.50	350.52	297.94	352.56	299.68	350.39	297.83
- Commercial Papers	322.17	273.84	-	-	-	-	-	-
III Assets to be considered for HQLA with a minimum haircut of 50%:								
- Commercial Papers	-	-	-	-	-	-	-	-
TOTAL	5,643.06	5,542.23	4,955.89	4,458.76	4,871.85	4,378.71	5,164.29	4,642.97

The Company complies with the guidelines for computation of the Liquidity Coverage Ratio and shall all times meet the minimum requirements of LCR as laid down by the Reserve Bank of India and as applicable from time to time. The Liquidity Risk Management framework of the Company is governed by its Liquidity Risk Management Policy and Procedures approved by the Board. The Asset Liability Committee of the Board (ALCO) and Asset Liability Management Committee (ALMCO) oversee the implementation of liquidity risk management strategy of the Company and ensure adherence to the risk tolerance/limits set by the Board.

The HQLAs comprises of Cash*, Investment in Central and State Government Securities #, and highly-rated Corporate Bonds and Commercial papers, including those of Public Sector Enterprises, as adjusted after assigning the haircuts as prescribed by RBI.

* Cash would mean cash on hand and demand deposits with Scheduled Commercial Banks.

Investment in Central and State Government Securities- This also includes securities held as per the provisions of Section 45IB of the RBI Act, 1934 (reckoned as HQLA only to the extent of 80% of the required holding).

The Company maintains a robust funding profile with no undue concentration of funding sources. In order to ensure a diversified borrowing mix, concentration of borrowing through various sources is monitored. Further, the Company has prudential limits on investments in different instruments to maintain a healthy investment profile. Risks relating to foreign currency and interest rate is mitigated by entering in corresponding hedge transactions. Any potential collateral calls from the same forms a miniscule part of cash outflows. There is no currency mismatch in the LCR. The above is periodically monitored by ALMCO and reviewed by ALCO.

54 Disclosure as required under Guidelines on Resolution Framework for COVID-19-related Stress issued by RBI

During the year ended March 31, 2022, to relieve COVID-19 pandemic related stress, the Company had invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI.

i) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated May 5, 2021

Format - B: For the half year ended September 30, 2025

					Rs. in crores
Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the half- year ended March 31, 2025 (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the half-year (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of half-year ended September 30 2025* (E)
Personal Loans	57.66	4.17	0.17	28.50	24.82
Corporate persons ^	–	–	–	–	–
Of which, MSMEs	–	–	–	–	–
Others -					
- Vehicle loans for commercial purpose	71.42	3.75	0.49	35.69	31.49
Total	129.08	7.92	0.66	64.19	56.31

Format - B: For the half year ended March 31, 2026

Type of borrower	Rs. in crores				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the half-year ended September 30, 2025 (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the half-year (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of half-year ended March 31, 2026* (E)
Personal Loans	24.82	1.38	0.11	15.09	8.24
Corporate persons [^]	–	–	–	–	–
<i>Of which, MSMEs</i>	–	–	–	–	–
Others -					
- Vehicle loans for commercial purpose	31.49	1.04	0.22	17.10	13.13
Total	56.31	2.42	0.33	32.19	21.37

[^] As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

* In respect of OTR 2.0, above includes restructuring implemented till September 30, 2021

54 Disclosure as required under Guidelines on Resolution Framework for COVID-19-related Stress issued by RBI

During the year ended March 31, 2022, to relieve COVID-19 pandemic related stress, the Company had invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI.

- i) Disclosures pursuant to RBI Notification - RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020 and RBI/2 021- 22/31/DOR.STR. REC.11 /21.04.048/2021-22 dated May 5, 2021

Format - B: For the half year ended September 30, 2024

Type of borrower	Rs. in crores				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the half-year ended March 31, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the half-year (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of half-year ended September 30 2024* (E)
Personal Loans	200.24	14.18	0.72	72.64	112.70
Corporate persons [^]	15.52	–	–	10.82	4.70
<i>Of which, MSMEs</i>	–	–	–	–	–
Others					
- Vehicle loans for commercial purpose	269.60	13.97	1.62	108.52	145.49
Total	485.36	28.15	2.34	191.98	262.89

Format - B: For the half year ended March 31, 2025

Type of borrower	Rs. in crores				
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the half-year ended September 30, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half-year (B)	Of (A) amount written off during the half-year (C)	Of (A) amount paid by the borrowers during the half-year (D)	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of half-year ended March 31, 2025* (E)
Personal Loans	112.70	13.54	0.94	40.56	57.66
Corporate persons [^]	4.70	–	–	4.70	–
<i>Of which, MSMEs</i>	–	–	–	–	–
Others					
- Vehicle loans for commercial purpose	145.49	13.04	2.04	58.99	71.42
Total	262.89	26.58	2.98	104.25	129.08

[^] As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

* In respect of OTR 2.0, above includes restructuring implemented till September 30, 2021

55 Disclosures Pursuant To Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 vide circular no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025

- i) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109

Year ended March 31, 2026

Asset Classification as per RBI Norms							Rs. in crores
	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms	
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)	
Performing Assets							
Standard							
	Stage 1	1,23,128.04	741.56	1,22,386.49	488.37	253.19	
	Stage 2	6,389.63	513.64	5,875.99	19.66	493.98	
Subtotal for standard		1,29,517.67	1,255.20	1,28,262.48	508.03	747.17	
Non-Performing Assets (NPA)							
Substandard	Stage 3	2,270.74	1,313.11	957.63	367.34	945.77	
Doubtful - up to 1 year	Stage 3	1,554.94	615.47	939.47	875.88	(260.41)	
1 to 3 years	Stage 3	717.46	716.87	0.59	577.11	139.76	
More than 3 years	Stage 3	0.88	0.88	–	0.87	0.01	
Subtotal for doubtful		2,273.28	1,333.22	940.06	1,453.86	(120.64)	
Loss	Stage 3	34.36	34.39	(0.03)	34.60	(0.21)	
Subtotal for NPA	Stage 3	4,578.38	2,680.72	1,897.66	1,855.80	824.92	
Subtotal for Business Assets		1,34,096.05	3,935.92	1,30,160.14	2,363.83	1,572.09	
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	74.87	62.10	12.77	57.33	4.77	
	Stage 2	1.29	0.02	1.27	0.02	–	
	Stage 3	0.07	0.04	0.03	0.04	–	
Subtotal		76.23	62.16	14.07	57.39	4.77	
Total	Stage 1	1,23,202.91	803.66	1,22,399.26	545.70	257.96	
	Stage 2	6,390.92	513.66	5,877.26	19.68	493.98	
	Stage 3	4,578.45	2,680.76	1,897.69	1,855.84	824.92	
Total		1,34,172.28	3,998.08	1,30,174.21	2,421.22	1,576.86	

Year ended March 31, 2025

Asset Classification as per RBI Norms							Rs. in crores
	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms	
(1)	(2)	(3)	(4)	(5) = (3) - (4)	(6)	(7) = (4) - (6)	
Performing Assets							
Standard							
	Stage 1	1,08,747.49	598.48	1,08,149.01	432.77	165.71	
	Stage 2	6,511.58	602.48	5,909.10	19.26	583.22	
Subtotal for standard		1,15,259.07	1,200.96	1,14,058.11	452.03	748.93	
Non-Performing Assets (NPA)							
Substandard	Stage 3	2,587.43	924.28	1,663.15	438.85	485.43	
Doubtful - up to 1 year	Stage 3	1,182.09	690.59	491.50	595.59	95.00	
1 to 3 years	Stage 3	479.66	479.70	(0.04)	319.97	159.73	
More than 3 years	Stage 3	1.22	1.16	0.06	0.93	0.23	
Subtotal for doubtful		1,662.97	1,171.45	491.52	916.49	254.96	
Loss	Stage 3	163.54	162.31	1.22	150.75	11.56	
Subtotal for NPA		4,413.94	2,258.04	2,155.89	1,506.10	751.95	
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	10.28	56.64	(46.36)	56.64	–	
	Stage 2	1.33	0.02	1.31	0.02	–	
	Stage 3	0.98	0.41	0.57	0.41	–	
Subtotal		12.59	57.07	(44.48)	57.07	–	
Total	Stage 1	1,08,757.77	655.12	1,08,102.65	489.41	165.71	
	Stage 2	6,512.91	602.50	5,910.41	19.28	583.22	
	Stage 3	4,414.92	2,258.45	2,156.46	1,506.51	751.95	
Total		1,19,685.60	3,516.07	1,16,169.53	2,015.20	1,500.88	

Since the total impairment allowances under Ind AS 109 is higher than the total provisioning required under IRACP (including standard asset provisioning) as at March 31, 2026 and March 31 2025, no amount is required to be transferred to 'Impairment Reserve' for both the financial years. The gross carrying amount of asset as per Ind AS 109 and Loss allowances (Provisions) thereon includes interest accrual on net carrying value of stage - 3 assets as permitted under Ind AS 109. While, the provisions required as per IRACP norms does not include any such interest as interest accrual on NPAs is not permitted under IRACP norms.

The balance in the 'Impairment Reserve' (as and when created) shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

- ii) As at March 31, 2026 and March 31 2025, there were no loan accounts that are past due beyond 90 days but not treated as impaired, i.e. all 90+ DPD ageing loan accounts have been classified as Stage-3 and no dispensation is considered in stage-3 classification.

iii) **Policy for sales/ transfers out of amortized cost business model portfolios**

Sale/ transfer of portfolios out of amortized cost business model:

As a short-term financing arrangement, the Company has been transferring or selling certain pools of fixed rate loan receivables backed by underlying assets in the form of tractors, vehicles, equipments etc. by entering in to securitization transactions with the Special Purpose Vehicle Trusts ("SPV Trust") sponsored by Commercial banks for consideration received in cash at the inception of the transaction. As a part of annual budgetary planning and with the objective of better liquidity and risk management, the Company, at the beginning of the year, obtains approval of Asset Liability Committee and Risk Management Committee of the Board of Directors for undertaking securitization transactions of certain value of standard assets comprising the collateral based loan receivables at appropriate times during the year.

These transactions are carried out after complying with RBI guidelines on securitization of standard assets. The consideration received through such securitization transactions is utilized for funding regular vehicle loan disbursements to customers who service their loans through fixed instalments over a specified period of loan tenor. Besides using securitization as alternate financing tool, it is also being used as a effective Balance sheet management through better liquidity and risk management by transfer of assets from risk averse to risk takers.

When the assets in the form of loan receivables are sold/ transferred to an SPV/Bank through securitization transaction, then on a consolidated portfolio level, such sale/transfer does not change the Company's business objective of holding financial assets to collect contractual cash flows.

The Company remains exposed to credit risk, being the expected losses that will be incurred on the securitized loan portfolio to the extent of the credit enhancement provided. Any increase in losses as compared to the expected loss shall require the Company to present its credit enhancement/ cash collateral to help compensate the investors. This is as per the requirement of the Reserve Bank of India. Thus, the Company as per Ind AS 109 has retained substantially all the risks and rewards of ownership of the financial asset.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Accordingly, these financial assets are not de-recognized by the Company from the financial statements prepared under Ind AS. Since the contractual terms of these financial assets give rise to cash flows, that are solely payments of principal and interest, on specified dates, these assets meet the SPPI criterion and are thus continued to be recognized in the books at amortized cost.

- 56 During the previous year ended March 31, 2025, the Company had made a contribution of Rs. 21.00 crore to New Democratic Electoral Trust, a Trust approved by the Central Board of Direct Taxes under Electoral Trust Scheme, 2013 to enable Electoral Trust to make contributions to political party/parties duly registered with the Election Commission, in such manner and at such times as it may decide from time to time. This contribution was as per the provisions of section 182 of the Companies Act, 2013. There is no such contribution during the current year ended March 31, 2026.

57 Events after the reporting date

There have been no other events after the reporting date that require disclosure in these financial statements.

58 Previous year figures have been regrouped /reclassified wherever necessary to conform to current year presentation.

Signatures to Notes 1 to 58

In terms of our report attached.

For and on behalf of the Board of Directors

Mahindra & Mahindra Financial Services Limited

For **M M Nissim & Co LLP**
Chartered Accountants
ICAI FRN: 107122W/W100672

For **M. P. Chitale & Co.**
Chartered Accountants
ICAI FRN: 101851W

Amarjyoti Barua
Director
[DIN: 09202472]

Raul Rebello
Managing Director & CEO
[DIN: 10052487]

Sanjay Khemani
Partner
ICAI Membership No: 044577

Ashutosh Pednekar
Partner
ICAI Membership No: 041037

Pradeep Kumar Agrawal
Chief Financial Officer

Brijbala Batwal
Company Secretary
Membership No.F5220

Mumbai
April 24, 2026

Mumbai
April 24, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Mahindra Insurance Brokers Limited Report on the Audit of Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of Mahindra Insurance Brokers Limited ("the Company"), which comprise the balance sheet as at March 31, 2026, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to financial statements including a summary of the material accounting policy information and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the 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 of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) prescribed under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the audit of the Ind AS financial statements section" of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Information other than the Ind AS financial statements and auditor's 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 Directors' Report and Management Discussion and Analysis but does not include the Ind AS financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of our auditor's report.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

with the Ind AS financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' responsibilities for the audit of the Ind AS financial statements

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

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

- a. Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive

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

- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the Ind AS financial statements in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in the 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;
- c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of written representations received from the directors of the Company as on March 31, 2026 and 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements (Refer note 30 to the Ind AS financial statements)
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. In respect of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014,
 - a. The Management has represented that, to the best of its knowledge and belief, no

- funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. In respect of dividends declared or paid,
- a. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable. The Company has also declared and paid the Dividend during the year.
- b. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with Section 123 of the Act, as applicable.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, based on our examination which included test checks, the company has used accounting software for maintaining its books of account, which have a feature of audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the trail has been preserved by the company as per the statutory requirements for record retention.

For Gokhale & Sathe
Chartered Accountants
Firm Regn. No. 103264W

Rohit Ambekar
Partner
Membership No.: 604211
UDIN: 26604211VHUSMU8850
Place: Mumbai
Date: April 16, 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the Members of Mahindra Insurance Broker Limited.

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, other intangible assets, Intangible assets under development and Right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of its intangible assets.
- (b) According to the information and explanations given to us, fixed assets were physically verified during the year by the management and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no immovable properties held in the name of the company. Accordingly, clause 3(i)(c) of the Order is not applicable to the company.
- (d) According to the information and explanations given to us company has not revalued its property, plant and equipment or intangible assets during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) The company is in the nature of providing insurance broking services and does not hold any inventory. Therefore, reporting under clause 3(ii) of the order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) The company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, the details of which are as under.

Particulars	Amount (in Lakhs)
Loans	
Aggregate amount during the year	6,650
Balance outstanding at the Balance Sheet	6,650

- (b) The investment made and the terms and conditions of the grant of loans during the year are prima facie not prejudicial to the company's interest.
- (c) In respect of loans granted by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and the receipts of interest have been regular as per stipulation.
- (d) In respect of loans granted by the company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has 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 during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) In our opinion, and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and Section 186 of the Companies Act, 2013 in respect of loans and investments made, and guarantees and security provided by it, as applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company and hence, clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it as per the available records as far as ascertained by us on our verification. According to the information and explanations given to us, no material undisputed amounts payable were outstanding,

at the year end, for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Interest on TDS	7.97	F.Y. 2011-12 to F.Y. 2021-22	Rectification filed with AO
Income Tax Act, 1961	Deduction of donation	25.26	FY 19-20	Appeal Filed
Central Goods and Service Tax Act, 2017	Input Tax Credit	0.91	FY 2021-22	Deputy Commissioner of State tax-Bihar
Central Goods and Service Tax Act, 2017	Input Tax Credit	31.70	FY 2021-22	Commercial tax officer - Chennai
Central Goods and Service Tax Act, 2017	Input Tax Credit	0.66	FY 2021-22	Assistant Commissioner - Central tax Chennai
Central Goods and Service Tax Act, 2017	Input Tax Credit	0.26	FY 2022-23	Assistant Commissioner - Central tax Chennai
Central Goods and Service Tax Act, 2017	Input Tax Credit	0.60	FY 2021-22	Assistant Commissioner - Central tax Chennai
Central Goods and Service Tax Act, 2017	Input Tax Credit	0.50	FY 2019-20	Assistant Commissioner - Central tax Chennai
Central Goods and Service Tax Act, 2017	Input Tax Credit	16.49	FY 2020-21	Joint Commissioner - Commercial Tax Karnataka

- (viii) According to information and explanations given to us, no previously unrecorded transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has not taken any term loans during the year and there are no outstanding term loans at the

beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

- (d) The Company has not raised any loans on short term basis and hence, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x) (b) of the Order is not applicable to the Company.
- (xi) (a) According to the information and explanation given to us, no material fraud by the company or any fraud on the company was noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) During the year, company has received whistle-blower complaints which have been considered by us for any bearing on our audit and reporting under this clause.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, provisions of section

192 of the Companies Act, 2013 are not applicable to the Company.

- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us by the management, there are five Core Investment Companies within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- (xvii) The Company has not incurred cash losses in the current financial year or the previous financial year.
- (xviii) There has been no resignation of statutory auditors during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a

period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. This matter has been disclosed in note 34 to the Ind AS financial statements. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) There are no unspent amounts under sub-section (5) of section 135 of the Act, pursuant to any ongoing project requiring transfer to special account in compliance with the provision of sub-section (6) of section 135 of the Act. This matter has been disclosed in note 34 to the Ind AS financial statements. Hence, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (xxi) The Company is not required to prepare consolidated Ind AS financial statements and therefore reporting under clause 3(xxi) of the Order is not applicable for the year.

For Gokhale & Sathe
Chartered Accountants
Firm Regn. No. 103264W

Rohit Ambekar
Partner
Membership No.: 604211
UDIN: 26604211VHUSMU8850
Place: Mumbai
Date: April 16, 2026

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra Insurance Brokers Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control

based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Ind AS Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial controls with reference to financial statements include those policies and procedures that –

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 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
- 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 with reference to Ind AS Financial Statements

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

For **Gokhale & Sathe**

Chartered Accountants

Firm Regn. No. 103264W

Rohit Ambekar

Partner

Membership No.: 604211

UDIN: 26604211VHUSMU8850

Place: Mumbai

Date: April 16, 2026

BALANCE SHEET AS AT 31 MARCH 2026

			₹ in Lakhs
	Note	As at	As at
	No.	31 Mar 2026	31 Mar 2025
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	1	805.79	1,062.14
(b) Right of use assets	21	1,928.12	2,625.05
(c) Other Intangible Assets	2	300.91	293.18
(d) Intangible Assets Under Development		—	—
(e) Financial Assets			
(i) Investments	3	6,500.00	5,900.00
(ii) Loans	4	—	—
(iii) Other Financial Assets	5	338.37	387.41
(f) Deferred Tax Assets (net)	6 (d)	1,195.64	1,039.90
(g) Other Non-current Assets	7	16,160.67	10,747.72
SUB-TOTAL		27,229.50	22,055.40
2 CURRENT ASSETS			
(a) Financial Assets			
(i) Investments	3	38,395.66	22,647.35
(ii) Trade Receivables	8	23,188.71	19,366.72
(iii) Cash and Cash Equivalents	9	598.16	2,251.22
(iv) Loans	4	6,650.00	29,575.00
(v) Other Financial Assets	5	1,930.63	2,770.54
(b) Other Current Assets	7	3,680.35	3,600.16
SUB-TOTAL		74,443.51	80,210.99
TOTAL ASSETS		1,01,673.01	1,02,266.39
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	10	1,030.93	1,030.93
(b) Other Equity	11	65,307.17	71,732.94
SUB-TOTAL		66,338.10	72,763.87
LIABILITIES			
1 NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
Lease liabilities	24	297.92	2,657.94
(b) Provisions	12	924.07	645.29
SUB-TOTAL		1,221.99	3,303.23
2 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Trade Payables			
(a) total outstanding dues of Micro enterprises and small enterprises	13	14.88	26.06
(b) total outstanding dues of creditors other than Micro enterprises and small enterprises	13	25,286.01	20,071.94
(ii) Lease liabilities	24	2,058.49	452.34
(iii) Other Financial Liabilities	14	99.78	28.98
(b) Provisions	12	2,133.06	2,239.05
(c) Other Current Liabilities	15	4,520.70	3,380.92
SUB-TOTAL		34,112.92	26,199.29
TOTAL EQUITY AND LIABILITIES		1,01,673.01	1,02,266.39

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

As per our report of even date

For Gokhale & Sathe,
Chartered Accountants
Firm Regn No. 103264W

Rohit Ambekar
Partner
Membership No. 604211

Place: Mumbai
Date: April 16, 2026

For and on behalf of the Board of Directors

Amarjyoti Barua
Chairman
DIN: 09202472

Carishma Pagare
Company Secretary
Mem No.: ACS 34777

Raul Rebello
Director
DIN: 10052487

Suresh Agarwal
Managing Director, CEO & Principal Officer
DIN: 09126759

Sapna Jain
Director
DIN: 10819819

Pradeep Agrawal
Director
DIN: 11206547

Saurabh V. Dharadhar
Chief Financial Officer & Ethics Officer

Place: Mumbai
Date: April 16, 2026

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

			₹ in Lakhs
Particulars	Note No.	Year ended 31 Mar 2026	Year ended 31 Mar 2025
I Revenue from operations	16	1,45,568.72	1,19,150.60
II Other Income	17	4,167.63	4,808.68
III Total Income (I + II)		1,49,736.35	1,23,959.28
IV EXPENSES			
(a) Employee benefit expense	18	9,764.57	10,432.56
(b) Finance costs	24	232.56	246.88
(c) Depreciation and amortisation expense	24.2	1,046.30	1,127.49
(d) Other expenses	19	1,22,645.93	99,759.90
Total Expenses [(a) + (b) + (c) + (d)]		1,33,689.36	1,11,566.83
V Profit before exceptional items and tax (III - IV)		16,046.99	12,392.45
VI Exceptional Items		344.11	—
VII Profit before tax (V - VI)		15,702.88	12,392.45
VIII Tax Expense			
(1) Current tax	6 (a)	4,482.00	3,578.00
(2) Deferred tax	6 (a)	(138.01)	(63.80)
Total tax expense [(1) + (2)]		4,343.99	3,514.20
IX Profit for the period (VII - VIII)		11,358.89	8,878.25
X Other comprehensive income		(52.70)	175.31
(i) Items that will not be reclassified to profit or loss		—	—
Remeasurements of the defined benefit plans		(70.43)	234.26
(ii) Income tax relating to items that will not be reclassified to profit or loss	6 (b)	17.73	(58.95)
XI Total comprehensive income for the period (IX+X)		11,306.19	9,053.56
XII Earnings per equity share			
(1) Basic	20	110.18	86.12
(2) Diluted	20	110.18	86.12

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

As per our report of even date

For Gokhale & Sathe,
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Rohit Ambekar
Partner
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Place: Mumbai
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DIN: 09126759

Saurabh V. Dharadhar
Chief Financial Officer & Ethics Officer

Place: Mumbai
Date: April 16, 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

Particulars	Note No.	₹ in Lakhs	
		Year ended 31 Mar 2026	Year ended 31 Mar 2025
Cash flows from operating activities			
Cash receipts towards brokerage		1,45,568.72	1,19,150.60
Other Receipts		4,531.54	4,420.56
Payment towards expenses		(1,33,030.14)	(1,10,066.55)
Income taxes paid		(9,828.37)	(5,643.50)
(Increase)/decrease in trade and other receivables		(3,810.77)	(4,133.17)
(Increase)/decrease in other assets		(312.23)	(739.08)
(Decrease)/increase in trade and other payables		5,273.72	11,684.11
Increase/(decrease) in provisions		(180.29)	(805.59)
(Decrease)/increase in other liabilities		1,139.79	(7,546.77)
Cash generated from operations		9,351.97	6,320.61
Cash flows from investing activities			
Amounts advanced to related parties		(6,650.00)	(17,375.00)
Repayments by related parties		29,575.00	23,325.00
Amounts advanced - other investments		(96,122.82)	(73,050.00)
Repayments - other investments		80,350.00	63,750.00
Payments for property, plant and equipment	1	(353.31)	(431.72)
Proceeds from disposal of property, plant and equipment		123.25	131.70
Payments for intangible assets/intangible assets under developments		(195.19)	(125.10)
Net cash (used in)/generated by investing activities		6,726.93	(3,775.12)
Cash flows from financing activities			
Dividends paid to owners of the Company	11	(17,731.96)	(1,546.39)
Net cash (used in) / generated from financing activities		(17,731.96)	(1,546.39)
Net increase / (decrease) in cash and cash equivalents		(1,653.06)	999.10
Cash and cash equivalents at the beginning of the year		2,251.22	1,252.12
Cash and cash equivalents at the end of the year		598.16	2,251.22

Note:

The above cash flow statement has been prepared under the “direct method” as set out in ‘Indian Accounting Standard (Ind AS 7)- Statement of Cash Flows

The accompanying statement of accounting policies and notes 1 to 36 are an integral part of the Financial Statements.

As per our report of even date

For Gokhale & Sathe,
Chartered Accountants
Firm Regn No. 103264W

Rohit Ambekar
Partner
Membership No. 604211

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Managing Director, CEO & Principal Officer
DIN: 09126759

Saurabh V. Dharadhar
Chief Financial Officer & Ethics Officer

Place: Mumbai
Date: April 16, 2026

Place: Mumbai
Date: April 16, 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026**A. Equity share capital**

Particulars	₹ in Lakhs
Issued, Subscribed and Fully Paid up:	
Balance as at 1 April 2024	1,030.93
Changes due to prior period errors	—
Restated balance as at 1 April 2024	1,030.93
Changes during the period	—
Balance as at 31 March 2025	1,030.93
Balance as at 1 April 2025	1,030.93
Changes due to prior period errors	—
Restated balance as at 1 April 2025	1,030.93
Changes during the period	—
Balance as at 31 March 2026	1,030.93

B. Other Equity

	Reserves and Surplus			Items of other comprehensive income	
	Securities Premium	General Reserve	Retained Earnings	Remeasurement of the net defined benefit obligation gain / (loss)	Total
As at 1 April 2024	1,589.50	1,658.43	61,406.23	(428.38)	64,225.78
Changes in accounting policy/prior period errors	—	—	—	—	—
Restated balance as at 1 April 2024 ...	1,589.50	1,658.43	61,406.23	(428.38)	64,225.78
Profit for the period	—	—	8,878.25	—	8,878.25
Other Comprehensive Income / (Loss)	—	—	—	175.30	175.30
Dividend paid on Equity Shares	—	—	(1,546.39)	—	(1,546.39)
As at 31 March 2025	1,589.50	1,658.43	68,738.09	(253.08)	71,732.94
As at 1 April 2025	1,589.50	1,658.43	68,738.09	(253.08)	71,732.94
Changes in accounting policy/prior period errors	—	—	—	—	—
Restated balance as at 1 April 2025 ...	1,589.50	1,658.43	68,738.09	(253.08)	71,732.94
Profit for the year	—	—	11,358.89	—	11,358.89
Other Comprehensive Income / (Loss)	—	—	—	(52.70)	(52.70)
Dividend paid on Equity Shares	—	—	(17,731.96)	—	(17,731.96)
As at 31 March 2026	1,589.50	1,658.43	62,365.02	(305.78)	65,307.17

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

As per our report of even date

For Gokhale & Sathe,
Chartered Accountants
Firm Regn No. 103264W

Rohit Ambekar
Partner
Membership No. 604211

Place: Mumbai
Date: April 16, 2026

For and on behalf of the Board of Directors

Amarjyoti Barua
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Company Secretary
Mem No.: ACS 34777

Suresh Agarwal
Managing Director, CEO & Principal Officer
DIN: 09126759

Saurabh V. Dharadhar
Chief Financial Officer & Ethics Officer

Place: Mumbai
Date: April 16, 2026

STATEMENT OF MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2026

1 Company overview

Mahindra Insurance Brokers Limited is a Public Limited Company incorporated and domiciled in India. The Company's registered office is at Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai - 400 018. The Company is an Insurance Regulatory and Development Authority of India (IRDAI) registered broker in the category "Composite" for life, general and re-insurance business.

The immediate parent Company is Mahindra & Mahindra Financial Services Limited and ultimate parent Company is Mahindra & Mahindra Limited, a company incorporated in Mumbai, India.

2 Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 (the 'Act'), in conformity with the Accounting Principles generally accepted in India and other relevant provisions of the Act.

a. Statement of compliance and basis of preparation

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the Accounting policy thereto in use.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the schedule III of the Act. Based on nature of services and the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

The financial statements of the Company for the year ended March 31, 2026 were approved for issue by the Company's Board of Directors on April 16, 2026.

b. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. All amounts are rounded-off to the nearest lacs, unless otherwise indicated.

c. Basis of measurement

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

Items	Measurement basis
– Financial assets and liabilities which are generally derivative instruments	Fair value
– Liabilities for cash-settled share-based payment arrangements	Fair value
– Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined benefit obligations

d. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has established policies and procedures with respect to the measurement of fair values. The Chief Financial Officer and person entrusted has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, including assessments that these valuations meet the requirements of Ind AS 113. Significant valuation issues are reported to audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

e. Use of judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Assumptions and estimation uncertainties

Following are areas that involved a higher degree of judgement or complexity in determining the carrying amount of some assets and liabilities. Detailed information about each of these estimates and judgements that have a significant risk of resulting in material adjustment in the year ending March 31, 2026 is included in relevant notes.

- Estimation of current tax expense and payable
- Estimated useful life of property, plant and equipments
- Estimated useful life of intangible assets
- Estimation of defined benefit obligation
- Impairment of trade receivables
- Impairment of financial assets
- Estimation of share based payments
- Provisions and contingent liabilities
- Going concern

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

3 Material accounting policies

a. Property, plant and equipments :

Recognition and measurement

All the items classified under property plant and equipment are stated at cost of acquisition (including incidental expenses) less accumulated depreciation and any accumulated impairment losses, if any.

Cost of acquisition comprises of purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located.

When significant parts of an item of property, plant and equipment have different useful lives, they are depreciated as separate items (major components) of property, plant and equipment.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part

STATEMENT OF MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2026

will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.

Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives as specified in the Schedule II of the Act or estimated by the management using straight-line method and is recognised in the statement of profit and loss except:

- i. Motor cars where useful life is estimated at 4 years as against 8 years per Schedule II since the employees to whom these cars have been allotted as part of their terms of employment are entitled to change their vehicles every four years, and
- ii. Property Plant & Equipments having value individually less than INR 5000 where useful life is estimated at less than one year having regard to the nature of these assets and the difficulty in estimating the useful life.

Further, residual value for all assets is considered Nil having regard to the difficulty in reasonably estimating the same and, in the case of motor cars, having regard to terms of employment under which these are allotted to the employees.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Class of asset	Estimated Useful Life
Plant and equipment (including computers)	2-6 years
Office equipments	5 years
Furniture and fixtures	10 years
Leasehold Premises	Over the period of lease
Vehicles	4 years

Depreciation methods, useful lives are reviewed at each financial year-end and adjusted if appropriate. The effect of change in estimate of useful life is accounted on prospective basis

Derecognition of Property, Plant & Equipments

Property, Plant & Equipments are derecognised on disposal or when no future benefits are expected from its use. Assets retired from active use and held for disposal are stated at lower of their carrying amount or fair value less cost of sale. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposable proceeds and the net carrying amount of the assets) is recognised in Other Income / netted off from any loss on disposal in the statement of Profit & Loss in the year the asset is derecognised.

b. Intangible Assets :

Intangible Assets are initially recognised at cost. Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any.

Amortisation

Subsequent to initial recognition, amortisation of intangible assets with finite useful lives is calculated on cost of intangible assets less their estimated residual values over their estimated useful lives using straight-line method and is recognised in the statement of profit and loss.

The estimated useful lives for the current and comparative periods are as follows:

Class of assets	Estimated Useful Life
Computer software	3 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. The effect of change in estimate of useful life is accounted on prospective basis.

Intangible assets under development

The Company capitalizes the expenditure on intangible asset under development in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed and the capability to demonstrate the ability to use or sell the intangible assets, the probability of generating future economic benefit and the ability to measure reliably the attributable expenditure.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss in the year when the asset is derecognised.

c. Impairment of assets other than financial assets :

Impairment of tangible and intangible assets other than goodwill

The Company reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

STATEMENT OF MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2026

d. Foreign currency :

Transactions in foreign currencies are translated into the 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 period end exchange rates are generally recognised in statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

e. Financial instruments :

Recognition and initial measurement

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

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

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- fair value through other comprehensive income (FVOCI) - debt investment;
- fair value through other comprehensive income (FVOCI) - equity investment;
- fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investment in debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company irrevocably elects to present subsequent changes in the investment's fair value in other comprehensive income (designated as FVOCI - equity investment). This election is made on investment-by investment basis

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee

All financial asset not classified as measured at amortised cost or FVOCI as described above are measured at fair value through profit or loss (FVTPL). This includes all derivative financial assets.

On initial recognition, the Company irrevocably designates a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise.

Financial Assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably

Financial assets: Subsequent measurement and gains and losses

- Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain and loss derecognition is recognised in the statement of profit and loss.
- Debt investment at FVOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.
- Equity investment at FVOCI are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI. On derecognition, gains & losses are not reclassified to statement of profit and loss.
- Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Effective interest method

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

STATEMENT OF MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2026

Income is recognised on an effective interest basis for debt instruments other than those which are classified as at FVTPL. Interest income is recognised in statement of profit and loss and is included in the "Other income" line item.

Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. The dividends on mandatorily redeemable preference shares are recognised in the statement of profit and loss as interest expense. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

Compound financial instruments

The component parts of compound instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. Interest related to the financial liability is recognised in profit or loss (unless it qualifies for inclusion in the cost of an asset).

Conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity remains in equity until the conversion option is exercised, in which case, the balance recognised in equity is transferred to [share premium/other equity. Where the conversion option remains unexercised at the maturity date of the convertible instrument, the balance recognised in equity is transferred to [retained profits/other equity]. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Impairment of financial instruments

The Company recognises a loss allowance for expected credit losses (ECL) on:

- Financial assets measured at amortised cost;
- Financial assets measured at FVOCI - debt investments;

The Company always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. 12 month ECL represents the portion of lifetime ECL that

STATEMENT OF MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2026

is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI and carrying amount of the financial asset is not reduced in the balance sheet.

f. Revenue Recognition :

Revenue is measured at the transaction value of the consideration received or receivable. Amount disclosed as revenue are exclusive of GST and net of revenue on policy cancellations and endorsements.

Rendering of services

Brokerage Income is accounted for net of GST amount on rendition of services. Brokerage income is recognized on receiving details of the policy issued by the insurance company or receipt of brokerage whichever is earlier.

The Company recognises revenue from rendering of consultancy services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed based on surveys of work performed.

Dividend and interest income

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. 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 through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

g. Employee benefits:

Superannuation Fund, ESIC and Labour Welfare Fund

The Company's contribution paid/payable during the year to Superannuation Fund, ESIC and Labour Welfare Fund are recognised in statement of profit and loss.

Provident Fund

Contributions to Provident Fund are charged to the statement of profit and loss as incurred. The Company is liable for the contribution and any shortfall in interest between the amount of interest realised by the investments and the interest payable to the members at the rate declared by the Government of India.

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution Plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Compensated Absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid or availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non accumulating compensated absences is recognised in the period in which the absences occur.

Cash Settled Share Based Payments

Cash Settled Share Based Payments, the fair value of the amount payable to employees is recognized as 'employee benefit expenses with corresponding increase in liabilities, over the period of non market vesting conditions getting fulfilled. The fair value of the option at the grant date is calculated by an independent valuer basis Black Scholes model. The Liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognized in employee benefit expenses.

h. Taxation :

Income tax expense comprises current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises expected tax payable on the taxable profit or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax

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

STATEMENT OF MATERIAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH, 2026

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Minimum Alternate Tax (MAT)

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with asset will be realised.

i. Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. 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. The unwinding of the discount is recognised as finance cost.

Contingent liability is:

- a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

A contingent asset is disclosed where an inflow of economic benefits is probable.

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

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

j. Leases :

The Company as a Lessee

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

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The company presents right-of-use assets that do not meet the definition of investment property and lease liabilities; both in the 'balance sheet' as a separate line items, in the statement of financial position.

k. Segment Reporting

Operating Segments are reported consistently with the internal reporting provided to the Managing Director. The highest decision making executive is responsible for allocating resources to and assessing the performance of the operating segments. The chief operating decision maker is Managing Director.

l. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average numbers of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

m. Cash and Cash Equivalents

Cash and Cash Equivalents in the balance sheet comprise cash on hand, cheques and drafts on hand, balance with banks in current accounts and short term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 1 - Property, Plant and Equipment

Description of Assets						₹ in Lakhs
	Plant and Equipment (including computers)	Leasehold Improvements	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Carrying Amount						
Balance as at 1 April 2025	624.61	425.89	186.30	188.85	1,204.88	2,630.53
Additions	1.70	6.29	7.76	16.40	250.03	282.18
Disposals	7.22	32.82	32.75	90.34	270.90	434.03
Balance as at 31 March 2026	619.09	399.36	161.31	114.91	1,184.01	2,478.68
II. Accumulated depreciation and impairment						
Balance as at 1 April 2025	613.49	254.72	92.39	33.71	574.08	1,568.39
Depreciation/Impairment expense for the period	8.24	27.38	25.38	17.51	267.29	345.80
Eliminated on disposal of assets	5.91	10.12	11.70	15.94	197.63	241.30
Balance as at 31 March 2026	615.82	271.98	106.07	35.28	643.74	1,672.89
III. Net carrying amount (I-II)	3.27	127.38	55.24	79.63	540.27	805.79

Description of Assets						₹ in Lakhs
	Plant and Equipment (including computers)	Leasehold Improvements	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Carrying Amount						
Balance as at 1 April 2024	1,160.95	411.78	172.83	155.51	1,150.92	3,051.99
Additions	4.11	14.11	17.34	33.34	362.82	431.72
Disposals	540.45	—	3.87	—	308.86	853.18
Balance as at 31 March 2025	624.61	425.89	186.30	188.85	1,204.88	2,630.53
II. Accumulated depreciation and impairment						
Balance as at 1 April 2024	998.97	227.41	70.67	16.15	547.71	1,860.91
Depreciation/Impairment expense for the period	154.00	27.31	25.59	17.56	245.15	469.61
Eliminated on disposal of assets	539.48	—	3.87	—	218.78	762.13
Balance as at 31 March 2025	613.49	254.72	92.39	33.71	574.08	1,568.39
III. Net carrying amount (I-II)	11.12	171.17	93.91	155.14	630.80	1,062.14

Note: The Company has not revalued its Property, Plant and Equipment during the year and does not have any immovable property.

Note No. 2 - Other Intangible Assets

Description of Assets			₹ in Lakhs
	Computer Software		Total
I. Gross Carrying Amount			
Balance as at 1 April 2025	723.03		723.03
Additions	195.19		195.19
Disposals	—		—
Balance as at 31 March 2026	918.22		918.22
II. Accumulated amortisation and impairment			
Balance as at 1 April 2025	429.85		429.85
Amortisation/Impairment expense for the period	187.46		187.46
Eliminated on disposal of assets	—		—
Balance as at 31 March 2026	617.31		617.31
III. Net carrying amount (I-II)	300.91		300.91

Description of Assets			₹ in Lakhs
	Computer Software		Total
I. Gross Carrying Amount			
Balance as at 1 April 2024	618.98		618.98
Additions	104.05		104.05
Disposals	—		—
Balance as at 31 March 2025	723.03		723.03
II. Accumulated amortisation and impairment			
Balance as at 1 April 2024	281.18		281.18
Amortisation/Impairment expense for the period	148.67		148.67
Balance as at 31 March 2025	429.85		429.85
III. Net carrying amount (I-II)	293.18		293.18

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**Note No. 3 - Investments**

		₹ in Lakhs		
Particulars	As at 31 March 2026		As at 31 March 2025	
	Amounts	Amounts	Amounts	Amounts
	Current	Non-Current	Current	Non-Current
Investments Carried at Amortised Cost				
Investment in Fixed Deposits with Mahindra & Mahindra Financial Services Limited	21,322.82	6,500.00	14,550.00	5,900.00
TOTAL INVESTMENTS CARRIED AT AMORTISED COST	21,322.82	6,500.00	14,550.00	5,900.00
Investments Carried at Fair Value Through Profit and Loss				
Quoted Investments				
Investments in Mutual Funds	17,072.84	—	8,097.35	—
TOTAL INVESTMENTS CARRIED AT FAIR VALUE	17,072.84	—	8,097.35	—
TOTAL INVESTMENTS	38,395.66	6,500.00	22,647.35	5,900.00

Particulars	As at 31 March 2026		As at 31 March 2025	
	Units	₹ in lakhs	Units	₹ in lakhs
Mahindra Manulife Liquid Reg-G	2,146.13	38.08	4,84,407.02	8,097.35
Aditya Birla Mutual Fund	8,11,105.17	3,563.26	—	—
DSP Mutual Fund	3,41,846.10	13,471.50	—	—
Total	11,55,097.40	17,072.84	4,84,407.02	8,097.35
Quoted				
Aggregate book value	11,55,097.40	16,966.62	4,84,407.02	8,007.32
Aggregate market value	11,55,097.40	17,072.84	4,84,407.02	8,097.35
Unquoted				
Aggregate book value	—	—	—	—

Note No. 4 - Loans

Particulars	₹ in Lakhs			
	As at 31 March 2026		As at 31 March 2025	
	Current	Non-Current	Current	Non-Current
Loans to related parties (Refer Note Below)				
– Unsecured, considered good	6,650.00	–	29,575.00	–
TOTAL LOANS	6,650.00	–	29,575.00	

Note: Intercompany Deposits (ICDs) placed with related parties.

Particulars	As at 31 March 2026	₹ in Lakhs As at 31 March 2025
ICDs with Mahindra & Mahindra Financial Services Limited	—	1,850.00
ICDs with Mahindra Rural Housing Finance Limited	6,650.00	27,725.00
TOTAL	6,650.00	29,575.00

The above Intercompany Deposits have been given for general business purpose of the recipient.

Particulars	As at 31 March 2026		As at 31 March 2025	
	Amount outstanding	% of total	Amount outstanding	% of total
ICDs with Promoters	—	0%	1,850.00	6%
ICDs with Related Parties	6,650.00	100%	27,725.00	94%
TOTAL	6,650.00		29,575.00	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**Note No. 5 - Other financial assets**

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-Current	Current	Non-Current
Financial assets at amortised cost				
Interest Accrued but not due	1,490.24	—	2,545.38	—
Security Deposits	—	278.37	—	327.41
Bank Deposit with more than 12 months maturity*	—	60.00	—	60.00
Others	440.39	—	225.16	—
TOTAL	1,930.63	338.37	2,770.54	387.41

* The Bank Deposit with more than 12 months maturity is under lien to the IRDAI as per the IRDAI (Insurance Brokers) Regulations 2018.

Note No. 6 - Current Tax and Deferred Tax**(a) Income Tax recognised in profit or loss**

Particulars	₹ in Lakhs	
	Year ended 31 March 2026	Year ended 31 March 2025
Current Tax:		
In respect of current period	4,482.00	3,578.00
In respect of prior periods	—	—
	4,482.00	3,578.00
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	(138.01)	(63.80)
	(138.01)	(63.80)
Total income tax expense	4,343.99	3,514.20

(b) Income Tax recognised in other comprehensive income

Particulars	₹ in Lakhs	
	Year ended 31 March 2026	Year ended 31 March 2025
Current Tax:		
<i>Deferred tax related to items recognised in other comprehensive income during the period:</i>		
Remeasurement of defined benefit obligations	17.73	(58.95)
	17.73	(58.95)
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	17.73	(58.95)
Total income tax expense	17.73	(58.95)

(c) Reconciliation of estimated income tax expense at tax rate to income tax expenses in the statement of Profit and Loss is as follows:

Particulars	₹ in Lakhs	
	Year ended 31 March 2026	Year ended 31 March 2025
Profit before tax	15,702.88	12,392.45
Income tax expense calculated at prevailing tax rate	3,952.41	3,119.18
Effect of expenses that is non-deductible in determining taxable profit	877.20	734.97
Effect of tax incentives and concessions (other allowances)	(485.62)	(339.94)
Income tax expense recognised in profit and loss	4,343.99	3,514.22

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 6 - Current Tax and Deferred Tax (Cont)

(d) Movement in deferred tax balances

				₹ in Lakhs
Particulars	Opening Balance	For the year ended 31 March 2026		Closing Balance
		Recognised in Profit and Loss	Recognised in OCI	
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	232.52	25.32	17.73	275.57
Property, Plant and Equipment	201.22	59.31	—	260.53
Amortization and Interest in respect of lease payments	188.83	4.20	—	193.03
Provisions	417.33	49.18	—	466.51
	1,039.90	138.01	17.73	1,195.64
Net Tax Asset	1,039.90	138.01	17.73	1,195.64

				₹ in Lakhs
Particulars	Opening Balance	For the year ended 31 March 2025		Closing Balance
		Recognised in Profit and Loss	Recognised in OCI	
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits	327.11	(35.64)	(58.95)	232.52
Property, Plant and Equipment	163.96	37.26	–	201.22
Amortization and Interest in respect of lease payments	28.84	159.99	–	188.83
Provisions	515.14	(97.81)	–	417.33
	1,035.05	63.80	(58.95)	1,039.90
Net Tax Asset	1,035.05	63.80	(58.95)	1,039.90

Note No. 7 - Other assets

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-Current	Current	Non-Current
₹ in Lakhs				
(a) Advances other than capital advances				
(i) Earnest Money Deposit	12.45	—	12.45	—
(ii) Balances with government authorities (other than income taxes)	3,062.68	—	2,894.57	—
(iii) Other assets	605.22	0.43	693.14	5.01
(b) Capital Advance	—	126.95	—	55.80
(c) Advance payment of tax	—	16,033.29	—	10,686.91
Total Other Assets	3,680.35	16,160.67	3,600.16	10,747.72

Note No. 8 - Trade receivables

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Current	Current	Current
₹ in Lakhs				
Trade receivables				
(a) Secured, considered good	—	—	—	—
(b) Unsecured, considered good	23,188.71	19,366.72	—	—
(c) Significant increase in credit risk	—	—	—	—
(d) Credit Impaired	114.70	125.91	—	—
Less: Allowance for Expected Credit Loss	(114.70)	(125.91)	—	—
Total	23,188.71	19,366.72	—	—
Of the above, trade receivables from:				
— Related Parties	—	—	—	—
— Others	23,188.71	19,366.72	—	—
Total	23,188.71	19,366.72	—	—

There is neither an instance where due date is not specified nor there are any unbilled dues.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 8 - Trade receivables (Cont)

₹ in Lakhs

Particulars	As at 31 March 2026					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
(a) Considered good	23,166.85	21.86	—	—	—	23,188.71
(b) Significant increase in credit risk	—	—	—	—	—	—
(c) Credit Impaired	80.55	0.22	20.43	8.09	5.41	114.70
Total	23,247.40	22.08	20.43	8.09	5.41	23,303.41
Less: Allowance for Expected Credit Loss	(80.55)	(0.22)	(20.43)	(8.09)	(5.41)	(114.70)
Total Undisputed Trade Receivables	—	—	—	—	—	23,188.71
Disputed						
(a) Considered good	—	—	—	—	—	—
(b) Significant increase in credit risk	—	—	—	—	—	—
(c) Credit Impaired	—	—	—	—	—	—
Total	—	—	—	—	—	—
Less: Allowance for Expected Credit Loss	—	—	—	—	—	—
Total Disputed Trade Receivables	—	—	—	—	—	—
Total Trade Receivables	—	—	—	—	—	23,188.71

₹ in Lakhs

Particulars	As at 31 March 2025					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
(a) Considered good	19,293.25	13.37	48.23	11.87	—	19,366.72
(b) Significant increase in credit risk	—	—	—	—	—	—
(c) Credit Impaired	65.68	0.13	48.23	11.87	—	125.91
Total	19,358.93	13.50	96.46	23.74	—	19,492.63
Less: Allowance for Expected Credit Loss	(65.68)	(0.13)	(48.23)	(11.87)	—	(125.91)
Total Undisputed Trade Receivables	—	—	—	—	—	19,366.72
Disputed						
(a) Considered good	—	—	—	—	—	—
(b) Significant increase in credit risk	—	—	—	—	—	—
(c) Credit Impaired	—	—	—	—	—	—
Total	—	—	—	—	—	—
Less: Allowance for Expected Credit Loss	—	—	—	—	—	—
Total Disputed Trade Receivables	—	—	—	—	—	—
Total Trade Receivables	—	—	—	—	—	19,366.72

Note No. 9 - Cash and Bank Balances

₹ in Lakhs

Particulars	As at 31 March 2026	As at 31 March 2025
Cash and cash equivalents		
(a) Balances with banks	595.25	1,647.31
(b) Cash on hand	0.83	0.97
(c) Imprest Cash	2.08	2.94
Total Cash and cash equivalent (A)	598.16	1,651.22
Other Bank Balances		
(a) Balances with Banks:		
(i) Term Deposits with original maturity upto 3 months (B)	—	600.00
Total Cash and cash equivalent (A) + (B)	598.16	2,251.22

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**Note No. 10 - Equity Share Capital****(a) Equity Share Capital**

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Authorised:				
Equity shares of Rs. 10/- each with voting rights	1,50,00,000	1,500.00	1,50,00,000	1,500.00
Issued, Subscribed and Fully Paid:				
Equity shares of Rs. 10/- each with voting rights	1,03,09,280	1,030.93	1,03,09,280	1,030.93
Total	1,03,09,280	1,030.93	1,03,09,280	1,030.93

(b) Shares held by promoters

Promoter Name	As at 31 March 2026			As at 31 March 2025		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Mahindra and Mahindra Financial Services Limited*						
- Equity shares of Rs. 10/- each with voting rights	1,03,09,280	100%	0%	1,03,09,280	100%	0%

* includes 120 shares held by 6 Nominee Shareholders on behalf of the Mahindra and Mahindra Financial Services Limited

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	Opening Balance	Fresh Issue	Bonus	ESOP	Closing Balance
(a) Equity Shares with Voting rights*					
<i>Year ended 31 March 2026</i>					
No. of Shares	1,03,09,280	—	—	—	1,03,09,280
Amount ₹ in Lakhs	1,030.93	—	—	—	1,030.93
<i>Year ended 31 March 2025</i>					
No. of Shares	1,03,09,280	—	—	—	1,03,09,280
Amount ₹ in Lakhs	1,030.93	—	—	—	1,030.93

*** Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by Board of Directors is subject to approval of the shareholders in the ensuing annual general meeting. Further, the Board of Directors may also announce an interim dividend which would need to be confirmed by the shareholders at the forthcoming Annual General Meeting. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(ii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	No. of Shares		
	Equity Shares with Voting rights	Equity Shares with Differential Voting rights	Others
As at 31 March 2026			
Mahindra and Mahindra Financial Services Limited, the Holding Company	1,03,09,280	—	—
As at 31 March 2025			
Mahindra and Mahindra Financial Services Limited, the Holding Company	1,03,09,280	—	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**Note No. 10 - Equity Share Capital (Cont)**(iii) **Details of shares held by each shareholder holding more than 5% shares:**

Class of shares/Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<u>Equity shares with voting rights</u>				
Mahindra and Mahindra Financial Services Limited	1,03,09,280	100%	1,03,09,280	100%

Note No. 11 - Other Equity**Description of the Nature and Purpose of Other Equity**

Securities Premium: The securities premium is used to record the premium on issue of shares. The reserve can be utilized in accordance with the provisions of Companies Act, 2013.

Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders

General Reserve: The general reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed / utilized in accordance with the provisions of Companies Act, 2013.

Particulars	Reserves and Surplus			Items of other comprehensive income	Total
	Securities Premium	General Reserve	Retained Earnings	Remeasurement (loss) / gain (net) on defined benefit plans	
As at 1 April 2024	1,589.50	1,658.43	61,406.23	(428.38)	64,225.78
Profit / (Loss) for the Period	—	—	8,878.25	—	8,878.25
Other Comprehensive Income / (Loss)	—	—	—	175.30	175.30
Dividend paid on Equity Shares	—	—	(1,546.39)	—	(1,546.39)
As at 31 March 2025	1,589.50	1,658.43	68,738.09	(253.08)	71,732.94
As at 1 April 2025	1,589.50	1,658.43	68,738.09	(253.08)	71,732.94
Profit / (Loss) for the Period	—	—	11,358.89	—	11,358.89
Other Comprehensive Income / (Loss)	—	—	—	(52.70)	(52.70)
Dividend paid on Equity Shares	—	—	(17,731.96)	—	(17,731.96)
As at 31 March 2026	1,589.50	1,658.43	62,365.02	(305.78)	65,307.17

Details of dividend

Particulars	₹ in Lakhs	
	31-March-256	31-March-25
Cash dividends on equity shares declared and paid		
Final dividend for the Year ended on 31 March 2025: Rs.52.00 per share (31 March 2024: Rs.15.00 per share)	5,360.83	1,546.39
Dividend Distribution Tax on final dividend	—	—
Interim dividend for the year ended on 31 March 2026 & 31 March 2025	12,371.13	—
	17,731.96	1,546.39

Proposed dividends on equity shares are subject to approval in annual general meeting and are not recognised as a liability as at 31 March.

Note: The board of directors in their meeting on April 16, 2026 recommended final dividend of Rs.77.50 per equity share for the financial Year ended March 31, 2026. This payment is subject to the approval of shareholders in the Annual General Meeting (AGM) of the company and if approved would result in a net cash outflow of approximately Rs.7,989.69 Lakhs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**Note No. 12 - Provisions**

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-Current	Current	Non-Current
(a) Provision for employee benefits				
– Gratuity	303.49	710.43	218.01	421.27
– Leave Encashment	239.20	204.69	200.98	224.02
– Others	1,510.63	–	1,740.32	–
(b) Other Provisions				
– Provision for tax (net of advance tax paid)	79.74	–	79.74	–
– Others	–	8.95	–	–
Total Provisions	2,133.06	924.07	2,239.05	645.29

Note No. 13 - Trade Payables

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current		Current	
Payables				
(I) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises#	14.88		26.06	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises**	25,286.01		20,071.94	
(II) Other Payables				
(i) total outstanding dues of micro enterprises and small enterprises#	–		–	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises**	–		–	
Total	25,300.89		20,098.00	

On the basis of confirmations received from parties

** Including amount payable to related parties of Rs.234.33 lakhs (PY: Rs.38.93 lakhs)

Particulars						₹ in Lakhs
As at 31 March 2026						
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues						
(a) MSME	—	14.88	—	—	—	14.88
(b) Others	—	25,114.11	10.52	30.26	131.12	25,286.01
Disputed dues						
(a) MSME	—	—	—	—	—	—
(b) Others	—	—	—	—	—	—

Particulars						₹ in Lakhs
						</

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 14 - Other Financial Liabilities

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-Current	Current	Non-Current
Other Financial Liabilities Measured at Amortised Cost				
(i) Other liabilities				
Salary Payable	99.78	—	28.98	—
Total other financial liabilities	99.78	—	28.98	—

Note No. 15 - Other Liabilities

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-Current	Current	Non-Current
Statutory dues				
— taxes payable (other than income taxes)	2,876.30	—	2,118.20	—
— TDS Payable (income taxes)	1,585.72	—	1,201.83	—
— Employee Recoveries and Employer Contributions	58.68	—	60.89	—
Others Liabilities	—	—	—	—
TOTAL OTHER LIABILITIES	4,520.70	—	3,380.92	—

Note No. 16 - Revenue from Operations

Particulars	₹ in Lakhs	
	Year ended 31 March 2026	Year ended 31 March 2025
<u>Revenue from rendering of services</u>		
Brokerage*	1,45,470.11	1,19,088.18
Consultancy fees	98.61	62.42
Total Revenue from Operations	1,45,568.72	1,19,150.60

* This includes brokerage, incentives and rewards.

Note No. 17 - Other Income

Particulars	₹ in Lakhs	
	Year ended 31 March 2026	Year ended 31 March 2025
(a) Interest Income		
— On Financial Assets at Amortised Cost	3,429.95	3,867.59
(b) Other Non Operating Income		
(i) Miscellaneous Income	37.79	520.45
(ii) Capital Gain on redemption of mutual funds	559.31	318.99
(iii) Profit due to change in fair value of investments carried at FVTPL	16.18	76.98
(iv) Profit on sale of property, plant and equipments	—	22.25
(v) Gain on foreign exchange	13.01	2.42
(vi) Gain on derecognition of leases	111.39	—
Total Other Income	4,167.63	4,808.68

Note No. 18 - Employee Benefits Expense

Particulars	₹ in Lakhs	
	Year Ended 31 March 2026	Year Ended 31 March 2025
(a) Salaries and wages, including bonus	9,089.63	9,578.09
(b) Contribution to provident and other funds	420.41	457.54
(c) Contribution to Gratuity Fund	104.08	186.90
(d) Share based payment transactions expenses		
Cash-settled share-based payments	36.29	22.13
(e) Staff welfare expenses	114.16	187.90
Total Employee Benefit Expense	9,764.57	10,432.56

Cash-settled share-based payments

In respect of the Cash-settled share-based payments, Employee Stock Options (ESOS) of the ultimate holding company Mahindra & Mahindra Limited and the holding company Mahindra & Mahindra Financial Services Limited (MMFSL) are issued to eligible employees of the Company. The Company makes the necessary payment to the respective Ultimate holding company and holding company

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**Note No. 19 - Other Expenses**

Particulars	₹ in Lakhs	
	Year ended 31 March 2026	Year ended 31 March 2025
(a) Distribution fees*	1,16,959.22	94,241.73
(b) Power & fuel	45.04	55.65
(c) Rent including lease rentals	38.87	8.81
(d) Rates and taxes	89.24	164.71
(e) Insurance	416.11	372.39
(f) Postage, Telephone and Communication	106.11	128.68
(g) Software Charges	31.00	63.77
(h) Repairs - Others	88.55	86.01
(i) Administration Support Charges	101.10	156.00
(j) Manpower Contracting Charges	455.62	542.16
(k) Advertisement	—	—
(l) Sales promotion expenses	655.58	433.26
(m) Travelling and Conveyance Expenses	446.19	554.43
(n) Expenditure on corporate social responsibility (CSR) under section 135 of the Companies Act, 2013	235.00	199.30
(o) Provision for doubtful trade and other receivables (Note 23)	(11.22)	125.91
(p) Bad debts written off	—	384.72
(q) Auditors remuneration and out-of-pocket expenses	26.19	32.94
(i) As Auditors	13.24	22.76
(ii) For Other services	12.73	9.50
(iii) For reimbursement of expenses	0.22	0.68
(r) Directors' Commission	—	25.58
(s) Directors' Sitting Fees	—	7.00
(t) Legal and other professional costs	867.99	597.43
(u) Loss on sale of property, plant and equipments	69.44	—
(v) Miscellaneous expenses	2,025.90	1,579.42
Total Other Expenses	1,22,645.93	99,759.90

* Distribution fees are the payments made to Motor Insurance Service Providers (Automotive Dealers) as per the Guidelines issued under section 34 of the Insurance Act, 1938 and section 14 of the IRDA Act, 1999 on Motor Insurance Service Provider with effect from 1st November 2017. This includes distribution fees and incentives to MISP dealers.

Note No. 20 - Earnings per Share

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
	₹	₹
	Per Share	Per Share
Basic Earnings per share	110.18	86.12
Diluted Earnings per share	110.18	86.12
Equity shares of Rs. 10/- each with voting rights		
Basic earnings per share		
The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:		
	₹ in Lakhs	
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
	₹	₹
Profit / (loss) for the period attributable to owners of the Company	11,358.89	8,878.25
Less: Preference dividend and tax thereon	—	—
Profit / (loss) for the period used in the calculation of basic earnings per share	11,358.89	8,878.25
Weighted average number of equity shares (nos)	1,03,09,280	1,03,09,280
Earnings per share - Basic (Rs.)	110.18	86.12
Diluted earnings per share		
The diluted earnings per share has been computed by dividing the Net profit after tax available for Equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding Warrants, Stock options and Convertible bonds for the respective Periods, if any.		
	₹ in Lakhs	
Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
	₹	₹
Profit / (loss) for the period used in the calculation of basic earnings per share	11,358.89	8,878.25
Add: Adjustments, if any	—	—
Profit / (loss) for the period used in the calculation of diluted earnings per share	11,358.89	8,878.25
Profits used in the calculation of diluted earnings per share	11,358.89	8,878.25

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 20 - Earnings per Share (Contd.)

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Weighted average number of equity shares used in the calculation of Basic EPS	1,03,09,280	1,03,09,280
Add: Effect of Warrants, if any	—	—
ESOPs, if any	—	—
Convertible bonds, if any	—	—
Others if any	—	—
Weighted average number of equity shares used in the calculation of Diluted EPS	1,03,09,280	1,03,09,280
Earnings per share - Diluted (Rs.)	110.18	86.12

Note No. 21 - Right of use assets

	₹ in Lakhs
Description of Assets	Category of ROU Asset
	Leasehold Premises
I. Gross Carrying Amount	
Balance as at 1 April 2025	3,883.02
Reclassification on account of adoption of Ind AS 116	
Additions	563.97
Derecognition	1,578.42
Balance as at 31 March 2026	2,868.57
II. Accumulated depreciation and impairment	
Balance as at 1 April 2025	1,257.98
Amortisation expense for the period	513.04
Eliminated on derecognition of assets	830.57
Balance as at 31 March 2026	940.45
III. Net carrying amount (I-II)	1,928.12

	₹ in Lakhs
Description of Assets	Category of ROU Asset
	Leasehold Premises
I. Gross Carrying Amount	
Balance as at 1 April 2024	3,092.21
Additions	790.81
Derecognition	-
Balance as at 31 March 2025	3,883.02
II. Accumulated depreciation and impairment	
Balance as at 1 April 2024	748.76
Amortisation expense for the period	509.21
Balance as at 31 March 2025	1,257.97
III. Net carrying amount (I-II)	2,625.05

Note No. 22 - Financial Instruments

Capital management

The company's capital management objectives are:

- to ensure the company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position. The Company is subject to minimum capital requirements as stipulated by the IRDAI (Insurance Brokers) Regulations, 2018.

The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

	₹ in Lakhs	31-March-26	31-March-25
Equity		66,338.10	72,763.87
Less: Cash and cash equivalents		(598.16)	(2,251.22)
		65,739.94	70,512.65

Categories of financial assets and financial liabilities

				₹ in Lakhs
As at 31 March 2026				
	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	6,500.00	—	—	6,500.00
Loans	—	—	—	—
Other Financial Assets	338.37	—	—	338.37
Current Assets				
Investments	21,322.82	17,072.84	—	38,395.66
Trade Receivables	23,188.71	—	—	23,188.71
Other Bank Balances	598.16	—	—	598.16
Loans	6,650.00	—	—	6,650.00
Other Financial Assets	1,930.63	—	—	1,930.63
Non-current Liabilities				
Lease liabilities	297.92	—	—	297.92
Current Liabilities				
Trade Payables	25,300.89	—	—	25,300.89
Lease liabilities	2,058.49	—	—	2,058.49
Other Financial Liabilities	99.78	—	—	99.78

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 22 - Financial Instruments (Cont)

The loss allowance provision is determined as follows:

As at 31 March 2025					₹ in Lakhs				
	Amortised Costs	FVTPL*	FVOCI	Total					
Non-current Assets									
Investments	5,900.00	—	—	5,900.00					
Loans	—	—	—	—					
Other Financial Assets	387.41	—	—	387.41					
Current Assets									
Investments	14,550.00	8,097.35	—	22,647.35					
Trade Receivables	19,366.72	—	—	19,366.72					
Other Bank Balances	2,251.22	—	—	2,251.22					
Loans	29,575.00	—	—	29,575.00					
Other Financial Assets	2,770.54	—	—	2,770.54					
Non-current Liabilities									
Lease liabilities	2,657.94	—	—	2,657.94					
Current Liabilities									
Trade Payables	20,098.00	—	—	20,098.00					
Lease liabilities	452.34	—	—	452.34					
Other Financial Liabilities	28.98	—	—	28.98					

* Investments in instruments measured at fair value through Profit & Loss are categorised in Level 1.

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

CREDIT RISK**(i) Credit risk management**

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company.

Trade receivables consist of institutional customers, largely insurance companies. The Company deals only with those insurance companies who have obtained an acceptable level of credit rating. The Company does not have significant credit risk exposure to any single external counterparty. Out of total outstanding 0.06% of the debtors are pertaining to group companies.

The credit risk on liquid funds invested in Fixed Deposits with companies and Intercompany Deposits is limited because the counterparties are group companies.

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the expected loss provision for all trade receivables. The company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company and individual receivable specific provision where applicable. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

There is no change in estimation techniques or significant assumptions during the reporting period.

As at March 31 2026

	₹ in Lakhs			
	Not due	Less than 6 months past due	More than 6 months past due	Total
Gross carrying amount	0.00	23,247.40	56.01	23,303.41
Loss allowance provision	0.00	80.55	34.15	114.70
	0.00	23,166.85	21.86	23,188.71

As at March 31 2025

	Not due	Less than 6 months past due	More than 6 months past due	Total
Gross carrying amount	0.00	19,358.93	133.70	19,492.63
Loss allowance provision	0.00	65.68	60.23	125.91
	0.00	19,293.25	73.47	19,366.72

Reconciliation of loss allowance provision for Trade Receivables

	₹ in Lakhs	
Particulars	31-March-26	31-March-25
Balance as at beginning of the year	125.91	517.09
Impairment losses recognised in the year based on lifetime expected credit losses		
- On receivables originated in the year	(11.22)	125.91
Impairment losses recognised in the year based on 12 month expected credit losses		
On receivables originated in the year		
Amounts written off during the year as uncollectible	—	(384.72)
Impairment losses reversed / written back	—	(132.37)
Balance at end of the year	114.69	125.91

The loss allowance provision has changed during the period due to delays in recovery of brokerage on insurance contracts brokered.

LIQUIDITY RISK**(i) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 22 - Financial Instruments (Cont)

					₹ in Lakhs				
Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities					Non-derivative financial assets				
31-March-26					31-March-26				
Non-interest bearing	27,459.16	297.92	—	—	Non-interest bearing	42,349.95	278.37	—	—
Total	27,459.16	297.92	—	—	Fixed interest rate instruments	28,413.21	6,560.00	—	—
					Total	70,763.16	6,838.37	—	—
31-March-25					31-March-25				
Non-interest bearing	20,579.32	2,657.94	—	—	Non-interest bearing	31,660.67	327.41	—	—
Total	20,579.32	2,657.94	—	—	Fixed interest rate instruments	44,350.16	5,960.00	—	—
					Total	76,010.83	6,287.41	—	—

(iii) *Financing arrangements*

The Company does not feel the need to have any borrowing facilities at this stage

(iv) *Maturities of financial assets*

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company invests in fixed rate instruments taking into account the current liquidity requirements. All such transactions are carried out within the guidelines set by the Board of Directors.

There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Note No. 23 - Fair Value Measurement

Fair value of financial assets and financial liabilities that are not measured at fair value

	31-March-26		31-March-25		₹ in Lakhs
Particulars	Carrying amount	Fair value	Carrying amount	Fair value	
Financial assets					
<u>Financial assets carried at Amortised Cost</u>					
– loans to related parties	6,650.00	6,650.00	29,575.00		29,575.00
– trade and other receivables	23,188.71	23,188.71	19,366.72		19,366.72
– Cash and Cash Equivalents	598.16	598.16	2,251.22		2,251.22
– other financial assets	2,269.00	2,269.00	3,157.95		3,157.95
– fixed Deposit with Companies	27,822.82	27,822.82	20,450.00		20,450.00
Total	60,528.69	60,528.69	74,800.89		74,800.89
Financial liabilities					
<u>Financial liabilities held at amortised cost</u>					
– trade and other payables	25,300.89	25,300.89	20,098.00		20,098.00
– Lease Liabilities	2,356.41	2,356.41	3,110.28		3,110.28
– other financial liabilities	99.78	99.78	28.98		28.98
Total	27,757.08	27,757.08	23,237.26		23,237.26

Note: Financial assets not measured at fair value includes cash and cash equivalents, trade receivables, loans, fixed deposits and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short-term nature.

Additionally, financial liabilities such as trade payables, lease liabilities and other financial liabilities are not measured at FVTPL, whose carrying amounts approximate fair value, because of their short-term nature.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 24 - Leases

24.1 Company as a lessee

Following are the changes in the carrying value of Right to use asset for the year ended March 31, 2026

Particulars	₹ in Lakhs	
	Category of Asset	Building
	For the year ended 31 March 2026	For the year ended 31 March 2025
Balance at the beginning	2,625.03	2,343.44
Reclassification on account of adoption of Ind AS 116	—	—
Additions	563.97	790.81
Derecognition	747.85	—
Depreciation	513.04	509.22
Balance at the end	1,928.11	2,625.03

Following is the movement in the lease liabilities during the year ended March 31, 2026

Particulars	₹ in Lakhs	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Balance at the beginning	3,110.28	2,704.99
Reclassification on account of adoption of Ind AS 116	—	—
Additions	563.97	795.46
Derecognition	863.59	—
Finance Cost accrued during the year	232.56	246.88
Payment of lease liabilities	686.81	637.05
Balance at the end	2,356.41	3,110.28
Non Current	297.92	2,657.94
Current	2,058.49	452.34
Total	2,356.41	3,110.28

24.2 Depreciation and Amortisation

Particulars	₹ in Lakhs	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Property, Plant & Equipment (Note 1)	345.80	469.61
Other Intangible Assets (Note 2)	187.46	148.67
Right of use Assets (Note 21)	513.04	509.21
Total	1,046.30	1,127.49

Note No. 25 - Segment information

The Company has determined the operating segment based of structure of reports reviewed by the Strategic Management Council. For management purposes, the Company is organised into a single business unit and has only one reportable segment namely "Insurance Broking services". The geographical segment is based on the location of client, whether in India or outside India. The Strategic Management Council of the Company monitors the operating results of its business unit for the purpose of making decisions about resource allocation and performance assessment

Geographic information	₹ in Lakhs	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from external customers		
India	1,45,568.72	1,19,150.60
Outside India	—	—
Total Income as per statement of profit or loss	1,45,568.72	1,19,150.60

All Non-current operating assets comprising property, plant and equipment, investment properties and intangible assets, if any are located in India.

Income from major products and services

The following is an analysis of the Company's revenue from continuing operations from its major products and services:

	₹ in Lakhs	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Insurance Broking And Auxillary Activities	1,45,568.72	1,19,150.60
Total	1,45,568.72	1,19,150.60

Income from transactions with a single external customer amounts to 10% or more of the entity's revenues.

Note No. 26 - Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund and Superannuation Fund aggregating Rs.377.19 Lakhs (F-2025 : Rs.417.31 Lakhs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 26 - Employee benefits (Cont)

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets under perform compared to the government bonds discount rate, this will create or increase a deficit. The defined benefit plans hold a significant proportion of equity type assets, which are expected to outperform government bonds in the long-term while providing volatility and risk in the short-term.

As the plans mature, the Company intends to reduce the level of investment risk by investing more in assets that better match the liabilities.

However, the Company believes that due to the long-term nature of the plan liabilities and the strength of the supporting group, a level of continuing equity type investments is an appropriate element of the Company's long term strategy to manage the plans efficiently.

Changes in bond yields

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plans' bond holdings and interest rate hedging instruments.

Inflation risk

Some of the Company's pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). The plans hold a significant proportion of assets in index linked gilts, together with other inflation hedging instruments and also assets which are more loosely correlated with inflation. However, an increase in inflation will also increase the deficit to some degree.

Life expectancy

The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant in the Company's defined benefit plans, where inflationary increases result in higher sensitivity to changes in life expectancy.

Leave Encashment

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid or availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non accumulating compensated absences is recognised in the period in which the absences occur.

Defined benefit plans – as per actuarial valuation on 31st March, 2026 and on 31st March, 2025

Particulars	₹ in Lakhs	
	Funded Plan Gratuity 2026	2025
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
<u>Service Cost</u>		
Current Service Cost	56.88	130.72
Past service cost and (gains)/losses from settlements	265.30	–
Net interest expense	47.19	56.18
Acquisition adjustment due to transfer out	–	–
Components of defined benefit costs recognised in profit or loss	369.37	186.90
<u>Remeasurement on the net defined benefit liability</u>		
Return on plan assets (excluding amount included in net interest expense)	20.01	36.60
Actuarial gains and loss arising from changes in financial assumptions	11.63	8.98
Actuarial gains and loss arising from experience adjustments	62.96	(255.65)
Others	(24.18)	(24.18)
Components of defined benefit costs recognised in other comprehensive income	70.42	(234.25)
Total	70.42	(234.25)
I. Net Asset/(Liability) recognised in the Balance Sheet as at 31st March		
1. Present value of defined benefit obligation as at 31 st March	1,228.37	1,003.58
2. Fair value of plan assets as at 31 st March	214.44	364.46
3. Net Asset/(Liability) recognised in the Balance Sheet as at 31 st March	(1,013.93)	(639.12)
Current portion of the above	303.49	217.84
Non current portion of the above	710.44	421.28

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 26 - Employee benefits (Cont)

Particulars	Funded Plan Gratuity 2026	2025
II. Change in the obligation during the year ended 31st March		
1. Present value of defined benefit obligation at the beginning of the year	1,003.58	1,269.50
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	—	—
3. <i>Expenses Recognised in Profit and Loss Account</i>		
– Current Service Cost	56.88	130.71
– Past Service Cost	265.30	—
– Interest Expense (Income)	67.20	91.66
4. <i>Recognised in Other Comprehensive Income</i>		
<i>Remeasurement gains/(losses)</i>		
– Actuarial Gain (Loss) arising from:		
i. Demographic Assumptions	(24.17)	(24.18)
ii. Financial Assumptions	11.63	8.98
iii. Experience Adjustments	62.96	(255.65)
5. Benefit payments	(215.01)	(217.44)
6. Others	—	—
7. Present value of defined benefit obligation at the end of the year	1,228.37	1,003.58
III. Change in fair value of assets during the year ended 31st March		
1. Fair value of plan assets at the beginning of the year	364.46	506.89
2. Add/(Less) on account of Scheme of Arrangement/Business Transfer	—	—
3. <i>Expenses Recognised in Profit and Loss Account</i>		
– Expected return on plan assets	20.01	36.60
4. <i>Recognised in Other Comprehensive Income</i>		
<i>Remeasurement gains / (losses)</i>		
– Actual Return on plan assets in excess of the expected return	(20.01)	(36.59)
– Others	—	—
5. Contributions by employer (including benefit payments recoverable)	65.00	75.00
6. Recoverable/Recovered from LIC	—	—
7. Benefit payments	(215.01)	(217.44)
8. Fair value of plan assets at the end of the year	214.45	364.46
IV. The Major categories of plan assets		
– Insurer managed funds	100%	100%
V. Actuarial assumptions		
1. Discount rate	5.72%	6.54%
2. Expected rate of return on plan assets	5.72%	6.54%
3. Attrition rate	Attrition rate of 85% up to the age of 30, 68% up to age of 44 and 42% thereafter	Attrition rate of 56% up to the age of 30, 58% up to age of 44 and 35% thereafter

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 26 - Employee benefits (Cont)

Gratuity

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Year	Changes in assumption	Impact on defined benefit obligation	
			Increase in assumption	Decrease in assumption
Discount rate	2026	1	(12.91)	13.47
	2025	1	(13.10)	13.76
Salary growth rate	2026	1	10.94	(10.82)
	2025	1	13.57	(13.17)
Life expectancy	2026	+/- 1 year	Negligible	Negligible
	2025	+/- 1 year	Negligible	Negligible

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The Company expects to contribute Rs.125 lakhs to the gratuity trusts during the next financial year of 2027.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

Maturity profile of defined benefit obligation:

	₹ in Lakhs	
Gratuity	2026	2025
Within 1 year	594.93	448.73
1 - 2 year	311.07	237.68
2 - 3 year	169.84	143.97
3 - 4 year	96.84	92.30
4 - 5 year	61.05	60.59

The Company's policy is driven by considerations of maximizing returns while ensuring credit quality of the debt instruments. The asset allocation for plan assets is determined based on investment criteria prescribed under the Indian Income Tax Act, 1961, and is also subject to other exposure limitations. The Company evaluates the risks, transaction costs and liquidity for potential investments. To measure plan asset performance, the Company compares actual returns for each asset category with published benchmarks.

VIII. Experience Adjustments:	Period Ended				
	2026	2025	2024	2023	2022
	Gratuity				
1. Defined Benefit Obligation	1,228.38	1,003.58	1,269.50	1,184.18	1,160.99
2. Fair value of plan assets	214.45	364.46	506.90	500.96	588.23
3. Surplus/(Deficit)	(1,013.93)	(639.12)	(762.60)	(683.22)	(609.01)
4. Experience adjustment on plan liabilities [(Gain)/ Loss]	50.42	36.38	36.38	(25.65)	(67.94)
5. Experience adjustment on plan assets [Gain/ (Loss)]	(20.01)	(36.59)	(37.57)	(43.06)	(40.38)

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

Leave Encashment

Particulars	₹ in Lakhs	
	2026	2025
Rate of discounting	5.72%	6.54%
Expected rate of salary increase	7.00%	7.00%
Attrition rate	For ages 30 years and below 85.00% p.a. For ages 31 years to 44 years 68.00% p.a. For ages 45 years and above 42.00% p.a.	For ages 30 years and below 56.00% p.a. For ages 31 years to 44 years 58.00% p.a. For ages 45 years and above 35.00% p.a.
Mortality	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Expenses recognised in statement of profit and loss	18.89	(195.45)

The Company has transferred balance exigency leaves of employees to Special Sick Leave with effect from 01st January, 2025.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The current service cost and the net interest expense for the year are included in the employee benefits expense in profit or loss of the expense for the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 27 - Related Party Transactions

Name of the parent Company	: Mahindra & Mahindra Financial Services Limited
Name of the Ultimate parent Company	: Mahindra & Mahindra Limited
Name of the Fellow subsidiaries	: Mahindra Rural Housing Finance Limited
	: Mahindra Integrated Business Solutions Limited
	: Bristlecone India Limited
	: Mahindra Holidays & Resorts India Limited
	: Mahindra First Choice Wheels Limited
	: Bristlecone India Limited
	: Tech Mahindra Limited
	: N.B.S. International Limited
Key Management Personnel (KMP)	: Vedanarayanan Seshadri, Principal Officer & Managing Director (Till 23 May 2025)
	: Suresh Agarwal, Managing Director (w.e.f 21 November 2025)
	: Saurabh Dharadhar, Chief Financial Officer
	: Niranjan Karde Company Secretary (Till 17 Jul 2024)
	: Bhavita Ashiyani (Till 31 October 2025)
	: Carishma Pagare (w.e.f. 16 January 2026)
Directors	: Amarjyoti Barua, Chairman (w.e.f. 10 September 2024)
	: Raul Rebello, Non Executive Director (w.e.f. 16 July 2024)
	: Sapna Jain, Non Executive Director (w.e.f. 30 March 2025)
	: Pradeep Agrawal, Non Executive Director (w.e.f 15 December,2025)
	: Hemant Sikka, Non Executive Director (Till 15 July 2025)
	: Ramesh Iyer, Non Executive Director (Till 28 April 2024)
	: Jyotin Mehta, Independent Director (Till 29 March 2025)
	: Anjali Raina, Independent Director (Till 29 March 2025)
	: Vivek Karve, Non Executive Director (Till 31 October 2024)

Details of transaction between the Company and its related parties are disclosed below:

				₹ in Lakhs
Particulars	For the year ended	Parent Company and Ultimate Parent company	KMP/ Directors of the Company	Fellow subsidiaries
<u>Nature of transactions with Related Parties</u>				
Purchase of property and other assets	31-Mar-26	56.94	—	10.08
including intangibles	31-Mar-25	113.37	—	12.96
Rendering of services	31-Mar-26	—	—	—
	31-Mar-25	—	—	—
Receiving of services	31-Mar-26	576.90	476.15	590.32
	31-Mar-25	709.43	528.25	505.72
Interest Income	31-Mar-26	2,208.49	—	1,211.78
	31-Mar-25	1,353.66	—	2,499.40
Loans given (including Fixed Deposits & Intercompany Deposits placed during the year)	31-Mar-26	22,922.82	—	6,650.00
	31-Mar-25	18,000.00	—	17,375.00
Repayment of loans (including Fixed Deposits matured & Intercompany Deposits withdrawn during the year)	31-Mar-26	17,400.00	—	27,725.00
	31-Mar-25	15,650.00	—	19,225.00
Dividend Paid	31-Mar-26	17,731.96	—	—
	31-Mar-25	1,546.39	—	—
Commission and other benefits to directors	31-Mar-26	—	—	—
	31-Mar-25	—	25.58	—
Sale of Fixed Assets	31-Mar-26	20.04	—	—
	31-Mar-25	24.67	—	13.10

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 27 - Related Party Transactions (Cont)

<u>Nature of Balances with Related Parties</u>	Balance as on	Parent Company and Ultimate Parent company	KMP/Directors of the Company	Fellow subsidiaries
Trade payables	31-Mar-26	227.85	–	6.48
	31-Mar-25	34.30	–	4.63
Loans & advances given (including Fixed Deposits and Intercompany Deposits placed)	31-Mar-26	27,822.82	–	6,650.00
	31-Mar-25	22,300.00	–	27,725.00
Other balances (including Trade Receivables and Interest Accrued)	31-Mar-26	1,357.73	–	122.33
	31-Mar-25	943.78	–	1,594.16

Compensation of Key Managerial Personnel

The remuneration of directors and other members of Key Managerial Personnel during the year was as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Short-term employee benefits	476.15	528.25
Post-employment benefits ¹	–	–
Other long-term benefits ¹	–	–
Termination benefits	–	–
Share-based payment ²	–	–

¹ Figures not available separately for gratuity and leave encashment

² Included in the Stock Option Charge paid to parent company for its Stock Options granted to Key Managerial Personnel

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Note No. 28 - Income from contract with customers

A. Country-wise break up of Income

₹ in Lakhs					
31-March-26					
Country	Income from contracts with customers (Ind AS 115)	Income from operations from other than customers	Total Income from Operations	Other Income	Total Income
India	1,45,568.72	–	1,45,568.72	4,167.63	1,49,736.35
Total	1,45,568.72	–	1,45,568.72	4,167.63	1,49,736.35

₹ in Lakhs					
31-March-25					
Country	Income from contracts with customers (Ind AS 115)	Income from operations from other than customers	Total Income from Operations	Other Income	Total Income
India	1,19,150.60	–	1,19,150.60	4,808.68	1,23,959.28
Total	1,19,150.60	–	1,19,150.60	4,808.68	1,23,959.28

B. Breakup of Income into contracts entered in previous year and in current year

Particulars	31-March-26	31-March-25
Income from PO/ contract / agreement entered into previous year	1,45,364.26	1,18,530.61
Income from New PO/ contract / agreement entered into current year	204.46	619.99
Total Income recognised during the period	1,45,568.72	1,19,150.60

C. Reconciliation of Income from contract with customer

Particulars	31-March-26	31-March-25
Income from contract with customer as per the contract price	1,45,568.72	1,19,150.60
Adjustments made to contract price on account of :-		
a) Discounts / Rebates / Incentives	–	–
b) Sales Returns / Reversals	–	–
c) Deferrment of revenue	–	–
d) Changes in estimates of variable consideration	–	–
e) Recognition of revenue from contract liability out of opening balance of contract liability	–	–
f) Any other adjustments	–	–
Income from contract with customer as per the statement of Profit and Loss	1,45,568.72	1,19,150.60

D. Income to be recognised for performance obligation(s) not satisfied or partially satisfied at the end of the current year in respect of contracts with customer that are in place (i.e. signed agreements/ Pos/Wos/SOWs, etc) at the end of reporting period.

The company has reviewed the contract with insurers and customers and identified claims handling services as an area that is affected by the new accounting standard. The application of new standard results in the identification of separate performance obligation for handling claims on behalf of customers as part of insurance brokerage customary business practice. The new standard requires the deferral of Income recognition until the performance obligation is satisfied. Based on the results of the review, the company does not expect a material impact on the statement of profit and loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 28 - Income from contract with customers (Cont)

E. Break-up of Provision for Expected Credit Losses recognised in P&L

Particulars	₹ in Lakhs	
	31-March-26	31-March-25
Expected Credit loss recognised during the year on trade receivables	(11.22)	125.91
Expected Credit loss recognised during the year on contract assets	-	-
Expected Credit loss recognised during the year on others	-	-
Total	(11.22)	125.91

Note No. 29 - Income received from Insurer and Insurer's group companies

As per regulation 34 (6) of IRDAI (Insurance Brokers) Regulations, 2018, following are the details of all the incomes received from insurers and insurer's group companies

A. Details of incomes received from insurers (Top 15+ Others)

Particulars	₹ in Lakhs	
	Year Ended 31 March 2026	Year Ended 31 March 2025
SBI General Insurance Co Ltd	21,240.16	
ICICI Lombard General Insurance Ltd	19,790.94	
Universal Sampo General Insurance Co Ltd	18,733.94	
Tata AIG General Insurance Co Ltd	14,199.57	
Cholamandalam MS Gen Insurance Co Ltd	9,295.86	
IFFCO Tokio General Insurance Co Ltd	8,311.28	
Liberty General Insurance Co Ltd	7,960.08	
Generali Central Insurance Co Ltd	6,391.18	
Go Digit General Insurance Ltd.	5,923.54	
Magma General Insurance Company Limited	4,755.47	
Indusind General Insurance Company Limited	4,310.87	
Zuno General Insurance Company Ltd	3,933.76	
HDFC ERGO General Insurance Company Limited	3,868.28	
Bajaj General Insurance Co Ltd	3,851.15	
Royal Sundaram General Insurance Co. Ltd	3,176.35	
Others	9,727.68	
Total Revenue	1,45,470.11	

Particulars	₹ in Lakhs	
	Year Ended 31 March 2025	Year Ended 31 March 2024
ICICI Lombard General Insurance Company Limited	17,310.13	
SBI General Insurance Company	15,775.10	
Universal Sampo General Insurance Company Limited	14,354.04	
Tata AIG General Insurance Company Limited	11,940.49	
Cholamandalam Ms Gen Insurance Company Limited	9,217.73	
Iffco Tokio General Insurance Company Limited	7,109.99	
Liberty Videocon General Insurance Company Limited	6,008.06	
Magma HDI General Insurance Company Limited	5,855.97	
Reliance General Insurance Company Limited	4,624.93	
Go Digit General Insurance Limited	4,477.73	
Future Generali Insurance Company Limited	4,172.90	
Bajaj Allianz General Insurance Company Limited	3,545.18	
HDFC Ergo General Insurance Company Limited	3,107.22	
Edelweiss General Insurance Company Limited	2,595.81	
Raheja QBE General Insurance Company Ltd	1,325.50	
Others	7,667.40	
Total Revenue	1,19,088.18	

B. The Company has not received any income from any of the insurers' group companies.

Note No. 29 - Details of Payments received by the group companies and/or associates and/or related parties of the insurance broker from any insurer and the details thereof.

As per regulation 34 (6) of IRDAI (Insurance Brokers) Regulations, 2018, following are the details of payments received by the group companies and/or associates and/or related parties of the insurance broker from any insurer and the details thereof.

As per the information received from the group companies, payments received by Mahindra & Mahindra Financial Services Limited ("MMFSL") & Mahindra Rural Housing Finance Limited ("MRHFL")- towards usage of office space of MMFSL & MRHFL branches for display of marketing material/ advertisements of insurance companies, are as follows:-

Name of Insurance Company	₹ in Lakhs	
	Year Ended 31 March 2026	Year Ended 31 March 2025
NIVA BUPA HEALTH INSURANCE COMPANY LIMITED	-	398.00
CARE HEALTH INSURANCE LIMITED	-	372.00
AXIS MAX LIFE INSURANCE LIMITED	769.68	3,518.71
PNB METLIFE INDIA INSURANCE COMPANY LIMITED	254.02	-
Total	1,023.70	4,288.71

Mahindra & Mahindra Financial Services Limited ("MMFSL") has taken a Corporate Agency License with effect from May 21, 2024. Income Received towards Commission & Rewards from Insurance Companies is as follows

Name of Insurance Company	₹ in Lakhs	
	Year Ended 31 March 2026	Year Ended 31 March 2025
CARE HEALTH INSURANCE LIMITED	6,427.05	2,466.81
NIVA BUPA HEALTH INSURANCE COMPANY LIMITED	6,712.27	2,736.24
AXIS MAX LIFE INSURANCE LIMITED	15,020.00	10,166.04
KOTAK MAHINDRA LIFE INSURANCE COMPANY LTD	5,529.39	4,012.11
MAGMA GENERAL INSURANCE LIMITED	79.00	18.21
CHOLAMANDALAM GENERAL INSURANCE COMPANY LTD	1,417.17	654.76
GO DIGIT GENERAL INSURANCE LIMITED	68.69	17.82
TATA AIG GENERAL INSURANCE COMPANY LTD	1,789.28	236.97
HDFC LIFE INSURANCE COMPANY LIMITED	10,948.14	816.61
ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	222.82	-
Total	48,213.81	21,125.57

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026

Note No. 29 - Details of Payments received by the group companies and/or associates and/or related parties of the insurance broker from any insurer and the details thereof. (Cont).

Mahindra Rural Housing Finance Limited ("MRHFL") has taken a Corporate Agency License with effect from October 03, 2025. Income Received towards Commission & Rewards from Insurance Companies is as follows.

Name of Insurance Company	Year Ended	₹ in Lakhs
	31 March 2026	Year Ended 31 March 2025
PNB METLIFE INDIA INSURANCE COMPANY LIMITED	1,087.81	—
BAJAJ GENERAL INSURANCE COMPANY LIMITED	127.07	—
BAJAJ ALLIANZ LIFE INSURANCE CO LTD	242.98	—
AXIS MAX LIFE INSURANCE LIMITED	993.07	—
ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	13.64	—
Total	2,464.57	—

As per the information received from the group companies, payments received by Tech Mahindra towards delivering various Information Technology services including development & support services are as follows:-

Name of Insurance Company	Year Ended	₹ in Lakhs
	31 March 2026	Year Ended 31 March 2025
ADITYA BIRLA HEALTH INSURANCE CO LIMITED	225.83	—
ADITYA BIRLA SUN LIFE INSURANCE COMPANY LIMITED	92.25	—
AVIVA LIFE INSURANCE CO. INDIA LTD	983.39	—
ICICI PRUDENTIAL LIFE INSURANCE CO LTD	219.45	164.22
LIFE INSURANCE CORPORATION OF INDIA	2,018.52	755.12
MANIPALCIGNA HEALTH INSURANCE COMPANY LIMITED	79.50	—
SBI LIFE INSURANCE COMPANY LIMITED	1,999.40	2,240.34
THE NEW INDIA ASSURANCE COMPANY LTD.	642.00	611.07
AVIVA Life Insurance Co. India Ltd	—	557.59
Total	6,260.34	4,328.34

Note No. 30 - Contingent liabilities and Commitments

Contingent liabilities (to the extent not provided for)	₹ in Lakhs	
	As at 31 March 2026	As at 31 March 2025
Contingent liabilities		
Short Deduction of TDS and Interest thereon	7.97	11.51
Income Tax Liability on amount disallowed by Income tax for CSR expenses claimed as deduction u/s 80G.	25.26	—

Particulars	₹ in Lakhs	
	As at 31 March 2026	As at 31 March 2025
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for:		
Commitments for the acquisition of intangible assets	174.98	106.55

Note No. 31- Additional Information to the Financial Statements**31.1 Dividend**

In respect of the current year, the directors propose that a dividend of Rs.77.50 per share be paid on equity shares on 16 April 2026. This equity dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all shareholders on the Register of Members on 19 June 2026. The total estimated equity dividend to be paid is Rs. 7,989.69 Lakhs.

31.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	₹ in Lakhs	
	31-March-26	31-March-25
(i) Principal amount remaining unpaid to MSME suppliers as on	14.88	26.06
(ii) Interest due on unpaid principal amount to MSME suppliers as on	—	—
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	—	—
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	—	—
(v) The amount of interest accrued and remaining unpaid as on	—	—
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	—	—

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

31.3 Corporate Social Responsibility (CSR)

Particulars	₹ in Lakhs	
	31-March-26	31-March-25
Amount required to be spent as per section 135 of the Act	233.93	194.62
<u>Amount spent during the year on:</u>		
(i) Construction/acquisition of an asset	—	—
(ii) On purpose other than (i) above	235.00	199.30
Total Spent	235.00	199.30

Shortfall at the end of year

Promoting Education & Healthcare

Details of Related Party Transactions

Contribution to a trust controlled by the Company in relation to CSR expenditure.	—	—
Provision made with respect to a liability already incurred by entering into a contractual obligation	—	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**Note No. 32 - Ratios**

Ratio	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	% variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	2.18	3.06	-29%	Decrease in Current Assets (Majorly on account of decrease in ICDs) as compared to Previous year and Increase in Current Liabilities (Majorly Lease Liabilities) as compared to previous year.
Return on Equity Ratio	Profit After Tax	Avg. shareholders' equity	16%	13%	27%	Percentage increase in Profit after tax is more than percentage increase in average net-worth.
Trade Receivables Turnover Ratio	Net sales	Avg. Trade Receivables	6.84	6.97	-2%	Increase in trade receivables is on account of increase in sales due to newly introduced IRDAI expenses of management (EOM) regulations, 2023
Return on Investments	Interest and Dividend Income	Investments and ICDs	7%	7%	0%	-
Net Capital Turnover Ratio	Net Sales	Working Capital	361%	221%	64%	Percentage increase in net sales is more than percentage increase in working capital.
Net Profit Ratio	Profit After Tax	Net Sales	8%	7%	5%	Increase in Profit after tax as compared to previous year
Return on Capital Employed	EBIT	Capital Employed	18%	10%	68%	Increase in EBIT as compared to previous year

Note No. 33 - Additional Disclosures

- During the financial years ended 31st March 2026 and 31st March 2025, 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 the Companies Act, 2013), either severally or jointly with any other person (a) repayable on demand or (b) without specifying any terms or period of repayment.
- There is no Benami Property held or there are no proceedings initiated or pending against the company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- There was no scheme of arrangements approved by the competent authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year
- Since the Company does not have any borrowing, it is not declared as "Wilful Defaulter" by any bank or financial institution during the current and previous financial year
- The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person or entity, including foreign entity ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invested in other person or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries.
- The Company has not received any fund (which are material either individually or in the aggregate) from any party(s) (Funding Party(ies)) 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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries.
- The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- There have been no events after the reporting date that require disclosure in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2026**Note No. 34 - Exceptional items**

On November 21, 2025, the Government of India notified the provisions of four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively "new Labour Codes") which consolidate 29 existing labour laws into a unified framework governing employee benefits during employment and post-employment.

In accordance with the new Labour Codes, the Company has currently estimated the incremental impact of Gratuity and Leave Encashment to be Rs.344.11 lakhs on the basis of Actuarial Valuation. This has been presented under "Exceptional Items" in the financial statements for the year ended March 31, 2026.

Note No. 35 - Details of transactions with Struck off Companies

Name of the Struck off Company	Nature of transactions with Struck off Company	Relationship with Struck off Company	Balance as at 31st March 2026	Balance as at 31 March 2025
		NIL		

Note No. 36 - Previous Year Figures

– Previous Year Figures have been regrouped /reclassified wherever found necessary.

The accompanying statement of accounting policies and notes 1 to 36 are an integral part of the Financial Statements.

As per our report of even date	For and on behalf of the Board of Directors			
For Gokhale & Sathe, Chartered Accountants Firm Regn No. 103264W	Amarjyoti Barua Chairman DIN: 09202472	Raul Rebello Director DIN: 10052487	Sapna Jain Director DIN: 10819819	Pradeep Agrawal Director DIN: 11206547
Rohit Ambekar Partner Membership No. 604211	Carishma Pagare Company Secretary Mem No.: ACS 34777	Suresh Agarwal Managing Director, CEO & Principal Officer DIN: 09126759	Saurabh V. Dharadhar Chief Financial Officer & Ethics Officer	
Place: Mumbai Date: April 16, 2026				Place: Mumbai Date: April 16, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Mahindra Rural Housing Finance Limited Report on the Audit of the Standalone Financial Statements Opinion

We have audited the accompanying standalone financial statements of Mahindra Rural Housing Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income/loss), the Cash Flow Statement and the Statement of Changes in Equity for the year ended, and a summary of material accounting policies and other explanatory information ("the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, ("the 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 its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Impairment of loans and advances	
<i>(Refer "Note 2.09 (ii) Material Accounting Policy: Impairment of financial Assets", "Note 6- Loans" and "Note 45 (ii)- Credit Risk Management to the financial statements)</i>	
The Company has recognized impairment loss allowance of ₹ 3,699.74 lakhs in its Statement of Profit and Loss during the year 2025-2026. The Company has maintained impairment provisions amounting to ₹ 19,441.66 lakhs as at March 31, 2026. Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using Expected Credit Loss (ECL) model. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECLs are: - Data inputs – The application of ECL model requires several data inputs. This increases the risk that the data that has been used to derive assumptions in the model, which are used for ECL calculations, may not be complete and accurate. - Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Exposures at Default ("EAD"), Probabilities of Default ("PD") and Loss Given Default ("LGD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.	Our key audit procedures included: - Performed end to end process walkthroughs to identify the key systems, applications and controls used in the impairment loss allowance processes. We tested the relevant general IT and application controls over key systems used in the impairment loss allowance process. - Assessed the design and implementation of controls in respect of the Company's impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance and the related disclosures on credit risk management. - Testing management's controls over authorization and calculation of post model adjustments and management overlays, if any. - Evaluated whether the methodology applied by the Company is in compliance of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, checking mathematical accuracy of the workings.

Key audit matter	Auditor's Response
Impairment of loans and advances	
Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic conditions. During the year, the Company has engaged an industry expert to assist it in review and updation of the ECL model. The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties and other macro-economic factors, which are often outside the control of the Company. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the financial statements, we have considered this as a key audit matter.	- Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of periods considered, economic forecasts, weights, and model assumptions applied. - Testing the 'Governance Framework' over validation, implementation and model monitoring in line with the RBI guidance. - Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the financial statements are appropriate and sufficient. - We have also obtained management representations wherever considered necessary

IT Systems and Controls	
Key Audit Matter	Auditor's Response
The Company has separate software applications for management of its loan portfolio from origination to servicing and closure and for the routine accounting. Transfer of data from / to these applications is critical for accurate compilation of financial information. Further, the Company's financial accounting and reporting processes are dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being misstated. We have identified 'IT systems and controls' as key audit matter because of the high-level automation, number of systems being used by the management and the inherent risks/ complexity of the IT architecture.	We have performed the following key audit procedures: - Performed control testing on user access management, change management, segregation of duties, system and system application controls over key financial accounting and reporting systems. - Tested key controls operating over information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. - Tested the design and operating effectiveness of key controls over user access management which includes granting access / right, new user creation, removal of user rights.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report and Management Discussion and Analysis (collectively referred to as "the other information") but does not include the standalone financial statements and our auditor's report thereon. The Report of the Board of Directors is expected to be made available to us after the date of this report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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

financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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 in terms of section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, based on our audit on the standalone financial statements, 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 and to the best of our information and according to the explanations given to us, 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 paragraph 2(i)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 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 maintenance of accounts and other matters connected therewith, references is made in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Rules.
 - g) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the standalone financial statement.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
 - i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in Note No.39 to its standalone financial statement;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - 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, 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 also represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording an audit trail (edit log) facility, and the same has been operated throughout the year under audit for all relevant transactions recorded in the software except that the audit trail log was not maintained for direct database changes in respect of two accounting applications for the period from April 2025 to February 2026. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with in respect of accounting software. The Company has not preserved database level audit trail logs pertaining to previous years. Except these

exceptions, the audit trail log has been preserved by the Company in accordance with statutory record retention requirements

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Place: Mumbai
Dated this 15th day
of April, 2026

Hitesh Jain
Partner
Membership No. 410215
UDIN: 26410215LDPPMO7148

Annexure A to Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Mahindra Rural Housing Finance Limited)

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

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The Company has maintained proper records showing full particulars of intangible assets;
- (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment under which the assets are physically verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification during the year.
- (c) Based on our examination of the title deeds (comprising of registered sale deeds/ transfer deeds/ conveyance deeds) of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) provided to us, 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 and Intangible assets during the year. Accordingly, reporting under paragraph 3(i)(d) of the Order is not applicable; and
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) (a) The Company is engaged primarily in lending activities and consequently does not have any physical inventories and hence reporting under clause (ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, during the year, from banks and financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks and financial institutions are in agreement with the audited books of account of the Company of the respective quarters.

- (iii) (a) The investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided in the normal course of business are not prejudicial to the interest of the Company;
- (b) In respect of loans and advances in the nature of loans (together referred to as 'loan assets'), the schedule of repayment of principal and payment of interest has been stipulated. Note no. 2 to the standalone financial statements explains the Company's accounting policy relating to impairment of financial assets which include loan assets. In accordance with that policy, loan assets with balance as at March 31 2026, aggregating ₹ 20,335.15 lakhs were categorised as credit impaired ('Stage 3') and ₹ 28,602.60 lakhs were categorised as those where the credit risk has increased significantly since initial recognition ('Stage 2'). Disclosures in respect of such loans have been provided in note no.45 (ii) (i) to the standalone financial statements. Additionally, out of loans and advances in the nature of loans with balances as at the year end aggregating ₹ 8,02,765.96 lakhs, where credit risk has not significantly increased since initial recognition (categorised as 'Stage 1'), delinquencies in the repayment of principal and payment of interest aggregating ₹ 980.83 lakhs were also identified, albeit of less than 30 days. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.
- (c) The following amounts are overdue for more than ninety days from companies or any other parties to whom loan has been granted. The Company has taken reasonable steps for recovery of the overdue amount of principal and interest;

(₹ in Lakhs)

No. of cases	Principal amount overdue	Interest overdue	Total overdue	Remarks (if any)
18,528	3,568.52	6,571.98	10,140.50	None

- (d) The provisions of paragraph 3(iii)(e) of the Order are not applicable to the Company as its principal business is to give loans; and
- (e) The Company has not granted any loans or advances in the nature of loans that were either repayable on demand or without specifying any terms or period of repayment.

- (iv) The Company has not advanced loans or made investments in or provided guarantees or security to parties covered by section 185 and 186 of the Act. Hence reporting under paragraph 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder are applicable. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, for the business activities carried out by the Company. Hence reporting under paragraph 3(vi) of the Order is not applicable.
- (vii) In respect of statutory dues:

- (a) The Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and any other statutory dues, as applicable, to the appropriate authorities. According to the information and explanations given to us and based on verification carried out by us on test basis, there are no arrears of statutory dues outstanding as on the last day of the financial year concerned for a period of more than six months from the date, they became payable; and
- (b) The details of statutory dues referred to in sub paragraph (a) above which have not been deposited with the concerned authorities as on March 31, 2026, on account of dispute are given below:

(₹ in Lakhs)				
Name of the statute	Nature of Dues	Amount involved	Period to which the amount relates (F.Y.)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.17	2009-10	Assessing Officer
Income Tax Act, 1961	Income Tax	8.11	2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	23.22	2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	31.00	2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	46.92	2017-18	Commissioner of Income Tax (Appeals)

(₹ in Lakhs)				
Name of the statute	Nature of Dues	Amount involved	Period to which the amount relates (F.Y.)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	35.10	2021-22	Commissioner of Income Tax (Appeals)
Goods and Services Tax, Act 2017 Uttar Pradesh	Goods and Service Tax	85.92	2021-22	Appellate Authority
Goods and Services Tax Act, 2017 Andhra Pradesh	Goods and Service Tax	42.75	2023-24	Deputy Assistant Commissioner

- (viii) There are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (b) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender;
- (c) The term loans availed by the Company during the year, were utilised by the Company for the purposes for which the loans were obtained;
- (d) According to the information and explanations given to us funds raised on short term basis have prima facie, not been used during the year for long term purposes by the Company.
- (e) The Company does not have subsidiary, associate or joint venture. Accordingly, reporting on paragraph 3(ix)(e) of the Order is not applicable; and
- (f) The Company does not have subsidiary, associate or joint venture. Accordingly, reporting on paragraph 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised monies by way of Initial Public Offer or Further Public Offer (including debt instruments) during the year and hence reporting under clause 3 (x) (a) of the order is not applicable; and
- (b) The Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during

the year under audit and hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.

- (xi) (a) In respect of frauds noticed and reported by the Company, the following information is furnished

Nature of fraud	Amount (₹ in Lakhs)
Cases of frauds by employees	17.07

- (b) No report under section 143(12) of the Act has been filed during the year by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government; and
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year and upto the date of this report, while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business; and
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 ("the RBI Act");
- (b) The Company is a Housing Finance Company and it holds a valid Certificate of Registration (CoR) from the National Housing Bank issued under Section 29A(2) of the National Housing Bank Act 1987 for conducting housing finance business. Prior to 9th August 2019, the power of registration of Housing Finance Companies was vested with the National Housing Bank and not the Reserve Bank of India.

- (c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by RBI. Accordingly, reporting on paragraph 3(xvi)(c) of the Order is not applicable; and

- (d) The Group as defined under Master Direction DNBR.PD.008/03.10.119/2016-17 - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. There are 5 CIC forming part of the Group.

- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

- (xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3(xviii) of the Order is not applicable.

- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report, that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company does not satisfy the conditions laid down in section 135 (1) of the Act relating to applicability of Corporate Social Responsibility. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

- (xxi) The Company is not required to prepare Consolidated Financial Statements and therefore reporting under clause 3(xxi) of the Order is not applicable for the year.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Hitesh Jain
Partner

Place: Mumbai
Dated this 15th day
of April, 2026.

Membership No. 410215
UDIN: 26410215LDPPMO7148

Annexure B to the Independent Auditors' report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Mahindra Rural Housing Finance Limited of even date)

Report on the Internal Financial Controls under section 143(3)(i) of the Act

Opinion

We have audited the internal financial controls with reference to the standalone financial statements of **Mahindra Rural Housing Finance Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls with reference to Standalone Financial Statements

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to the standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility for Internal Financial Controls with reference to Standalone Financial Statements

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the standalone financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, both applicable to an audit of internal financial controls and, both issued by the ICAI.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 with reference to the standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

Place: Mumbai
Dated this 15th day of
April, 2026

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Hitesh Jain
Partner
Membership No: 410215
UDIN. 26410215LDPPMO7148

BALANCE SHEET AS AT 31 MARCH 2026

Particulars	Note	(₹ in Lakhs)	(₹ in Lakhs)
		As at 31 March 2026	As at 31 March 2025
ASSETS			
1) Financial Assets			
a) Cash and cash equivalents	3	4,635.90	13,599.02
b) Bank balance other than (a) above	4	10,208.98	9,760.39
c) Receivables	5		
i) Trade Receivables		773.84	—
ii) Other Receivables		—	—
d) Loans	6	8,31,963.41	6,89,373.07
e) Investments	7	51,202.21	40,200.08
f) Other financial assets	8	1,254.88	1,144.61
		<u>9,00,039.22</u>	<u>7,54,077.17</u>
2) Non-financial Assets			
a) Current tax assets (Net)		2,128.47	1,790.67
b) Deferred tax assets (Net)	9	16,734.33	18,542.23
c) Property, Plant and Equipments	10	8,906.83	9,696.16
d) Other intangible assets	11	76.32	301.54
e) Other non-financial assets	12	3,374.81	3,326.03
		<u>31,220.76</u>	<u>33,656.63</u>
Total Assets		<u>9,31,259.98</u>	<u>7,87,733.80</u>
LIABILITIES AND EQUITY			
LIABILITIES			
1) Financial Liabilities			
a) Derivative financial instruments	13	62.81	156.25
b) Payables	14		
I) Trade payables			
i) total outstanding dues of micro enterprises and small enterprises		12.80	6.60
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,142.71	2,927.66
II) Other Payables			
i) total outstanding dues of micro enterprises and small enterprises		—	—
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		20.30	24.50
c) Debt securities	15	4,18,883.05	3,65,707.51
d) Borrowings (Other than Debt Securities)	16	2,92,597.19	2,13,273.53
e) Subordinated liabilities	17	51,088.86	57,425.96
f) Other financial liabilities	18	31,552.51	20,447.46
		<u>7,96,360.23</u>	<u>6,59,969.47</u>
2) Non-Financial Liabilities			
a) Current tax liabilities (Net)		—	—
b) Provisions	19	3,128.52	1,281.84
c) Other non-financial liabilities	20	450.05	452.48
		<u>3,578.57</u>	<u>1,734.32</u>
3) EQUITY			
a) Equity share capital	21	12,262.71	12,245.96
b) Other equity	22	1,19,058.47	1,13,784.05
		<u>1,31,321.18</u>	<u>1,26,030.01</u>
Total Liabilities and Equity		<u>9,31,259.98</u>	<u>7,87,733.80</u>

The accompanying notes form an integral part of the financial statements.

1 to 57

In terms of our report attached.

For G M Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

For and on behalf of the Board of Directors
Mahindra Rural Housing Finance Limited
CIN: U65922MH2007PLC169791

Hitesh Jain
Partner
Membership No: 410215

Debasish Kar
Chief Executive Officer

Raul Rebello
Director
[DIN: 10052487]

Jyotin Mehta
Director
[DIN: 00033518]

Dinesh Prajapati
Chief Financial Officer

Navin Joshi
Company Secretary
[ACS9049]

Mumbai
15 April 2026

Mumbai
15 April 2026

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

Particulars	Note	(₹ in Lakhs)	(₹ in Lakhs)
		Year ended 31 March 2026	Year ended 31 March 2025
Revenue from operations			
i) Interest income	23	1,10,016.13	1,16,220.85
ii) Fees, charges and commission income	24	4,444.41	1,142.21
iii) Net gain / (loss) on fair value changes	25	942.02	1,315.59
I Total revenue from operations		1,15,402.56	1,18,678.65
II Other income.....	26	2,101.35	991.42
III Total Income (I+II).....		1,17,503.91	1,19,670.07
Expenses			
i) Finance costs	27	52,320.83	52,169.27
ii) Fees and commission expense.....	28	818.07	499.63
iii) Impairment on financial instruments	29	3,699.74	46,029.11
iv) Employee benefits expenses	30	33,813.12	33,156.45
v) Depreciation, amortisation and impairment	31	2,797.79	3,227.67
vi) Other expenses	32	15,068.90	15,045.51
IV Total Expenses (IV)		1,08,518.45	1,50,127.64
V Profit / (loss) before exceptional items and tax (III-IV).....		8,985.46	(30,457.57)
VI Exceptional Items (Impact of New labour code)		1,217.66	—
VII Profit / (Loss) before tax (V - VI)		7,767.80	(30,457.57)
VIII Tax expense:			
i) Current tax.....		—	—
ii) Deferred tax.....		1,966.76	(7,663.62)
		1,966.76	(7,663.62)
IX Profit / (Loss) for the year (VII-VIII).....		5,801.04	(22,793.95)
X Other Comprehensive Income (OCI)			
(A) (i) Items that will not be reclassified to profit or loss			
– Remeasurement gain / (loss) on defined benefit plans		(557.54)	(3.91)
(ii) Income tax relating to items that will not be reclassified to profit or loss		140.32	0.98
Subtotal (A)		(417.22)	(2.93)
(B) (i) Items that will be reclassified to profit or loss			
– Net gain / (loss) on debt instruments through OCI		(73.66)	89.09
(ii) Income tax relating to items that will be reclassified to profit or loss		18.54	(22.42)
Subtotal (B)		(55.12)	66.67
Other Comprehensive Income / (Loss) (A+B)		(472.34)	63.74
XI Total Comprehensive Income / (Loss) for the year (IX+X).....		5,328.70	(22,730.21)
XII Earnings per equity share (Face value - ₹ 10/- per equity share)	33		
Basic (Rupees).....		4.74	(18.62)
Diluted (Rupees)		4.73	(18.62)

The accompanying notes form an integral part of the financial statements.

1 to 57

In terms of our report attached.

For G M Kapadia & Co.

Chartered Accountants

Firm's Registration No: 104767W

For and on behalf of the Board of Directors

Mahindra Rural Housing Finance Limited

CIN: U65922MH2007PLC169791

Hitesh Jain

Partner

Membership No: 410215

Debasish Kar

Chief Executive Officer

Raul Rebello

Director

[DIN: 10052487]

Jyotin Mehta

Director

[DIN: 00033518]

Dinesh Prajapati

Chief Financial Officer

Navin Joshi

Company Secretary

[ACS9049]

Mumbai
15 April 2026Mumbai
15 April 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

Particulars	(₹ in Lakhs) Year ended 31 March 2026	(₹ in Lakhs) Year ended 31 March 2025
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before exceptional items and tax	8,985.46	(30,457.57)
Add/(Less):		
Adjustments for:		
Depreciation, amortization and impairment	2,797.79	3,227.67
Provision for diminution in value of investments	7,967.10	—
Impairment on financial instruments	9,893.69	51,219.00
Interest income	(1,07,742.17)	(1,16,227.45)
Interest expense	52,683.23	52,101.71
Net (gain) / loss on derecognition of property, plant and equipment	(30.67)	52.91
Share based payments to employees	(149.78)	(135.14)
Net (gain) / loss on sale of investments	(1,030.41)	(1,260.92)
Net (gain)/ loss on fair value changes	88.39	(54.67)
Operating profit / (loss) before working capital changes	I <u>(26,537.37)</u>	<u>(41,534.46)</u>
Adjustments for changes in working capital - (Increase)/Decrease in Stock on hire (net)		
Increase in Trade receivables		
Loans	(1,52,484.03)	(44,733.90)
Trade Receivable	(773.84)	—
Other financial assets	(4.80)	253.20
Other non-financial assets	(41.85)	110.54
Trade payable	(782.97)	(1,270.44)
Other liabilities	12,421.43	4,518.04
Provisions	1,294.78	(94.16)
	II <u>(1,40,371.27)</u>	<u>(41,216.72)</u>
Cash generated from / (used in) operations	(I+II) <u>(1,66,908.64)</u>	<u>(82,751.18)</u>
Interest received	1,05,614.88	1,13,692.50
Interest paid	(55,642.40)	(52,318.36)
Income tax paid (net of refunds)	(337.80)	1,114.99
NET CASH GENERATED FROM / USED IN OPERATING ACTIVITIES (A)	<u>(1,17,273.96)</u>	<u>(20,262.05)</u>
CASH FLOW FROM INVESTING ACTIVITIES Purchase of Property, Plant and Equipment and Intangible assets	(1,274.74)	(557.66)
Proceeds from sale of Property, Plant and Equipment	583.91	226.88
Purchase of investments measured at FVOCI	(5,676.75)	(34,745.54)
Proceeds from sale of investments measured at FVOCI	—	29,668.86
Purchase of investments measured at FVTPL	(5,09,196.66)	(3,72,883.19)
Proceeds from sale of investments measured at FVTPL	4,96,784.07	3,63,187.73
Investments in term deposits with banks	(10,503.83)	(9,500.21)
Proceeds from term deposits with banks	10,000.21	16,372.47
NET CASH GENERATED FROM / (USED IN) IN INVESTING ACTIVITIES (B)	<u>(19,283.79)</u>	<u>(8,230.65)</u>
CASH FLOW FROM FINANCING ACTIVITIES Proceeds from borrowings through Debt Securities	2,50,000.00	1,67,462.50
Repayment of borrowings through Debt Securities	(1,95,000.00)	(1,30,000.00)
Proceeds from borrowings through Subordinated Liabilities	—	10,000.00
Repayment of borrowings through Subordinated Liabilities	(6,000.00)	(1,000.00)
Proceeds from Borrowings (Other than Debt Securities)	3,68,631.96	77,875.00
Repayment of Borrowings (Other than Debt Securities)	(2,88,208.73)	(1,38,535.31)
Payments of lease liability	(1,828.60)	(1,383.73)
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	<u>1,27,594.63</u>	<u>(15,581.54)</u>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026 (CONTD...)

Particulars	(₹ in Lakhs) Year ended 31 March 2026	(₹ in Lakhs) Year ended 31 March 2025
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(8,963.12)	(44,074.24)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR.....	13,599.02	57,673.26
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR.....	4,635.90	13,599.02
Components of Cash and Cash Equivalents		
Cash and cash equivalents at the end of the year		
– Cash on hand	441.84	800.58
– Balances with banks in current accounts	2,187.41	2,849.25
– Term deposits with original maturity up to 3 months	2,006.65	9,949.19
Total	4,635.90	13,599.02

Notes:

- 1) The above Statement of Cash Flow has been prepared under the 'Indirect method' as set out in the Ind AS 7 'Statement of Cash Flows'.

As per our report of even date attached.

For G M Kapadia & Co.
Chartered Accountants
Firm's Registration No: 104767W

Hitesh Jain
Partner
Membership No: 410215

Mumbai
15 April 2026

Debasish Kar
Chief Executive Officer

Dinesh Prajapati
Chief Financial Officer

Mumbai
15 April 2026

Raul Rebello
Director
[DIN: 10052487]

Navin Joshi
Company Secretary
[ACS9049]

Jyotin Mehta
Director
[DIN: 00033518]

For and on behalf of the Board of Directors
Mahindra Rural Housing Finance Limited
CIN: U65922MH2007PLC169791

B Other Equity

For G M Kapadia & Co.

Firm's Registration No: 104767W

For and on behalf of the Board of Directors

Mahindra Rural Housing Finance Limited

CIN: U65922MH2007PLC169791

Membership No: 410215

[DIN: 10052487]

[DIN: 00033518]

Navin Joshi
Company Secretary
[ACS9049]

Mumbai
15 April 2026

Notes to the Financial Statements for the year ended 31 March 2026

1 COMPANY INFORMATION

Mahindra Rural Housing Finance Limited ('the Company'), having corporate identification number CIN: U65922MH2007PLC169791, incorporated in India is a Housing Finance Company ('HFC') engaged in providing housing finance through its pan India branch network. In exercise of the powers conferred on the National Housing Bank vide Section 29A of The National Housing Bank Act, 1987, the Company has been granted Certificate of Registration dated 13 August 2007 to commence the business of a housing finance institution without accepting public deposits.

The Company fulfils the Principal Business Criteria as laid down under paragraph 10 (9) , of the Master Direction - Reserve Bank of India (Housing Finance Companies) Directions, 2025 ('Master Directions'). The Company's financial assets constitute more than 60% of its total assets and out of the total assets, the Company has financed over 50% towards housing loans to individuals.

The Company is a subsidiary of Mahindra & Mahindra Financial Services Limited. Mahindra & Mahindra Limited is the ultimate holding company. The Company's registered office is at Mahindra Towers, 4th Floor, Dr. G. M. Bhosale Marg, Worli, Mumbai 400018, India.

2 MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Statement of compliance and basis for preparation and presentation of financial statements

These standalone or separate financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 ("the Act") and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Further, the Company has complied with all the directions related to Implementation of Indian Accounting Standards prescribed for Non-Banking Financial Companies (NBFCs) in accordance with the Reserve Bank of India Direction no. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 dated November 28, 2025.

Any application guidance/ clarifications/ directions issued by Reserve Bank of India (RBI), National Housing Bank (NHB) or other regulators are implemented as and when they are issued/ applicable.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company presents its Balance Sheet in the order of liquidity.

The Company prepares and presents its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

These separate financial statements were approved by the Company's Board of Directors and authorised for issue on 15th April 2026.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or '₹') which is also the Company's functional currency. All amounts are rounded-off to the nearest lakhs, unless otherwise indicated.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost convention and on an accrual basis, except for certain financial instruments which are measured at fair values as required by relevant Ind AS.

2.4 Measurement of fair values

The Company's certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.5 Use of estimates and judgements and Estimation uncertainty

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

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

Following are the areas that involve a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

(i) Effective Interest Rate (EIR)

The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other fee income/expense that are integral parts of the instrument.

(ii) Impairment of Financial Assets

The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk
- The classification of financial assets when their ECL is assessed on a collective basis
- Development of ECL model, including the various formulas and the choice of inputs
- Selection of forward-looking macroeconomic scenarios and their probability weights, to derive the economic inputs into the ECL model
- Management overlay used in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the Company's lending portfolios.

It has been the Company's policy to regularly review its model in the context of actual loss experience and adjust when necessary (refer note 45)

(iii) Provisions and other contingent liabilities:

The Company does not recognise a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic

Notes to the Financial Statements for the year ended 31 March 2026

benefits will arise, the asset and related income are recognised in the year in which the change occur. Contingent Liabilities in respect of show cause notices are considered only when converted into demands.

The reliable measure of the estimates and judgements pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is made. The disclosure of contingent liability is made when there is a possible obligation or present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligation for which a reliable estimate cannot be made as a contingent liability.

(iv) Provision for income tax and deferred tax assets:

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax, including the amount expected to be paid / recovered for uncertain tax positions. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting year.

(v) Defined Benefit Plans / Compensated absences:

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

(vi) Going Concern

The financial statements of the Company are prepared on a going concern basis for the year ended March 31, 2026.

The Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. (refer note 43 and note 44 (iii))

2.6 Revenue recognition :

a) Recognition of interest income

Effective Interest Rate (EIR) method

Interest income is recognized in Statement of profit and loss using the effective interest method for all financial instruments measured at amortized cost, debt instruments measured at Fair Value Through Other Comprehensive Income (FVOCI) and debt instruments designated at Fair Value Through Profit and Loss (FVTPL). The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the Statement of Profit and Loss.

Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis (amortised cost). Additional interest levied on customers for delay in repayments/ non payment of contractual cashflows is recognised on realisation.

b) Fees and commission income

The Company recognises service and administration charges at point in time towards rendering of additional services to its loan customers on satisfactory completion of service delivery.

Fees and commission that are not directly linked to the sourcing of financial assets are recognised at point in time in the Statement of Profit and Loss when the right to receive the same is established.

Instrument Return Charges levied on customers for non payment of instalments on the contractual date is recognised on realisation.

Foreclosure charges are collected from loan customers for early payment/closure of loan and are recognised on realisation.

Commission/Distribution income on distribution of insurance/other products are earned by distribution of services and products of other entities under distribution arrangements. The income is recognised on distribution on behalf of other entities subject to there being reasonable certainty of its recovery.

Other income includes fees and charges that are not considered integral to the EIR. These are recognised in accordance with Ind AS 115 – Revenue from Contracts with Customers, when the performance obligation is satisfied and it is probable that economic benefits will flow to the Company. This includes insurance commission, foreclosure/prepayment charges, cheque bounce charges, etc.

c) Dividend and interest income on investments

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of dividend income can be measured reliably). The gain / loss on account of redemption of units of mutual funds is recognised in the period in which redemption occurs.

Interest income from investment is recognised when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportionate basis, by reference to the principle outstanding and at the effective interest rate applicable.

d) Net gain/(loss) on fair value changes :

The Company designates certain financial instruments for subsequent measurement at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI) as per the criteria in Ind AS 109. The Company recognises gains/(losses) on fair value change of financial instruments and realised gains/(losses) on derecognition of financial instruments measured at FVTPL and FVOCI on net basis.

2.7 Property, Plant and Equipment (PPE)

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition consists of purchase price or construction cost which is the amount paid, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Notes to the Financial Statements for the year ended 31 March 2026

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured.

Other repairs and maintenance costs are expensed off as and when incurred.

Advances paid towards the acquisition of PPE (excluding lease improvements) outstanding at each balance sheet date are disclosed separately as "Capital advances" under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date and cost of leasehold improvements. Capital work-in-progress is stated at cost, net of impairment loss, if any. On completion of work related to leasehold property improvements, the relevant cost is capitalized and the same is amortized over the lease term.

Depreciation on PPE is provided on straight-line basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis assuming no residual life at the end of useful life of the asset, subject to exceptions listed here below. Depreciation methods, useful lives and residual values are reviewed in each financial year, and changes, if any, are accounted for prospectively.

In accordance with Ind AS 116 - Leases, the Right-Of-Use assets are initially recognized at cost which comprises of initial amount of lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. These are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-Of-Use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The estimated useful lives used for computation of depreciation are as follows:

Assets	Useful life
Buildings	60 years
Computers	3 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipments	5 years
Right-Of-Use assets	Over the lease term of the respective agreements
Leasehold premises	Over the lease term of the respective agreements

Exceptions to useful lives specified in Schedule II to the Companies Act, 2013-

- Assets costing less than ₹5000/- are fully depreciated in the year of purchase.
- Vehicles provided to employees as part of Cost-To-Company (CTC) scheme are depreciated using estimated useful life of 4 years

PPE is derecognized on disposal or when no future economic benefits are expected from its use. Assets retired from active use and held for disposal are generally stated at the lower of their carrying amount & fair value less costs to sell. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognized in other income / netted off from any loss on disposal in the Statement of profit and loss in the year the asset is derecognized.

2.8 Intangible assets :

Intangible assets are stated at cost less accumulated amortization and accumulated impairment loss, if any.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

Intangible assets comprises of computer software which is amortized over the estimated useful life. The maximum year for such amortization is taken as 36 months based on management's estimates of useful life. Amortisation is calculated using the Straight line method to write down the cost of intangible assets over their estimated useful lives.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.9 Financial instruments :

Recognition and initial measurement

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at Fair Value Through Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of Profit and Loss.

Classification and subsequent measurement

- Financial assets

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- Fair Value Through Other Comprehensive Income (FVTOCI) - debt instruments;
- Fair Value Through Other Comprehensive Income (FVTOCI) - equity instruments;
- Fair Value Through Profit and Loss (FVTPL)

Amortized cost -

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest ('SPPI') on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments that meet the SPPI criterion at amortized cost.

FVOCI - debt instruments -

The Company measures its debt instruments at FVOCI when the instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial asset meet the SPPI test.

FVOCI - equity instruments -

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in Other Comprehensive Income. This cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of such instruments. Investments representing equity interest in subsidiary and associate are carried at cost less any provision for impairment.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the year the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL.

Notes to the Financial Statements for the year ended 31 March 2026

Subsequent measurement and gains and losses:

Financial assets classified at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income and impairment are recognised in Statement of profit and loss. Any gain and loss on derecognition is recognised in Statement of Profit and Loss.

Debt investment at FVOCI are subsequently measured at fair value. Interest income at effective interest rate and impairment provision, if any, are recognised in Statement of profit and loss. Net gains or losses on fair valuation are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

Financial instruments :

Financial liabilities and equity instruments:

Classification as debt or equity -

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments -

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities -

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognised in the Statement of Profit and Loss.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value.

Derivative financial instruments

The Company enters into derivative financial instruments to manage its borrowing exposure to interest rate risks.

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognised at fair value on the date on which the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting year. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a

negative fair value is recognised as a financial liability. The resulting gain/loss is recognised in Statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

Impairment of financial instruments

Equity instruments are not subject to impairment under Ind AS 109.

Financial assets carried at amortised cost:

The Company recognises lifetime expected credit loss (ECL) when there has been a significant increase in credit risk since initial recognition and when the financial assets carried at amortised cost is credit impaired. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on historical experience and forward-looking information. (Refer Note 45)

Management overlay is used to adjust the ECL allowance in circumstances where management judges that the existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the Company's lending portfolio. Emerging local or global macro economic, micro economic or political events, and natural disasters that are not incorporated in to the current parameters, risk ratings, or forward looking information are examples of such circumstances. The use of management overlay may impact the amount of ECL recognised.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. It has been the Company's policy to regularly review its model in the context of actual loss experience and provide for additional impairment allowance due to management overlay when necessary (refer note 45)

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities measured at FVOCI, the loss allowance is recognized in OCI.

Loan contract renegotiation and modifications:

Loans are identified as renegotiated and classified as credit impaired when the Company modifies the contractual payment terms due to significant credit distress of the borrower. Renegotiated loans remain classified as

Notes to the Financial Statements for the year ended 31 March 2026

credit impaired until there is sufficient evidence to demonstrate a significant reduction in the risk of non payment of future cash flows and retain the designation of renegotiated until maturity or derecognition.

Mandatory and general offer loan modifications that are not borrower-specific, for example market-wide customer relief programmes announced by the Regulator or other statutory body, have not been classified as renegotiated loans and so have not resulted in derecognition, but their stage allocation is determined considering all available and supportable information under our ECL impairment policy.

A loan that is renegotiated is derecognised if the existing agreement is cancelled and a new agreement is made on substantially different terms, or if the terms of an existing agreement are modified such that the renegotiated loan is a substantially different financial instrument. Any new loans that arise following derecognition events in these circumstances are considered to be originated credit impaired financial asset and will continue to be disclosed as renegotiated loans.

Other than originated credit-impaired loans, all other modified loans could be transferred out of stage 3 if they no longer exhibit any evidence of being credit impaired and, in the case of renegotiated loans, there is sufficient evidence to demonstrate a significant reduction in the risk of non-payment of future cash flows over the minimum observation year, and there are no other indicators of impairment. These loans could be transferred to stage 1 or 2 based on the risk assessment mechanism by comparing the risk of a default occurring at the reporting date (based on the modified contractual terms) and the risk of a default occurring at initial recognition (based on the original, unmodified contractual terms). Any amount written off as a result of the modification of contractual terms would not be reversed.

Loan modifications that are not identified as renegotiated are considered to be commercial restructuring. Where a commercial restructuring results in a modification (whether legalised through an amendment to the existing terms or the issuance of a new loan contract) such that the Company's rights to the cash flows under the original contract have expired, the old loan is derecognised and the new loan is recognised at fair value. The rights to cash flows are generally considered to have expired if the commercial restructure is at market rates and no payment-related concession has been provided.

Collateral repossessed:

In the normal course of business, the Company does not physically repossess assets/properties in its loan portfolio, but engages external agents to repossess and recover funds, generally by selling at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the assets/properties under legal repossession processes are not separately recorded on the balance sheet.

Write offs:

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets are netted off against the amount of financial assets written off during the year under "bad debts/loss on termination" forming part of "impairment on financial instruments" in Statement of Profit and Loss.

2.10 Employee benefits:

a) Short-term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and gratia. Short-term employee benefit obligations are measured on an undiscounted basis and these are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Contribution to Provident Fund, ESIC and National Pension Scheme

The defined contribution plans i.e. provident fund (administered through Regional Provident Fund Office), superannuation fund and

employee state insurance corporation and National Pension Scheme are post-employment benefit plans under which a Company pays fixed contributions and will have no legal and constructive obligation to pay further amounts beyond its contributions. The Superannuation scheme, a defined contribution scheme, administered by Life Insurance Corporation of India and the Company has no obligation to the scheme beyond its contributions.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Company's contribution paid/payable during the year to provident fund, superannuation scheme, employees state insurance corporation (ESIC) and national pension scheme (NPS) is recognised in the Statement of Profit and Loss.

c) Gratuity and post retirement medical benefit -

The Company's liability towards gratuity and post retirement medical benefit schemes are determined by independent actuaries, using the projected unit credit method. 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. Past services are recognized at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/termination benefits.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual year to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the year as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

"When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet with corresponding debit or credit to Other Comprehensive Income (OCI). Remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent year.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

d) Leave encashment / compensated absences / sick leave

The Company provides for the encashment / ailment of leave with pay subject to certain rules as per leave policy of the Company. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

e) Employee stock options :

Compensation cost on Equity-settled share-based payments to employees are recognized as an expense at the fair value of equity stock options at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the graded vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

f) Long-Term Incentive Plan:

The Company pays Long Term Incentives to certain employees on fulfilment of prescribed criteria/conditions. The Company's liability

Notes to the Financial Statements for the year ended 31 March 2026

towards Long Term Incentive is determined actuarially based on certain assumptions regarding rate of Interest, staff attrition and mortality as per Projected Unit Credit Method. Expenses towards long term incentive are recognised in the Statement of Profit and Loss.

2.11 Finance costs :

Finance costs include interest expense computed by applying the effective interest rate on respective financial instruments measured at amortised cost, i.e., bank term loans, non-convertible debentures, inter corporate deposits, commercial papers and subordinated debts, to the extent they are regarded as an adjustment to the interest cost. Finance costs are charged to the Statement of Profit and Loss.

Interest expense on lease liabilities (Ind AS 116 - Leases) computed by applying the Company's weighted average incremental borrowing rate has been included under finance costs.

2.12 Taxation - Current and deferred tax:

Income tax expense comprises of current tax and deferred tax. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time years.

a) Current tax :

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting year. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

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

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively.

The management yearly 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.

b) Deferred tax :

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting year, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is recognised in statement of

profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities on a net basis or simultaneously.

2.13 Securities issue expenses :

Expenses incurred in connection with the fresh issue of Share capital are adjusted against Securities premium reserve. In current year there is no fresh issue of Share capital

2.14 Impairment of non financial assets :

The Company reviews the carrying amounts of its tangible and other intangible assets at the end of each reporting year, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the assets is considered impaired, and is written down to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognised in the Statement of Profit and Loss.

2.15 Leases :

The Company as a lessee -

As a lessee, the Company's lease asset class primarily consist of buildings or part thereof taken on lease for office premises and certain IT equipment and general purpose office equipments used for operating activities. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the year of the lease and (iii) the Company has the right to direct the use of the asset.

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

The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. ROU assets and corresponding lease liabilities constitute lease contracts for office premises.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost which comprises of initial amount of lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. These are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term

The lease liability is initially measured at amortized cost at the present value of the future lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

In the Balance Sheet, ROU assets have been included in property, plant and equipment and Lease liabilities have been included in Other financial liabilities and the principal portion of lease payments have been classified as financing cash flows. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

In accordance with Ind AS 116, Leases, the financial information have been presented in the following manner.

- ROU assets and lease liabilities have been included within the line items "Property, Plant and Equipment" and "Other financial liabilities" respectively in the Balance sheet;
- Interest expenses on the lease liability and depreciation charge for the right-to-use asset have been included within the line items "Finance costs" and "Depreciation, amortization and impairment" respectively in the statement of profit or loss;
- Short-term lease payments and payments for leases of low-value assets, where exemption as permitted under this standard is availed, have been recognized as expense on a straight line basis over the lease term in the statement of profit or loss.
- Cash payments for the principal and interest of the lease liability have been presented within "financing activities" in the statement of cash flows;

The disclosures pertaining to Ind AS 116 are set out under **note no. 37.**

2.16 Provisions, contingent liabilities and contingent assets:

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed. Provisions are not recognised for future operating losses.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. 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.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is made. The disclosure of contingent liability is made when there is a possible obligation or present obligation that may, but probably will not, require an outflow of resources. The Company also discloses present obligation for which a reliable estimate cannot be made as a contingent liability. Contingent Liabilities are reviewed at each Balance Sheet date.

A contingent asset is disclosed where an inflow of economic benefit is probable.

When some or all economic benefits required to settle a provision are expected to be recovered from third party, a receivable is recognised as an

asset, if it is virtually certain that reimbursement will be received and the amount can be measured reliably.

Commitments are future liabilities for contractual obligation. The commitments are classified and disclosed as follows:

- The estimated amount of contracts remaining to be executed on capital account and not provided for; and
- Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

2.17 Cash and Cash Equivalents :

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on hand, cheques on hand, balances with banks (of the nature of cash and cash equivalents), and short- term deposits.

2.18 Earnings per share :

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 - Earnings per Share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.19 Exceptional Items :

Exceptional items are those items of income or expense from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure in the financial statements is considered necessary to explain the performance of the Company.

2.20 Other Expenses :

Expenses are recognised on accrual basis net of the goods and services tax, except where credit for the input tax is not statutorily permitted.

2.21 New standards or amendments to the existing standards and other pronouncements :

Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As on March 31, 2026, there is no new standard notified or amendment to any of the existing standards under Companies (Indian Accounting Standards) Rules, 2015.

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has considered such incremental impact as exceptional item in the Statement of Profit and Loss for the year ended March 31, 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect based on such developments as needed."

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026**3 Cash and cash equivalents**

	31 March 2026	31 March 2025
Cash on hand	441.84	800.58
Balances with banks in current accounts	2,187.41	2,849.25
Term deposits with original maturity up to 3 months	2,006.65	9,949.19
Total	4,635.90	13,599.02

4 Bank balances other than cash and cash equivalents

	31 March 2026	31 March 2025
Term deposits with original maturity more than 3 months		
- Free	10,180.96	9,760.39
- Under lien	28.02	
Total	10,208.98	9,760.39

5 Receivables

	31 March 2026	31 March 2025
Trade receivables		
- Unsecured, considered good :	773.84	
- Less : Provision for impairment	-	
	773.84	-

There is no due by Directors or other officers of the company or any firm or private company in which any Director is a partner, a Director or a member.

Trade Receivables aging schedule as at 31 March 2026 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months- 1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables						
Considered good	773.84	-	-	-	-	773.84
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
(ii) Disputed Trade receivables						
Considered good	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-

Trade Receivables aging schedule as at 31 March 2025 is as follows:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months- 1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables						
Considered good	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
(ii) Disputed Trade receivables						
Considered good	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-

6 Loans

	31 March 2026	31 March 2025
A) Loans (at amortised cost):		
i) Loans against assets	8,42,178.32	7,50,297.39
ii) Other loans and advances	9,036.37	11.56
Total (A) - Gross	8,51,214.69	7,50,308.95
Less: Impairment loss allowance	(19,251.28)	(60,935.88)
Total (A) - Net	8,31,963.41	6,89,373.07
B)		
i) Secured by tangible assets (hypothecation on land and/or building)	8,42,178.32	7,50,297.39
ii) Unsecured	9,036.37	11.56
Total (B) - Gross	8,51,214.69	7,50,308.95
Less: Impairment loss allowance	(19,251.28)	(60,935.88)
Total (B) - Net	8,31,963.41	6,89,373.07
C) I) Loans in India		
i) Public Sector	-	-
ii) Others	8,51,214.69	7,50,308.95
Total (C) - Gross	8,51,214.69	7,50,308.95
Less: Impairment loss allowance	(19,251.28)	(60,935.88)
Total (C) (I) - Net	8,31,963.41	6,89,373.07
II) Loans outside India	-	-
Less: Impairment loss allowance	-	-
Total (C) (II) - Net	-	-
Total C (I) and C (II)	8,31,963.41	6,89,373.07

There is no loan asset measured at FVOCI or FVTPL or designated at FVTPL. Refer note no.45 for information related to stage-wise classification of loan assets and ECL movement.

Notes to the Financial Statements for the year ended 31 March 2026**7 Investments**

	31 March 2026	31 March 2025		31 March 2026	31 March 2025
			Investments in India	51,202.21	40,200.08
A) At Fair Value			Investments outside India	—	—
Through Profit or Loss					
Units of mutual funds	12,376.09	19,350.06	Total (Net)	51,202.21	40,200.08
Certificate of deposits	2,480.97	—			
Commercial Papers	12,402.14	2,487.41			
Investments in security receipt	7,967.10	—			
Total (Gross)	35,226.30	21,837.47			
Less: Impairment loss allowance	(7,967.10)	—			
Total (Net) - A	27,259.20	21,837.47			

B) At Fair Value

Through Other Comprehensive Income		
Government securities*	23,943.01	18,362.61
Total (Gross)	23,943.01	18,362.61
Less: Impairment loss allowance	—	—
Total (Net) - B	23,943.01	18,362.61

* Government Securities being risk free the Company has not recognised any provision under Expected Credit Loss on such Investments.

The Company has sold loans to an Asset Reconstruction Company (ARC) on August 25, 2025 and August 25, 2025 SRs were received as considerations for the transfer of loans. However, as the legal form of the asset has changed from loans to investments, it is accounted under investments. SRs have followed the same measurement/ classification approach and ECL has been recognised in a similar manner as applicable to the underlying loans.

Impairment allowance includes management overlay of ₹7967.10 lakhs on security receipts as on March 31, 2026.

8 Other financial assets

	31 March 2026	31 March 2025
Security deposits for office premises / others	1,131.34	1,062.78
Other receivables	123.54	81.83
Total	1,254.88	1,144.61

9 Taxation**Deferred tax assets**

Particulars	Balance as at 01 April 2024	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at 31 March 2025	Charge/ (credit) to profit and loss	Charge/ (credit) to OCI	Balance as at 31 March 2026
Tax effect of items constituting deferred tax liabilities :							
- FVTPL financials assets	17.06	12.26		29.32	(22.99)	—	6.33
- FVTOCI through Investment (G-Sec)	(35.37)		22.41	(12.96)	—	(18.54)	(31.50)
	(18.31)	12.26	22.41	16.37	(22.99)	(18.54)	(25.16)
Tax effect of items constituting deferred tax assets :							
- Provision for employee benefits & others	393.88	(23.50)	0.98	371.36	296.87	140.34	808.57
- Allowance for Expected Credit Loss (ECL)	2,811.12	7,755.71		10,566.83	(4,503.65)		6,063.18
- Effective Interest Rate (EIR) on financial instruments	1,237.92	(91.43)		1,146.49	(44.04)		1,102.45
- Depreciation on property, plant and equipment	502.68	127.98		630.66	57.52		688.18
- Lease liabilities	295.02	24.25		319.28	(29.05)		290.23
- Other provisions	209.17	75.12		284.29	32.70		316.99
- Tax Losses	5,431.95	(192.26)		5,239.69	2,199.88		7,439.57
	10,881.75	7,675.87	0.98	18,558.60	(1,989.77)	140.34	16,709.17
Total deferred tax assets (net)	10,900.05	7,663.61	(21.43)	18,542.23	(1,966.78)	158.88	16,734.33

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026**Income tax recognised in Statement of Profit and loss**

	31 March 2026	31 March 2025		31 March 2026	31 March 2025
Current tax:			Total income tax recognised in Other Comprehensive Income	158.88	21.44
In respect of current year	-	-			
In respect of prior years	-	-			
	-	-	Reconciliation of estimated income tax expense at tax rate to income tax expense reported in the statement of profit and loss:		
Deferred tax:				31 March 2026	31 March 2025
In respect of current year origination and reversal of temporary differences	1,966.76	(7,663.62)	Profit before tax	7,767.80	(30,457.57)
In respect of prior years	-	-	Applicable income tax rate	25.168%	25.168%
	1,966.76	(7,663.62)	Expected income tax expense	1,955.02	(7,665.56)
Total income tax recognised in Statement of Profit and Loss	1,966.76	(7,663.62)	Tax effect of adjustments to reconcile expected income tax expense at tax rate to reported income tax expense:		
Income tax recognised in Other Comprehensive Income			Effect of income exempt from tax		-
	31 March 2026	31 March 2025	Effect of expenses / provisions not deductible in determining taxable profit	11.74	1.94
Deferred tax related to items recognised in Other Comprehensive Income during the year :			Tax of earlier years	-	-
Remeasurement of defined employee benefits for current year	140.34	(0.98)	Income tax expense	1,966.76	(7,663.62)
Remeasurement of Debt Instruments for current year	18.54	22.42			

10 Property, plant and equipments

Particulars	Buildings*	Computers	Furniture and fixtures	Vehicles	Office equipments	Leasehold assets Improvement	Right-of-use Leasehold Premises)	Total
GROSS CARRYING AMOUNT								
Balance as at 1 April 2024	23.12	2,533.07	2,380.59	2,647.43	1,797.27	-	12,835.45	22,216.93
Additions during the year	-	68.71	73.93	378.51	74.35	-	804.57	1,400.07
Disposals / deductions during the year	-	46.92	182.02	503.24	121.27	-	654.99	1,508.44
Balance as at 31 March 2025	23.12	2,554.86	2,272.50	2,522.70	1,750.35	-	12,985.03	22,108.56
Balance as at 1 April 2025	23.12	2,554.86	2,272.50	2,522.70	1,750.35	-	12,985.03	22,108.56
Additions during the year	-	207.35	108.72	613.31	97.95	119.65	2,376.55	3,523.53
Disposals / deductions during the year	-	29.91	236.82	1,250.79	105.11	-	1,274.26	2,896.89
Balance as at 31 March 2026	23.12	2,732.30	2,144.40	1,885.22	1,743.19	119.65	14,087.32	22,735.20
ACCUMULATED DEPRECIATION								
Balance as at 1 April 2024	3.21	1,784.42	1,053.05	1,152.03	1,223.35	-	4,834.92	10,050.98
Additions during the year	0.39	585.37	179.72	499.27	190.19	-	1,480.14	2,935.08
Disposals / deductions during the year	-	44.71	110.63	314.09	104.23	-	-	573.66
Balance as at 31 March 2025	3.60	2,325.08	1,122.14	1,337.21	1,309.31	-	6,315.06	12,412.40
Balance as at 1 April 2025	3.60	2,325.08	1,122.14	1,337.21	1,309.31	-	6,315.06	12,412.40
Additions during the year	0.39	219.54	179.99	436.63	184.50	11.18	1,477.47	2,509.70
Disposals / deductions during the year	-	28.68	136.62	816.99	94.64	-	16.80	1,093.73
Balance as at 31 March 2026	3.99	2,515.94	1,165.51	956.85	1,399.17	11.18	7,775.73	13,828.37
NET CARRYING AMOUNT								
As at 31 March 2025	19.52	229.78	1,150.36	1,185.49	441.04	-	6,669.97	9,696.16
As at 31 March 2026	19.13	216.36	978.89	928.37	344.02	108.47	6,311.59	8,906.83

* Secured non convertible debentures (NCDs) have pari passu charges on buildings whose carrying amount is ₹ 19.13 Lakhs (31 March 2025 - ₹ 19.52 Lakhs)

There is no immovable property where title deed of such immovable property is not held in name of company or jointly held with others.

The company has not revalued its property, plant and equipment (including right of use Assets)

Notes to the Financial Statements for the year ended 31 March 2026

11 Other intangible assets

Particulars	Computer software
GROSS CARRYING AMOUNT	
Balance as at 1 April 2024	1,139.99
Additions during the year	10.90
Disposals / deductions during the year	—
Balance as at 31st March 2025	1,150.89
Balance as at 1 April 2025	1,150.89
Additions during the year	87.22
Disposals / deductions during the year	163.05
Balance as at 31st March 2026	1,075.06
ACCUMULATED DEPRECIATION	
Balance as at 1 April 2024	556.76
Additions during the year	292.59
Disposals / deductions during the year	—
Balance as at 31st March 2025	849.35
Balance as at 1 April 2025	849.35
Additions during the year	304.90
Disposals / deductions during the year	155.51
Balance as at 31st March 2026	998.74
NET CARRYING AMOUNT	
As at 31 March 2025	301.54
As at 31 March 2026	76.32

The company has not revalued its intangibles assets

12 Other non-financial assets

	31 March 2026	31 March 2025
Capital advances	43.49	2.95
Prepaid expenses	1,105.59	1,336.55
Balances with Government Authorities	1,855.38	1,754.02
Other Advance	370.35	232.51
Total	3,374.81	3,326.03

13 Derivative financial instruments

	31 March 2026	31 March 2025
Interest rate derivatives :		
Interest rate swaps	62.81	156.25
Total derivative financial instruments	62.81	156.25

Ageing for trade payables outstanding as at 31 March 2026 is as follows:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME *	12.8	—	—	—	12.80
(ii) Others	1621.75	122.56	398.01	0.38	2,142.70
(iii) Disputed dues – MSME	—	—	—	—	—
(iv) Disputed dues – Others	—	—	—	—	—

There is neither an instance where due date is not specified nor there is any unbilled due.

14 Payables

	31 March 2026	31 March 2025
I) Trade payables		
i) total outstanding dues of micro enterprises and small enterprises	12.80	6.60
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,142.71	2,927.66
II) Other payables		
i) total outstanding dues of micro enterprises and small enterprises	—	—
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20.30	24.50
TOTAL	2,175.81	2,958.76

Micro, Small and Medium Enterprises:

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below :

	31 March 2026	31 March 2025
a) Dues remaining unpaid to any supplier at the year end		
— Principal	12.80	6.60
— Interest on the above	—	—
b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
— Principal paid beyond the appointed date	22.18	1.89
— Interest paid in terms of Section 16 of the MSMED Act	0.05	0.01
c) Amount of interest due and payable for the year of delay on payments made beyond the appointed day during the year	—	—
d) Amount of interest accrued and remaining unpaid	—	—
e) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	—	—

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

Ageing for trade payables outstanding as at 31 March 2025 is as follows:

	% Less than 1 year 1-2 years 2-3 years More than 3 years				Total
(i) MSME *	2.10	4.50	—	—	6.60
(ii) Others	2,916.00	11.66	—	—	2,927.66
(iii) Disputed dues – MSME	—	—	—	—	—
(iv) Disputed dues – Others	—	—	—	—	—

There is neither an instance where due date is not specified nor there is any unbilled due.

15 Debt Securities

	31 March 2026	31 March 2025
At Amortised cost		
i) Bonds / Debentures (Secured)		
– Non-convertible debentures	3,04,661.54	2,26,462.38
ii) Bonds / Debentures (Unsecured)		
– Non-convertible debentures	40,239.96	1,08,651.92
iii) Others (Unsecured)		
– Commercial Papers	73,981.55	30,593.21
Total	4,18,883.05	3,65,707.51
Debt securities in India	4,18,883.05	3,65,707.51
Debt securities outside India	—	—
Total	4,18,883.05	3,65,707.51

There are no debt securities measured at FVTPL or designated at FVTPL

There are no redeemed bonds/debentures which the company has power to reissue.

Details of Bonds / Debentures (Secured) - Redeemable Non-convertible debentures# :

From the Balance Sheet date	As at 31 March 2026		As at 31 March 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing within 1 year	8.30%-8.458%	43,500.00	7.75%-8.20%	57,500.00
Maturing between 1 year to 3 years	7.15%-9.18%	2,06,010.00	8.30%-8.45%	43,500.00
Maturing between 3 years to 5 years	7.45%	24,930.11	7.99%-9.18%	96,010.00
Maturing beyond 5 years	7.90%-8.35%	21,000.00	7.90%-8.35%	20,839.53
Total at face value		2,95,440.11		2,17,849.53
Less: Unamortised finance cost		388.86		380.83
Add: Interest Accrued but not due		9,610.29		8,993.68
Total amortised cost		3,04,661.54		2,26,462.38

Secured by pari passu charges on the property of the Company located at Chinchwad, Pune in the State of Maharashtra and/ or exclusive charge on book debt and receivables under loan contracts and/ or owned assets to the extent of 100% of outstanding secured debentures.

The rates mentioned above are the applicable rates as at the year end. These includes floating rate loans which are based on external benchmark.

The funds raised by the Company during the year by issue of Secured Redeemable Non Convertible Debenture/ Bonds were utilised for the purpose intended i.e. towards lending, financing , to refinance the existing indebtedness of the Company or for long-term working capital or General Corporate purposes of the Company in compliance with applicable laws and the terms of the issue.

Details of Bonds / Debentures (Unsecured) Redeemable Non-convertible debentures :

From the Balance Sheet date	As at 31 March 2026		As at 31 March 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing within 1 year	-	—	8.32%-8.55%	67,500.00
Maturing between 1 year to 3 years	8.32%	37,500.00	8.32%	37,500.00
Maturing between 3 years to 5 years	-	—		—
Total at face value		37,500.00		1,05,000.00

Notes to the Financial Statements for the year ended 31 March 2026

Details of Bonds / Debentures (Unsecured) Redeemable Non-convertible debentures :

From the Balance Sheet date

	As at 31 March 2026		As at 31 March 2025	
	Interest rate range	Amount	Interest rate range	Amount
Less: Unamortised discounting charges		27.91		34.79
Add: Interest Accrued but not due		2,767.87		3,686.71
Total amortised cost		40,239.96		1,08,651.92

The rates mentioned above are the applicable rates as at the year end. These includes floating rate loans which are based on external benchmark

The funds raised by the Company during the year by issue of Unsecured Redeemable Non Convertible Debenture/Bonds were utilised for the purpose intended i.e. towards lending, financing, to refinance the existing indebtedness of the Company or for long-term working capital or General Corporate purposes of the Company in compliance with applicable laws and the terms of the issue.

Details of others debt securities (Unsecured) - Commercial Papers :

From the Balance Sheet date

	As at 31 March 2026		As at 31 March 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing within 1 year	6.60%-7.66%	77,500.00	7.85%-7.90%	32,500.00
Total at face value		77,500.00		32,500.00
Less: Unamortised discounting charges		3,518.45		1,906.79
Total amortised cost		73,981.55		30,593.21

16 Borrowings (Other than Debt Securities)

	31 March 2026	31 March 2025
At Amortised cost		
i) Term loans		
Secured -		
– from banks	2,83,488.74	1,83,954.37
ii) Loans from related parties		
Unsecured -		
– Inter-corporate deposits (ICDs)	6,772.32	29,319.16
iii) Other loans and advances		
Unsecured -		
– Inter-corporate deposits (ICDs) other than related parties	2,336.13	–
Total	2,92,597.19	2,13,273.53
Borrowings in India	2,92,597.19	2,13,273.53
Borrowings outside India	–	–
Total	2,92,597.19	2,13,273.53

There are no borrowings measured at FVTPL or designated at FVTPL

The Company's borrowings have not been guaranteed by the directors or any other parties. Further, the Company has not defaulted in the repayment of principal or interest.

Details of term loans from banks (Secured)

From the Balance Sheet date

	As at 31 March 2026		As at 31 March 2025	
	Interest rate range	Amount	Interest rate range	Amount
1) Repayable on maturity:				
Maturing within 1 year	6.70%-8.60%	19,153.55	7.90%-8.35%	14,000.00
Maturing between 1 year to 3 years	7.25%	10,000.00	8.29%	10,000.00
Maturing between 3 years to 5 years	–	–	–	–
Total		29,153.55		24,000.00
2) Repayable in instalments:				
i) Quarterly -				
Maturing within 1 year	6.18%-7.85%	27,580.65	7.46%-9.05%	13,657.23
Maturing between 1 year to 3 years	6.18%-7.85%	67,630.81	7.46%-8.55%	28,049.46
Maturing between 3 years to 5 years	7.75-7.85%	3,842.11	7.46%-8.80%	9,188.31
Maturing beyond 5 years	–	–	–	–
Sub total		99,053.57		50,895.00

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

From the Balance Sheet date	As at 31 March 2026		As at 31 March 2025	
	Interest rate range	Amount	Interest rate range	Amount
ii) Half yearly -				
Maturing within 1 year	7.00%-7.35%	20,777.78	8.11%-8.60%	20,777.78
Maturing between 1 year to 3 years	7.07%-7.64%	40,222.22	8.11%-8.60%	28,500.00
Maturing between 3 years to 5 years			8.18%	7,500.00
Sub total		61,000.00		56,777.78
iii) Yearly -				
Maturing within 1 year	6.50%-8.15%	25,044.44	8.35%-9.00%	25,125.00
Maturing between 1 year to 3 years	6.50%-8.15%	55,733.33	8.65%-9.00%	25,388.89
Maturing between 3 years to 5 years	6.50%-8.10%	13,000.00	8.70%	1,500.00
Sub total		93,777.77		52,013.89
Total		2,53,831.34		1,59,686.67
Total (1+2) (As per contractual terms)		2,82,984.89		1,83,686.67
Less: Unamortized finance cost		11.19		0.01
Add: Interest Accrued but not due		515.04		267.71
Total amortized cost		2,83,488.74		1,83,954.37

Secured by an exclusive charge on book debt and receivables under loan contracts to the minimum of 100% of outstanding secured loans plus applicable margin.

The rates mentioned above are the applicable rates as at the year end. These includes floating rate loans which are based on Marginal Cost of fund based Lending Rate (MCLR) & external benchmark based spreads.

Details of Inter-corporate deposits (ICDs) (Unsecured) :

From the Balance Sheet date	As at 31 March 2026		As at 31 March 2025	
	Interest rate range	Amount	Interest rate range	Amount
Repayable on maturity:				
Maturing within 1 year	6.82%-6.97%	6,650.00	6.75%-8.05%	27,725.00
Maturing between 1 year to 3 years	7.65%	2,200.00	-	-
Total		8,850.00		27,725.00
Less: unamortized finance cost		4.14		-
Add: Interest Accrued but not due		262.59		1,594.16
Total amortized cost		9,108.45		29,319.16

The rates mentioned above are the applicable rates as at the year end.

17 Subordinated liabilities

	31 March 2026	31 March 2025
At Amortised cost		
Unsecured Subordinated redeemable non-convertible debentures	51,088.86	57,425.96
Total	51,088.86	57,425.96
Subordinated liabilities in India	51,088.86	57,425.96
Subordinated liabilities outside India	-	-
Total	51,088.86	57,425.96

There are no subordinated liabilities measured at FVTPL or designated at FVTPL

Details of Subordinated liabilities (at Amortised cost) - Unsecured Subordinated redeemable non-convertible debentures*:

From the Balance Sheet date	As at 31 March 2026		As at 31 March 2025	
	Interest rate range	Amount	Interest rate range	Amount
A) Issued on private placement basis				
Repayable on maturity:				
Maturing within 1 year	8.40%-9.10%	12,200.00	9.25%-9.50%	6,000.00
Maturing between 1 year to 3 years	8.50%-9.40%	22,000.00	8.40%-9.10%	20,700.00

Notes to the Financial Statements for the year ended 31 March 2026**From the Balance Sheet date**

	As at 31 March 2026		As at 31 March 2025	
	Interest rate range	Amount	Interest rate range	Amount
Maturing between 3 years to 5 years	7.90%	5,000.00	9.00%-9.40%	13,500.00
Maturing beyond 5 years	8.35%	10,000.00	7.90%-8.35%	15,000.00
Sub-total at face value		49,200.00		55,200.00
Less: Unamortised finance cost		142.55		175.17
Add: Interest Accrued but not due		2,031.40		2,401.13
Total amortised cost		51,088.86		57,425.96

The funds raised by the Company by issue of Unsecured Subordinated Redeemable Non Convertible Debentures/Bonds were utilised for the purpose intended i.e. towards lending, financing, to refinance the existing indebtedness of the Company or for long-term working capital or General Corporate purposes of the Company, in compliance with applicable laws and the terms of the issue.

18 Other financial liabilities

	31 March 2026	31 March 2025
Credit balances in current accounts with banks as per books	17,719.72	4,798.66
Insurance premium payable (on behalf of borrowers)	444.34	430.53
Salary, bonus and performance pay payable	2,610.30	2,277.18
Provision for expenses	2,315.13	2,495.65
Lease liabilities (refer note 37)	7,464.76	7,938.56
Other liabilities	998.26	2,506.88
Total	31,552.51	20,447.46

19 Provisions

	31 March 2026	31 March 2025
Provision for employee benefits (refer note 35)		
– Gratuity	1,886.10	451.91
– Leave encashment/ Post retirement medical benefits	1,030.35	772.19
– Post Retirement Medical Benefit Scheme	21.69	15.24
Provision for ECL on loan commitments & Other advances	190.38	42.50
Total	3,128.52	1,281.84

20 Other non-financial liabilities

	31 March 2026	31 March 2025
Statutory dues payable	450.05	452.48
Others	–	–
Total	450.05	452.48

21 (i) Equity Share capital

	31 March 2026	31 March 2025
Authorised capital:		
150,000,000 (31 March 2025 : 150,000,000) Equity shares of ₹10/- each	15,000.00	15,000.00
	15,000.00	15,000.00
Issued capital:		
122,887,870 (31 March 2025 : 122,887,870) Equity shares of ₹10/- each	12,288.79	12,288.79
	12,288.79	12,288.79
Subscribed and paid-up capital:		
122,887,870 (31 March 2025: 122,887,870) Equity shares of ₹10/- each fully paid up	12,288.79	12,288.79
Less : Shares issued to ESOS Trust but not allotted to employees	26.08	42.83
Total	12,262.71	12,245.96

	31 March 2026		31 March 2025	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
a) Reconciliation of number of equity shares:				
Balance at the beginning of the year	12,28,87,870	12,288.79	12,28,87,870	12,288.79
Add: Fresh allotment of shares:				
Issue of Shares	–	–	–	–
Shares issued under Employees' Stock Option Scheme	–	–	–	–
Less: Shares issued to ESOS Trust but not allotted to employees	(2,60,737)	(26.08)	(4,28,240)	(42.83)
Balance at the end of the year	12,26,27,133	12,262.71	12,24,59,630	12,245.96
b) Number of equity shares held by holding company or ultimate holding company including shares held by its subsidiaries / associates :				
Holding Company: Mahindra & Mahindra Financial Services Limited (including 12 shares held jointly with nominees)	12,09,52,678	12,095.27	12,09,52,678	12,095.27
Percentage of holding (%)	98.43%	98.43%	98.43%	98.43%
c) Shareholders holding more than 5 percent shares:				
Mahindra & Mahindra Financial Services Limited	12,09,52,678	12,095.27	12,09,52,678	12,095.27
Percentage of holding (%)	98.43%	98.43%	98.43%	98.43%

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

d) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

21 (ii) Disclosure of shareholding of promoters

Disclosure of shareholding of promoters as at 31 March 2026 is as follows

Promoter name	Shares held by promoter				% Change during the year
	As at 31 March 2026		As at 31 March 2025		
	No of shares	% of total shares	No of shares	% of total shares	
Mahindra & Mahindra Financial Services Limited (including 12 shares held jointly with nominees)	12,09,52,678	98.43%	12,09,52,678	98.43%	—
Total	12,09,52,678	98.43%	12,09,52,678	98.43%	

22 Other Equity

Description of the nature and purpose of Other Equity :

Statutory reserve

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. The Company transfers an amount to Special Reserve at year end. The Company does not anticipate any withdrawal from Special Reserve in the foreseeable future.

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 the Companies Act, 2013.

General reserve

General reserve was created through transfer of profits at a specified percentage in accordance with applicable regulations under the erstwhile Companies Act, 1956. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up capital of the Company for that year, then the total dividend distribution is less than the total distributable profits for that year. Consequent to introduction of the Companies Act, 2013, the requirement to mandatorily transfer specified percentage of net profits to General reserve has been withdrawn. However, the amount previously transferred to the General reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

Employee stock options outstanding

The Employee Stock Options outstanding represents amount of reserve created by recognition of compensation cost at grant date fair value on stock options vested but not exercised by employees.

Retained earnings

Retained earnings or accumulated surplus represents total of all profits retained since Company's inception. Retained earnings are credited with current year profits, reduced by losses, if any, dividend payouts, transfers to General reserve or any such other appropriations to specific reserves.

23 Interest income

	31 March 2026	31 March 2025
(A) On financial assets measured at amortised cost		
Interest on loans	1,07,479.99	1,12,836.78
Other interest income	0.03	0.14
(B) Interest income from investments		
Interest income from investments	1,627.74	1,342.21
(C) Interest on deposits with banks		
Interest on deposits with banks	908.37	2,041.72
Total (A+B+C)	1,10,016.13	1,16,220.85

Note: There is no loan asset measured at FVTPL

24 Fees and commission income

	31 March 2026	31 March 2025
Service charges and other fees on loan transactions	1,979.83	1,142.21
Income From Commission/Distribution Services	2,464.58	—
Total	4,444.41	1,142.21

Revenue from contracts with customers

Set out below is the revenue from contracts with customers and reconciliation to the statement of profit and loss.

Particulars	31 March 2026	31 March 2025
Type of services or service		
Service charges and other fees on loan transactions	1,979.83	1,142.21
Income From Commission/Distribution Services	2,464.58	—
Total revenue from contract with customers	4,444.41	1,142.21
Geographical markets		
India	4,444.41	1,142.21
Outside India	—	—
Total revenue from contract with customers	4,444.41	1,142.21
Timing of revenue recognition		
Services transferred at a point in time	4,444.41	1,142.21
Services transferred over time	—	—
Total revenue from contract with customers	4,444.41	1,142.21

Contract Balances

Particulars	31 March 2026	31 March 2025
Income from commission/distribution services receivables	773.84	—
Impairment loss allowance recognised on contract balance is Rs 4.49 Lakhs (Previous year ₹ Nil)	—	—
Contract asset as on 31 March 2026 is Nil (Previous year Nil)	—	—

25 Net gain / (loss) on fair value changes

	31 March 2026	31 March 2025
Net gain / (loss) on financial instruments at FVTPL		
– Mutual fund units		
Fair value changes :		
– Realised	1,030.41	1,260.92
– Unrealised	(88.39)	54.67
Total	942.02	1,315.59

Fair value changes in this schedule are other than those arising on account of accrued interest income/expense

Notes to the Financial Statements for the year ended 31 March 2026**26 Other income**

	31 March 2026	31 March 2025
Net gain on derecognition of property, plant and equipment	30.67	—
Income from branding and marketing activities	1,170.50	855.42
Others	900.18	136.00
Total	2,101.35	991.42

27 Finance costs

	31 March 2026	31 March 2025
On financial liabilities measured at amortised cost		
Interest on borrowings	17,173.39	20,372.44
Interest on debt securities	29,822.53	26,784.70
Interest on subordinated liabilities	4,494.11	4,248.33
Interest on lease liability (refer note 37)	596.60	512.77
Other borrowing costs	234.20	251.03
Total	52,320.83	52,169.27

There are no financial liabilities measured at FVTPL

28 Fees and commission expense

	31 March 2026	31 March 2025
Fees, commission / brokerage	818.07	499.63
Total	818.07	499.63

29 Impairment on financial instruments

	31 March 2026	31 March 2025
On financial instruments measured at amortised cost		
Loans	(41,684.60)	33,357.50
Bad debts / Loss on termination	37,269.36	12,733.56
Investments	7,967.10	—
Loan commitment & other advances	147.88	(61.95)
Total	3,699.74	46,029.11

There are no financial instruments measured at FVOCI

30 Employee benefits expenses

	31 March 2026	31 March 2025
Salaries and wages	31,668.75	30,533.93
Contribution to provident and other funds	1,760.75	2,202.37
Share based payments to employees	(76.75)	(86.61)
Staff welfare expenses	460.37	506.76
Total	33,813.12	33,156.45

31 Depreciation, amortization and impairment

	31 March 2026	31 March 2025
Depreciation on property, plant and equipment (refer note 10)	1,032.21	1,454.95
Amortization of intangible assets (refer note 11)	304.90	292.59
Amortization on right of use assets (refer note 10 and 37)	1,460.68	1,480.13
Total	2,797.79	3,227.67

32 Other expenses

	31 March 2026	31 March 2025
Rent	332.20	287.29
Rates and taxes, excluding taxes on income	239.16	154.11
Electricity charges	288.52	260.82
Repairs and maintenance	217.72	186.98
Communication costs	512.24	617.95
Printing and stationery	162.43	178.72
Travelling and conveyance expenses	2,221.16	3,376.11
Advertisement and publicity	73.24	92.49
Administration support charges	312.61	443.53
Directors' fees, allowances and expenses	39.00	46.79
Auditor's fees and expenses -		
- Audit fees	24.80	24.84
- Other services	12.40	10.33
- Reimbursement of expenses	1.31	1.02
Legal and professional charges	2,051.29	3,316.41
Insurance	1,147.15	1,257.04
Manpower outsourcing cost	4,142.77	2,340.80
Net loss on derecognition of property, plant and equipment	—	52.91
Software License Expenses	2,062.24	1,072.24
Other expenses	1,228.66	1,325.13
Total	15,068.90	15,045.51

33 Earning Per Share

Basic EPS is calculated in accordance with Ind AS 33 'Earnings Per Share' by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the net profit attributable to equity holders 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 of the Company. In case diluted EPS is increased when taking the dilutive shares into account, the dilutive shares are anti-dilutive and are ignored in the calculation of diluted EPS.

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

	31 March 2026	31 March 2025
Profit/(loss) for the year attributable to equity shareholders (Rupees in lakhs)	5,801.04	(22,793.95)
Weighted average number of equity shares used in computing basic EPS	12,25,04,224	12,23,88,069
Effect of potential dilutive equity shares	1,89,321	4,15,197
Weighted average number of equity shares used in computing diluted EPS	12,26,93,544	12,28,03,266
Basic earnings per share (₹) (Face value of ₹ 10/- per share)	4.74	(18.62)
Diluted earnings per share (₹)	4.73	(18.62)

34 Employee Stock Option Scheme:

The Company has used fair value method to account for the compensation cost of stock options. Fair value of options is based on the valuation of the independent valuer using the Black -Scholes model.

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026**Description of ESOP Scheme:**

Particulars	ESOP
Vesting requirements	Stock Options due for vesting on each vesting date shall vest on the basis of time i.e. mere continuance of employment as on relevant date of vesting.
Vesting Conditions	25% on expiry of 12 months from the date of grant
	25% on expiry of 24 months from the date of grant
	25% on expiry of 36 months from the date of grant
	25% on expiry of 48 months from the date of grant
Method of Settlement	Equity settled

The Fair value of options, based on the valuation of the independent values as on the date of grant are:

	31 March 2026			31 March 2025		
Vesting Date	No of years vesting	Fair Value (₹) per share	Exercise Price (₹)	No of years vesting	Fair Value (₹) per share	Exercise Price (₹)
		NIL			NIL	

The Key assumptions used in Black-Scholes model for calculating fair value as on the date of grant are:

Variables [#]	31 March 2026	31 March 2025
1) Risk free interest rate	NIL	NIL
2) Expected life	NIL	NIL
3) Expected volatility	NIL	NIL
4) Price of the underlying share at the time of option grant (₹)	NIL	NIL

the value mentioned against each of the variables are based on the weighted average percentage of vesting.

Number and weighted average exercise price of options

		31 March 2026		31 March 2025	
Sr. No	Particulars	Number of options	Weighted Average Exercise Price	Number of options	Weighted Average Exercise Price
1	Outstanding at the beginning of the year	4,84,798	10.00	10,51,108	26.05
2	Granted during the year	—	—	—	—
3	Forfeited / Lapsed during the year	1,12,009	10.00	4,37,405	46.33
4	Exercised during the year	1,67,503	10.00	1,28,905	17.61
5	Outstanding at the end of the year	2,05,286	10.00	4,84,798	10.00
6	Exercisable at the end of the year	1,94,659	10.00	3,17,386	10.00

Range of exercise price and weighted average remaining contractual life of outstanding options:

	31 March 2026			31 March 2025		
Grant date	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price (₹)	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price (₹)
07-Oct-17	—	0.00	67.00	—	0.00	67.00
08-Dec-17	—	0.00	67.00	—	0.00	67.00
16-Jan-18	—	0.00	67.00	—	0.00	67.00
16-Oct-19	7,909	0.54	10.00	19,051	1.21	10.00
18-Jan-21	6,963	1.36	10.00	22,500	2.18	10.00
21-Oct-21	1,47,885	1.78	10.00	3,97,769	2.42	10.00
19-Oct-22	42,529	2.05	10.00	45,478	3.05	10.00

Notes to the Financial Statements for the year ended 31 March 2026

35 Employee Benefits

General description of defined benefit plans:

Gratuity

The Company provides for the gratuity, a defined benefit retirement plan covering qualifying employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated period mentioned under The Code on Social Security, 2020. The Company makes annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India through its gratuity fund.

Post retirement medical cover

The Company provides for post retirement medical cover to select grade of employees to cover the retiring employee and their spouse upto a specified age through mediclaim policy on which the premiums are paid by the Company. The eligibility of the employee for the benefit as well as the amount of medical cover purchased is determined by the grade of the employee at the time of retirement.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk -

The plan liabilities are calculated using a discount rate set with references to government bond yields; if plan assets underperform compared to this yield, this will create or increase a deficit.

Interest rate risk -

A decrease in government bond yields will increase plan liabilities, although this is expected to be partially offset by an increase in the value of the plan's investment in debt instruments.

Variability in withdrawal rates -

If actual withdrawal rates are higher than assumed withdrawal rate assumption then the gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

Regulatory Risk -

Gratuity Benefit must comply with the requirements of the Payment of Gratuity Act, 1972 (as amended up-to-date). There is a risk of change in the regulations requiring higher gratuity payments (e.g. raising the present ceiling of ₹ 20.00 Lakhs, raising accrual rate from 15/26 etc.).

Inflation risk -

The present value of some of the defined benefit plan obligations are calculated with reference to the future salaries of plan participants. As

such, an increase in the salary of the plan participants will increase the plan's liability. The post retirement medical benefit obligation is sensitive to medical inflation and accordingly, an increase in medical inflation rate would increase the plan's liability.

Salary Risk -

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk -

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Concentration Risk -

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low.

Life expectancy -

The present value of defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants, both during and after the employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

If actual mortality rates are higher than assumed mortality rate assumption than the gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

On November 21, 2025, the Government of India notified the provisions of four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively "new Labour Codes") which consolidate 29 existing labour laws into a unified framework governing employee benefits during employment and post-employment.

In accordance with the new Labour Codes, the Company has currently estimated the incremental impact of Gratuity to be ₹900.32 lakhs and Leave Encashment to be ₹257.34 lakhs on the basis of Actuarial Valuation. This has been presented under "Exceptional Items" in the standalone financial statements for the year ended March 31, 2026.

The Company continues to monitor developments on the Rules to be notified by regulatory authorities, including clarifications/ additional guidance from authorities and will continue to assess the accounting implications, basis such developments/ guidance.

Details of defined benefit plans as per actuarial valuation are as follows:

Particulars	Funded Plan Gratuity		Unfunded Plan-Post retirement medical benefits	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
I Amount recognised in the Statement of Profit and Loss for the year ended:				
1 Current service cost	78.44	212.91	0.15	—
2 Interest cost on benefit obligation (Net)	48.09	28.50	1.04	—
3 Past service cost	900.32	—	—	15.23
4 Adjustment due to opening balance	—	—	—	—
Total expenses included in employee benefits expense	1,026.86	241.40	1.19	15.23
II Amount recognised in Other Comprehensive income for the year				
1 Actuarial (gains)/losses arising from changes in demographic assumption	223.03	(28.24)	9.07	—

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

	Particulars	Funded Plan Gratuity		Unfunded Plan-Post retirement medical benefits	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
2	Actuarial (gains)/losses arising from changes in financial assumption	(90.44)	8.76	(2.06)	—
3	Actuarial (gains)/losses arising from changes in experience adjustment	384.20	5.12	(1.38)	—
4	Return on plan assets	35.12	—	—	—
	Recognised in other comprehensive income	551.91	(14.36)	5.63	—
III	Change in the present value of obligation during the year				
1	Present value of defined benefit obligation at the beginning of the year	1,213.86	1,346.89	15.23	—
2	Current service cost	78.44	212.91	0.15	—
3	Interest cost/income	95.47	97.65	1.04	15.23
4	Past service cost	900.32	—	—	—
5	Liability Transferred In/ Acquisitions	73.24	—	—	—
6	(Liability Transferred Out/ Divestments)	(22.15)	—	—	—
7	Remeasurements (gains)/ losses	—	—	—	—
	(i) Actuarial (gains)/losses arising from changes in demographic assumption	223.03	(28.24)	9.07	—
	(ii) Actuarial (gains)/losses arising from changes in financial assumption	(90.44)	8.76	(2.06)	—
	(iii) Actuarial (gains)/losses arising from changes in experience adjustment	384.20	5.12	(1.38)	—
8	Benefits paid	(225.20)	(429.23)	(0.37)	—
	Present value of defined benefit obligation at the end of the year	2,630.77	1,213.86	21.69	15.23
IV	Change in fair value of plan assets during the year				
1	Fair value of plan assets at the beginning of the year	761.95	953.84	—	—
2	Interest income	47.38	69.15	—	—
3	Contributions by employer	139.36	186.47	—	—
4	Assets Transferred In/Acquisitions	73.24	—	—	—
5	(Assets Transferred Out/ Divestments)	(16.94)	—	—	—
6	Benefits paid	(225.20)	(429.23)	—	—
7	Return on plan assets excluding interest income	(35.12)	(18.27)	—	—
8	Adjustment to the change in opening balance of plan assets	—	—	—	—
	Fair value of plan assets at the end of the year	744.68	761.96	—	—
V	Net Asset/(Liability) recognised in the Balance Sheet as at year end				
1	Present value of defined benefit obligation	(2,630.78)	(1,213.86)	(21.69)	(15.23)
2	Fair value of plan assets	744.68	761.95	—	—
3	Surplus/(Deficit)	(1,886.10)	(451.91)	(21.69)	(15.23)
4	Current portion of the above	(1,886.10)	(451.91)	(21.69)	(15.23)
5	Non-current portion of the above	—	—	—	—
VI	Actuarial assumptions and Sensitivity				
1	Discount rate	6.48%	6.54%	7.59%	6.82%

Notes to the Financial Statements for the year ended 31 March 2026

Particulars	Funded Plan Gratuity		Unfunded Plan-Post retirement medical benefits	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
2 Expected rate of return on plan assets	8.00%	7.00%	7.00%	7.00%
3 Salary growth rate				
4 Attrition rate	47.82% for age upto 30, 36.58% for age 31-44, 25.83% for above 44	83.05% for age upto 30, 70.76% for age 31-44, 35.55% for above 44	47.82% for age upto 30, 36.58% for age 31-44, 25.83% for above 44	83.05% for age upto 30, 70.76% for age 31-44, 35.55% for above 44
5 In-service mortality	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban

Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:

Assumptions	31 March 2026	31 March 2025	31 March 2026	31 March 2025
One percentage point increase in discount rate	(55.51)	(12.27)	(2.31)	(1.25)
One percentage point decrease in discount rate	58.94	12.82	2.73	1.44
One percentage point increase in salary growth rate	54.27	12.64	2.72	1.42
One percentage point decrease in salary growth rate	(52.77)	(12.33)	(2.34)	(1.26)
One percentage point increase in rate of employee turnover	(12.75)	(2.10)	(1.17)	(0.33)
One percentage point decrease in rate of employee turnover	13.08	2.15	1.32	0.36

Expected contribution for the next annual reporting year	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Service Cost	271.68	57.14	0.47	0.15
Net Interest Cost	122.22	29.55	1.65	1.04
Expected Expense for the next annual reporting year	393.89	86.69	2.12	1.19

Maturity profile of defined benefit obligation

	31 March 2026	31 March 2025	31 March 2026	31 March 2025
1st Following Year	771.71	633.58	0.54	0.65
2nd Following Year	574.72	287.68	0.71	0.85
3rd Following Year	437.34	146.66	0.79	0.96
4th Following Year	350.79	84.21	0.93	1.03
5th Following Year	281.42	53.38	1.09	1.10
Sum of Years 6 To 10	530.92	95.86	8.57	7.17
Sum of Years 11 and above	146.99	8.34	51.19	19.84

The estimate of future salary increases, considered in actuarial valuation, considers inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The plan assets have been primarily invested in government securities and corporate bonds.

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to these complexity involved in the valuation it is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

Contribution to funds

The Company's contribution to provident fund ,superannuation fund & national pension scheme aggregating ₹ 1390.36 lakhs (31 March 2025: ₹ 1,684.18 lakhs) has been recognised in the statement of profit and loss under the head employee benefits expenses.

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

Compensated Absences

The principal assumptions used in determining obligations for the Company are shown below:

Particulars	31 March 2026	31 March 2025
Rate of discounting	6.48%	6.54%
Expected rate of salary increase	8.00%	7.00%
Rate of employee turnover	47.82% for age upto 30, 36.58% for age 31-44, 25.83% for above 44	83.05% for age upto 30, 70.76% for age 31-44, 35.55% for above 44
Mortality	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Ultimate
Expenses recognised in statement of profit and loss	232.36	276.70

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at March 31, 2026.

The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

Contribution to funds

Long Term Incentive Scheme

The Long-Term Incentive Plan is annually granted along with the performance cycle at the end of the financial year and determined on the individual performance rating criteria, awarded LTIP will vest equally in 3 years. This incentive scheme is launched in current financial year.

Actuarial assumptions and Sensitivity

Particulars	31 March 2026	31 March 2025
Retirement Age	60 years	
Discount Rate	6.48%	

The following table gives information as required under the Ind AS -108 on Operating Segments:

Particulars	Year Ended March 31, 2026			Year Ended March 31, 2025		
	Financing Activities	Corporate Insurance agency	Total	Financing Activities	Corporate Insurance agency	Total
External Revenue	1,15,039.33	2,464.58	1,17,503.91	1,19,670.07	–	1,19,670.07
Inter Segment Revenue	–	–	–	–	–	–
Net Revenue	1,15,039.33	2,464.58	1,17,503.91	1,19,670.07	–	1,19,670.07
Segment Results (Profit/(Loss) before tax):	6,536.37	2,449.09	8,985.46	(30,457.57)	–	(30,457.57)
Add: Other unallocable income net of unallocable expenditure	–	–	–	–	–	–
Net Profit before tax	6,536.37	2,449.09	8,985.46	(30,457.57)	–	(30,457.57)
Segment Assets*	9,30,486.14	773.84*	9,31,259.98	7,87,733.80	–	7,87,733.80
Unallocated corporate assets	–	–	–	–	–	–
Total Assets	9,30,486.14	773.84	9,31,259.98	7,87,733.80	–	7,87,733.80
Segment Liabilities	9,31,259.98	–	9,31,259.98	7,87,733.80	–	7,87,733.80
Other unallocable liabilities	–	–	–	–	–	–
Total Liabilities	9,31,259.98	–	9,31,259.98	7,87,733.80	–	7,87,733.80

* Receivable of ₹ 773.84 lakhs pertaining to insurance agency business includes both billed and unbilled amounts but not received.

Particulars	31 March 2026	31 March 2025
Attrition Rate	6.90%	
Performance Measurement	85%	

Reconciliation of the Liability recognised in the Balance Sheet:

Particulars	31 March 2026	31 March 2025
Opening Net Liability	–	–
Expense recognised in the P&L	11.52	–
Contribution/Benefit Paid by the Company	–	–
Amount recognised in the Balance Sheet under "Provision for Retirement Benefits"	11.52	–

The Company has not funded its compensated absences liability and the same continues to remain as unfunded as at 31st March 2026.

Discount rate is based on the prevailing market yields of Indian Government Bonds as at the balance sheet date for the estimated term of the obligation.

36 Operating segments

Primary segment (Business Segment)

The Group's business is organised in to following segments and the management reviews the performance based on the business segments as mentioned below:

Segment	Activities covered
Financing activities	Providing Housing Finance Services
Insurance agency business	Corporate Insurance agency Business.

Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identifiable with individual segments or have been allocated to segments on a systematic basis. Based on such allocation, segment disclosures relating to revenue, results, assets and liabilities have been prepared.

Secondary segment (Geographical Segment)

Since the business operations of the Company are primarily concentrated in India, the Company is considered to operate only in the domestic segment and therefore there is no reportable geographic segment.

Notes to the Financial Statements for the year ended 31 March 2026

No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended 31 March 2026 or 31 March 2025.

Corporate Insurance agency Business-Commenced from 03 Oct 2025

37 Leases

In the cases where assets are taken on operating lease (as lessee) -

As a lessee, the Company's lease asset class primarily consist of buildings or part thereof taken on lease for office premises and certain IT equipment and general purpose office equipment used for operating activities.

In accordance with the requirements under Ind AS 116, Leases, the Company has recognized the lease liability at the present value of the future lease payments discounted at the incremental borrowing rate.

Maturity analysis – contractual undiscounted cash flows	31 March 2026	31 March 2025
Less than 1 year	1,827.69	1,818.85
1-3 years	3,198.72	3,284.60
3-5 years	2,813.36	2,742.06
More than 5 years	1,374.95	2,015.63
Total undiscounted lease liabilities	9,214.72	9,861.14

Other disclosures:

Following table summarizes other disclosures including the note references for the expense, asset and liability heads under which certain expenses, assets and liability items are grouped in the financial statements.

Particulars	31 March 2026	31 March 2025
i) Depreciation charge for Right-Of-Use assets for Leasehold premises (presented under note - 31 "Depreciation, amortization and impairment")	1,460.68	1,480.14
ii) Interest expense on lease liabilities (presented under note - 27 "Finance costs")	596.60	512.77
iii) Expense relating to short-term leases		–
iv) Expense relating to leases of low-value assets	202.03	272.67
v) Payments for lease liability	1,755.76	1,896.49
vi) Additions to right-of-use assets during the year	2,376.55	804.57
vii) Carrying amount of right-of-use assets at the end of the reporting year by class of underlying asset -	–	–
– Property taken on lease for office premises (presented under note - 10 "Property, plant and equipment")	6,311.59	6,669.97
viii) Lease liabilities (presented under note - 18 "Other financial liabilities")	7,464.76	7,938.56

38 Frauds reported during the year

There were 15 cases (31 March 2025: 50 cases) of frauds amounting to ₹ 17.07 Lakhs (31 March 2025: ₹ 82.68 Lakhs) reported during the year. The Company has recovered an amount of ₹ 19.83 Lakhs (31 March 2025: ₹ 18.28 Lakhs) and wherever required has initiated appropriate legal actions against the individuals involved. The claims for the un-recovered losses are lodged with the insurance companies on a merit basis.

39 Contingent liabilities and commitments (to the extent not provided for)

	31 March 2026	31 March 2025
i) Claims against the Company not acknowledged as debt		
Legal suits filed by customers	133.26	170.78
Income Tax matters where Company has gone in Appeal	144.52	144.35
GST matters where Company has gone in Appeal	128.67	
ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	598.69	340.51
Other commitments:		
Amount on account of loan sanctioned but not disbursed	81,717.18	53,169.04
Total	82,722.32	53,824.68

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Income Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The amount of provisions/contingent liabilities is based on management's estimate, and no significant liability is expected to arise out of the same.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial performance and financial position regarding the amounts disclosed above, it is not practicable to disclose information on the possibility of any reimbursements as it is determinable only on the occurrence of uncertain future events.

40 The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts has been made in the books of accounts.

41 Capital Management

The Reserve Bank of India Master Direction RBI/DOR/2025-26/359 DOR. ACC.REC.No.278/21.04.018/2025-26 and Master Direction RBI/DoR/2025-26/365 DoR.FIN.REC.284/03-10-119/2025-26 dated November 28, 2025 (as amended), outlines the regulatory guidance in relation to Ind AS financial statements. This includes the guidance for computation of 'owned funds', 'net owned funds' and 'regulatory capital'. Accordingly, the 'regulatory capital' has been computed in accordance with these requirements.

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create value for its shareholders. The same is done through a mix of either equity and/or convertible and/or combination of short term /long term debt as may be appropriate.

The Company determines the amount of capital required on the basis of its operations, capital expenditure and strategic investment plans. The capital structure is monitored on the basis of net debt to equity and maturity profile of overall debt portfolio.

The Company is subject to the capital adequacy requirements as per Chapter-III – Prudential Regulation – Capital; of Master Directions. As per Capital requirement guidelines, the Company is required to maintain a capital adequacy ratio on an going basis consisting of Tier I and Tier II Capital which shall not be less than 15% of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off-balance sheet. The Tier I capital at any point of time shall not be less than 10 percent. The total of Tier II Capital at any point of time, shall not exceed 100 percent of Tier I Capital.

Company has complied with all regulatory requirements related to regulatory capital and capital adequacy ratios as prescribed by RBI.

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

Regulatory capital

	31 March 2026	31 March 2025
Tier 1 capital	1,14,352.04	1,06,953.75
Tier 2 capital	25,535.12	32,020.98
Total capital	1,39,887.16	1,38,974.73
Risk weighted assets	5,34,231.12	4,07,832.23
Tier 1 capital ratio	21.40%	26.23%
Tier 2 capital ratio	4.78%	7.85%
Total capital ratio	26.18%	34.08%

"Tier I Capital" means owned fund as reduced by investment in shares of other non-banking financial companies including housing finance companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund.

"Owned Fund" means paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves including balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

"Tier II capital" includes the following -

- Preference shares other than those which are compulsorily convertible into equity;
 - Revaluation reserves at discounted rate of fifty-five per cent.
 - General provisions and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth per cent of risk weighted assets;
 - Hybrid debt capital instruments and
 - Subordinated debt;
- to the extent the aggregate does not exceed Tier I capital.

42 Change in liabilities arising from financing activities

Particulars	31 March 2025	Cash flows	Others	31 March 2026
Debt securities	3,65,707.51	55,000.00	(1,824.46)	4,18,883.05
Borrowings other than debt securities	2,13,273.53	80,423.23	(1,099.57)	2,92,597.19
Subordinated liabilities	57,425.96	(6,000.00)	(337.10)	51,088.86
Lease liability	7,938.56	(1,828.60)	1,354.80	7,464.76
Total liabilities from financing activities	6,44,345.56	1,27,594.63	(1,906.33)	7,70,033.86

Particulars	31 March 2024	Cash flows	Others	31 March 2025
Debt securities	3,28,786.28	37,462.50	(541.27)	3,65,707.51
Borrowings other than debt securities	2,74,065.21	(60,660.31)	(131.37)	2,13,273.53
Subordinated liabilities	48,330.47	9,000.00	95.49	57,425.96
Lease liability	9,172.70	(1,383.73)	149.59	7,938.56
Total liabilities from financing activities	6,60,354.66	(15,581.54)	(427.56)	6,44,345.56

43 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled.

	31 March 2026			31 March 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and cash equivalents	4,635.90	—	4,635.90	13,599.02	—	13,599.02
Bank balance other than above	10,208.98	—	10,208.98	9,760.39	—	9,760.39
i) Trade Receivables	773.84	—	773.84	—	—	—
Loans	78,969.95	7,52,993.46	8,31,963.41	96,060.68	5,93,312.39	6,89,373.07
Investments	51,202.21	—	51,202.21	40,200.08	—	40,200.08
Other financial assets	462.90	791.97	1,254.88	381.26	763.35	1,144.61

Notes to the Financial Statements for the year ended 31 March 2026

	31 March 2026			31 March 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Non-financial Assets						
Current tax assets (Net)	—	2,128.47	2,128.47	—	1,790.67	1,790.67
Deferred tax assets (Net)	—	16,734.33	16,734.33	—	18,542.23	18,542.23
Property, plant and equipment	—	8,906.83	8,906.83	—	9,696.16	9,696.16
Other intangible assets	—	76.32	76.32	—	301.54	301.54
Other non-financial assets	3,299.78	75.03	3,374.81	3,062.86	263.17	3,326.03
Total	1,49,553.56	7,81,706.42	9,31,259.98	1,63,064.29	6,24,669.51	7,87,733.80
Liabilities						
Financial Liabilities						
Payables						
Derivative financial instruments	—	62.81	62.81	—	156.25	156.25
I) Trade Payables						
i) total outstanding dues of micro enterprises and small enterprises	12.80	—	12.80	6.60	—	6.60
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,142.71	—	2,142.71	2,927.66	—	2,927.66
II) Other Payables						
i) total outstanding dues of micro enterprises and small enterprises	—	—	—	—	—	—
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	20.30	—	20.30	24.50	—	24.50
Debt securities	1,29,773.93	2,89,109.12	4,18,883.05	1,68,141.79	1,97,565.72	3,65,707.51
Borrowings (other than debt securities)	99,980.12	1,92,617.07	2,92,597.19	1,03,146.45	1,10,127.08	2,13,273.53
Subordinated liabilities	14,205.03	36,883.83	51,088.86	8,368.85	49,057.11	57,425.96
Other financial liabilities	25,197.31	6,355.20	31,552.51	13,610.99	6,836.47	20,447.46
Non-Financial Liabilities						
Current tax liabilities (Net)	—	—	—	—	—	—
Provisions	551.83	2,576.70	3,128.52	986.29	295.55	1,281.84
Other non-financial liabilities	450.05	—	450.05	452.48	—	452.48
Total	2,72,334.09	5,27,604.73	7,99,938.80	2,97,665.61	3,64,038.18	6,61,703.79
Net Total	(1,22,780.53)	2,54,101.69	1,31,321.18	(1,34,601.32)	2,60,631.33	1,26,030.01

44 Analysis of financial assets and liabilities and loan commitments

a The table below summarises the maturity pattern of certain items of assets and liabilities:

	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years & up to 7 years	Over 7 years & up to 10 years	Over 10 years	Total
31 March 2026											
Financial Assets											
Cash and cash equivalents	3,632.27	1,003.63	—	—	—	—	—	—	—	—	4,635.90
Bank balance other than above	—	1,625.48	225.64	1,303.47	7,054.39	—	—	—	—	—	10,208.98
Trade Receivables	773.84	—	—	—	—	—	—	—	—	—	773.84

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

31 March 2026	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years & up to 7 years	Over 7 years & up to 10 years	Over 10 years	Total
Financial investments	43,046.33	–	74.12	12.33	8,069.44	–	–	–	–	–	51,202.21
Loans	12,827.20	6,294.61	7,042.21	16,312.21	36,493.72	97,109.09	75,608.50	71,271.39	1,21,785.19	3,87,219.30	8,31,963.41
Other financial assets	151.40	26.22	16.06	22.02	247.21	234.98	98.13	367.94	90.93	–	1,254.88
Total Financial Assets	60,431.04	8,949.94	7,358.02	17,650.02	51,864.75	97,344.07	75,706.62	71,639.33	1,21,876.12	3,87,219.30	9,00,039.22
Financial Liabilities											
Debt securities	–	17,084.77	11,554.04	3,939.99	97,195.13	2,00,679.01	67,430.11	21,000.00	–	–	4,18,883.05
Borrowings (other than debt securities)	14,373.15	1,592.11	13,428.06	17,484.05	53,102.76	1,28,598.21	64,018.86	–	–	–	2,92,597.19
Subordinated liabilities	1,626.03	7,138.55	337.67	2,867.56	2,235.21	11,883.83	15,000.00	–	10,000.00	–	51,088.86
Other financial liabilities	20,786.12	1,141.42	136.50	757.80	2,372.54	2,487.75	2,530.60	994.61	322.47	22.71	31,552.51
Total Financial Liabilities	36,785.30	26,956.84	25,456.27	25,049.40	1,54,905.64	3,43,648.81	1,48,979.56	21,994.61	10,322.47	22.71	7,94,121.61
Total Financial Assets/ (Liabilities) - Net	23,645.74	(18,006.90)	(18,098.24)	(7,399.38)	(1,03,040.89)	(2,46,304.74)	(73,272.94)	49,644.72	1,11,553.65	3,87,196.59	1,05,917.61

b The table below summarises the contractual expiry by maturity of the undiscounted cash flows of the Company's loan commitments

31 March 2026	Up to 3 months	Over 3 months & upto 12 months	Above 12 Months	Total
Loan commitments	57,256.77	10,938.46	13,521.95	81,717.18

a The table below summarises the maturity pattern of certain items of assets and liabilities:

31 March 2025	Upto 1 month	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years & up to 7 years	Over 7 years & up to 10 years	Over 10 years	Total
Financial Assets											
Cash and cash equivalents	13,599.02	–	–	–	–	–	–	–	–	–	13,599.02
Bank balance other than above	–	1,033.84	12.25	2,778.84	5,935.46	–	–	–	–	–	9,760.39
Financial investments	21,943.56	68.58	11.99	50.42	18,125.53	–	–	–	–	–	40,200.08
Loans	10,715.77	5,462.06	7,165.11	12,220.77	60,496.97	1,19,732.21	74,873.93	61,075.09	85,165.04	2,52,466.12	6,89,373.07
Other financial assets	124.09	18.79	8.47	22.98	206.93	211.33	77.39	405.87	68.76	–	1,144.61
Total Financial Assets	46,382.43	6,583.27	7,197.82	15,073.01	84,764.89	1,19,943.54	74,951.32	61,480.96	85,233.80	2,52,466.12	7,54,077.17
Financial Liabilities											
Debt securities	2,445.53	12,187.28	31,514.96	12,184.51	1,09,809.51	80,868.77	95,735.33	11,000.00	9,961.62	–	3,65,707.51
Borrowings (other than debt securities)	20,593.58	3,077.56	11,557.08	21,314.53	46,603.70	91,938.76	18,188.32	–	–	–	2,13,273.53
Subordinated liabilities	2,845.31	639.48	337.67	367.56	4,178.82	20,648.65	13,463.10	4,979.55	9,965.82	–	57,425.96
Other financial liabilities	7,635.54	2,875.12	306.97	1,678.43	1,114.94	2,494.21	2,374.27	1,783.54	161.74	22.70	20,447.46
Total Financial Liabilities	33,519.96	18,779.44	43,716.68	35,545.03	1,61,706.97	1,95,950.39	1,29,761.02	17,763.09	20,089.18	22.70	6,56,854.46
Total Financial Assets/ (Liabilities) - Net	12,862.48	(12,196.17)	(36,518.86)	(20,472.02)	(76,942.08)	(76,006.85)	(54,809.70)	43,717.87	65,144.62	2,52,443.42	97,222.71

Notes to the Financial Statements for the year ended 31 March 2026

b The table below summarises the contractual expiry by maturity of the undiscounted cash flows of the Company's loan commitments

	Up to 3 months	Over 3 months & upto 12 months	Total
31 March 2025			
Loan commitments	41,454.77	11,714.27	53,169.04

45 Financial Risk Management Framework

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk, currency risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors.

Board of Directors of the Company have established Asset and Liability Committee (ALCO), which is responsible for developing and monitoring risk management policies for its business. The Company's businesses are exposed to high credit risk given the unbanked rural customer base. The credit risk is managed through credit norms established based on historical experience and regulatory requirements.

i) Market Risk

Market the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return.

a) Pricing Risk

The Company's Investments in Commercial Papers and Mutual Funds are exposed to pricing risk. Other financial instruments held by the company does not possess any risk associated with trading. A 5 percent increase in Net Assets Value (NAV) would increase profit before tax by approximately ₹ 1761.32 lakhs (31st March 2025: ₹ 1,091.87 lakhs). A similar percentage decrease would have resulted equivalent opposite impact.

b) Currency Risk

The Company does not have significant foreign currency exposure. As a result, the Company is not exposed to currency risk.

c) Interest Rate Risk

The Company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Further, certain interest bearing liabilities carry variable interest rates.

Interest Rate risk on fixed rate borrowings is managed by way of interest rate swaps, wherever necessary.

Interest Rate sensitivity

The sensitivity analyses below have been determined based on exposure to financial instruments at the end of the reporting year. For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting year was outstanding for the whole year. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the financial assets & liabilities.

With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings and floating rate advances given, as follows:

	Currency	Increase/ decrease in basis points	Effect on profit before tax	Effect on pre-tax equity
Year ended 31 March 2026	INR	100	4,680.58	-
Year ended 31 March 2025	INR	100	3,256.69	-

Offsetting of balances: The Company has not offset financial assets and financial liabilities.

ii) Credit Risk Management

Credit risk is the risk that the Company will incur a loss because its customers fail to discharge their contractual obligations. The Company has a comprehensive framework for monitoring credit quality of its loans primarily based on days past due monitoring as at a year end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Credit quality of financial assets

The following table sets out information about credit quality of loan assets measured at amortised cost primarily based on days past due information. The amount represents gross carrying amount.

Particulars	31 March 2026	31 March 2025
Gross carrying value of loan assets		
Neither Past due nor impaired	7,78,314.68	6,12,727.71
Past Due but not impaired		
30 days past due	23,962.27	24,634.89
31 - 90 days past due	28,602.59	48,051.54
Impaired (more than 90 days past due)	20,335.15	64,894.81
Total Gross carrying value as at reporting date	8,51,214.69	7,50,308.95

The Credit quality of the loan is monitored concurrently. Since the company is into retail home loan lending business, there is no significant credit risk of any individual customer that may impact company adversely, and hence, the Company has calculated its ECL allowances on a collective basis.

Inputs considered in the ECL model

In assessing the impairment of loan assets under Expected Credit Loss (ECL) Model, the assets have been classified into three stages. The three stages reflect the general pattern of credit deterioration of a financial instrument. The differences in accounting between stages, relate to the recognition of expected credit losses and the measurement of interest income.

The Company categorises loan assets into stages primarily based on the Days Past Due status at end of day (EOD) at borrower level.

Stage 1: 0-30 days past due

Stage 2: 31-90 days past due

Stage 3: More than 90 days past due

(a) Definition of default

The Company considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower exceeds 90 days past due on its contractual payments.

(b) Exposure at default

"Exposure at Default" (EAD) represents the gross carrying amount of the assets subject to impairment calculation. Future Expected Cash flows (Principal and adjusted EIR) for future years has been used as exposure for Stage 2.

(c) Estimations and assumptions considered in the ECL model

The Company has made the following assumptions in the ECL Model:

- "Loss given default" (LGD) is common for all three Stages and is based on loss in past portfolio. LGD methodology uses workout approach to include active accounts completed recovery period along with closed accounts. Loss rates are arrived at after adjusting for recovery costs.
- "Probability of Default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD at 100%. Through the

Notes to the Financial Statements for the year ended 31 March 2026

cycle- TTC PD methodology all active accounts are grouped into monthly cohorts of performing customers, ensuring only non-defaulted accounts at the start of each period are considered. The performance of these active accounts is evaluated at the end of the 12th month, and the Observed Default Rate is calculated as the proportion of customers who default within each monthly cohort during the defined observation period.

- c. Coverages for new business: Industry bench mark coverage will be used for new business not having company history.

(d) Measurement of ECL

The assessment of credit risk and estimation of ECL are unbiased and probability weighted.

It incorporates all information that is relevant including information about past events, current conditions and reasonable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL takes into account the time value of money. Forward looking economic scenarios determined with reference to external forecasts of economic parameters that have demonstrated a linkage to the performance of respective portfolios over a period of time have been applied to determine impact of macroeconomic factors.

ECL allowance (or provision) on Stage 1 and Stage 2 assets is measured using portfolio approach, whereas impairment provisions on Stage 3 assets is measured at each individual asset/instrument level.

- Financial assets that are not credit impaired at the reporting date:
ECL for Stage 1: Gross exposure is multiplied by PD and LGD percentage to arrive at the ECL allowance;
- Financial assets that have had a significant increase in credit risk (SICR) since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment:
ECL for Stage 2: Future Expected Cash flows (Principal and Adjusted EIR) for respective future years is multiplied by respective years Marginal PDs and LGD percentage and thus arrived ECL allowance to calculate the present value of ECL allowance.
- Financial assets that are credit impaired at the reporting date:
ECL for Stage 3: (Future principal + Overdue EMI (Principal + interest) – Unamortised EIR adjusted) X LGD%
Stage 3 Interest: Overdue EMI Interest * (1- LGD%)

Undrawn loan commitments:

ECL on undrawn loan commitments is calculated basis the Stage in which that particular customer already exists.

(e) Forward Looking Adjustments

The Historical PDs are converted into forward looking Point-in-Time PDs using statistical model incorporating the forward looking economic outlook, as required by Ind AS 109.

PIT PD methodology considers development of an initial macroeconomic variable (MEV) framework, where lagged variables and appropriate transformations are applied to capture delayed and non-linear relationships. Standard regression assumptions are then tested to ensure model validity and statistical robustness. Final models are shortlisted based on explanatory power (R^2 greater than 60%) and consistency with recent index trends, ensuring both statistical strength and economic interpretability.

(f) Assessment of significant increase in credit risk

When determining whether the credit risk has increased significantly since initial recognition, the Company considers both quantitative and qualitative information and analysis based on the Company's historical experience, including forward-looking information. The Company considers reasonable and supportable information that is relevant and available without undue cost and effort. The Company's

accounting policy is not to use the practical expedient that the financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Company monitors all financial assets and loan commitments that are subject to impairment for significant increase in credit risk (SICR).

As per Ind AS 109, loans are required to be moved from Stage 1 to Stage 2 if and only if they have been the subject of a SICR. A SICR occurs when there has been a significant increase in the risk of a default occurring over the expected life of a financial instrument. In case of government endorsed instalment moratoriums, it cannot be assumed that those borrowers that are granted moratoriums have suffered a SICR. In line with Basel guidance on ECL, the definition of default and the convention for counting days past due adopted for accounting purposes will be guided by the definition used for regulatory purposes. Therefore, we consider that use of government-endorsed instalment moratoriums by a borrower would not on its own trigger the counting of days past due for the 30 days past due backstop used to determine SICR or the 90 days past due backstop used to determine default.

Moreover, the acceptance of such moratorium may indicate short-term liquidity or cash flow problems but is likely to provide little information to differentiate borrower's lifetime credit risk. Thus, the grant of such moratorium cannot be considered as the sole indicator that SICR has occurred or even as the basis to adjust the borrower's probability of default.

(g) Policy for write off of Loan Assets

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the loan outstanding dues. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made from written off assets are netted off against the amount of financial assets written off during the year under "bad debts/loss on termination" forming part of "impairment on financial instruments" in statement of profit and loss.

(h) Inputs to the Model

Macro-Economic Modelling:

- a. Observed Default Rates (ODRs) over past 5 years for each product category
- b. Macro-economic variables provided by Economist Intelligence Unit (EIU)# for the past 5 years
- c. Macro-economic variables projected by EIU for the next 4 years
- d. 61 factors are considered as the key indicators that have been shortlisted by the management. These are selected based on suitability to the business type.

The Economist Intelligence Unit (EIU) is the research and analysis division of the Economist Group, providing forecasting, macro-economic analysis and advisory services through research and analysis, such as monthly country reports, five-year country economic forecasts, country risk service reports, and industry reports.

Model Process

A. Process

- a. Macro-economic historical yearly numbers are converted into monthly figures using the cubic spline technique.
- b. In addition to the original raw variables, transformations and lag indicators are applied to evaluate plausible associations with the dependent variable.
- c. All variables, along with their transformations, are tested for statistical robustness and filtered based on correlation, stationarity, and directionality.
- d. Acceptable variables are regressed against historical Observed Default Rates (ODRs), considering two or three variables at a time.

Notes to the Financial Statements for the year ended 31 March 2026

- e. Following regression, assumption testing of Ordinary Least Squares (OLS) regression is conducted, and all models that pass the tests are selected.
- f. This combination is processed through the regression equation, and the derived scalars from TTC PDs are used to project PDs.
- B. In the selection of macro-economic variables out of the list of 61 shortlisted variables, the management considers best combination of variables for its respective product categories based on statistically tested models as well as those which have business relevance as per management assessment.
- C. In the selection of macro-economic variables for the best combination, the following parameters are considered:
 - a. Assumption Testing
 - b. Trend Analysis
 - c. Adjusted R Square (Minimum 60%)

Impairment loss

The expected credit loss allowance provision for loans is determined as follows:

Particulars	Performing Loans - 12 month ECL	Under performing loans - lifetime ECL not credit impaired	Impaired loans - lifetime ECL credit impaired	Total
Gross Balance as at 31 March 2026	8,02,276.93	28,602.62	20,335.15	8,51,214.69
Expected credit loss rate	0.30%	9.67%	69.09%	
Carrying amount as at 31 March 2026 (net of impairment provision)	7,99,841.62	25,835.79	6,286.00	8,31,963.41
Gross Balance as at 31 March 2025	6,37,362.60	48,051.54	64,894.81	7,50,308.95
Expected credit loss rate	0.17%	9.90%	84.90%	
Carrying amount as at 31 March 2025 (net of impairment provision)	6,36,281.62	43,292.67	9,798.78	6,89,373.07

Level of Assessment - Aggregation Criteria

The Company recognises the expected credit losses (ECL) on a collective basis that takes into account comprehensive credit risk information.

Considering the economic and risk characteristics, pricing range, sector concentration, the Company calculates ECL on a collective basis for all stages - Stage 1, Stage 2 and Stage 3 assets.

(i) An analysis of changes in the gross carrying amount and the corresponding ECLs in relation to loans

Gross exposure reconciliation - Loans

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at 1 April 2024	5,95,981.33	59,835.58	65,091.29	7,20,908.20
– Transfers to Stage 1	(32,508.98)	25,797.30	6,711.68	–
– Transfers to Stage 2	6,916.75	(13,839.90)	6,923.15	–
– Transfers to Stage 3	775.87	616.70	(1,392.57)	–
– Loans that have been derecognised during the year	(65,328.64)	(12,043.71)	(11,785.98)	(89,158.33)
New loans originated during the year	1,81,907.66	413.51	197.00	1,82,518.17
Write-offs	–	–	(6,715.14)	(6,715.14)
Remeasurement of net exposure	(50,381.41)	(12,727.92)	5,865.38	(57,243.95)
Gross carrying amount balance as at 31 March 2025	6,37,362.58	48,051.56	64,894.81	7,50,308.95
– Transfers to Stage 1	(17,608.14)	12,785.04	4,823.10	–
– Transfers to Stage 2	8,291.38	(14,338.37)	6,046.99	–
– Transfers to Stage 3	471.57	322.70	(794.27)	–
– Loans that have been derecognised during the year	(84,993.60)	(10,248.88)	(47,846.24)	(1,43,088.72)
New loans originated during the year	3,03,476.44	177.75	180.47	3,03,834.66
Write-offs	–	–	(6,738.57)	(6,738.57)
Remeasurement of net exposure	(44,723.28)	(8,147.19)	(231.15)	(53,101.63)
Gross carrying amount balance as at 31 March 2026	8,02,276.93	28,602.62	20,335.15	8,51,214.69

* The contractual amount outstanding on financial assets that have been written off during the year ended 31 March 2026 and are under enforcement activity was ₹ 2503.74 Lakhs (31 March 2025: ₹ 3743.85 Lakhs)

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026**Gross exposure reconciliation - Loan commitments**

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at 1 April 2024	56,837.99	62.90	9.63	56,910.52
Changes due to loans recognised in the opening balance that have:				
– Transfers to Stage 1	(40.97)	35.83	5.14	–
– Transfers to Stage 2	–	–	–	–
– Transfers to Stage 3	–	–	–	–
– Loans that have been derecognised during the year	(50,921.22)	(62.90)	(9.63)	(50,993.75)
New loans originated during the year	49,705.92	15.50	–	49,721.42
Write-offs	–	–	–	–
Remeasurement of net exposure	(2,459.04)	(9.81)	(0.29)	(2,469.14)
Gross carrying amount balance as at 31 March 2025	53,122.68	41.52	4.85	53,169.06
Changes due to loans recognised in the opening balance that have:				
– Transfers to Stage 1	(59.00)	59.00	–	–
– Transfers to Stage 2	–	–	–	–
– Transfers to Stage 3	–	–	–	–
– Loans that have been derecognised during the year	(44,264.42)	(39.71)	(4.85)	(44,308.97)
New loans originated during the year	75,832.91	–	–	75,832.91
Write-offs	–	–	–	–
Remeasurement of net exposure	(2,967.16)	(8.63)	–	(2,975.80)
Gross carrying amount balance as at 31 March 2026	81,665.01	52.18	0.00	81,717.19

Reconciliation of ECL balance on loans

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at 1 April 2024	1,592.76	4,924.68	21,060.94	27,578.38
– Transfers to Stage 1	(163.68)	126.70	36.98	–
– Transfers to Stage 2	662.53	(1,162.53)	500.00	–
– Transfers to Stage 3	269.49	217.74	(487.23)	–
– Loans that have been derecognised during the year	(200.11)	(776.43)	(4,037.30)	(5,013.84)
New loans originated during the year	148.93	82.88	56.85	288.66
Write-offs	–	–	(3,065.56)	(3,065.56)
Net remeasurement of loss allowance	(1,228.94)	1,345.83	41,031.35	41,148.24
ECL allowance balance as at 31 March 2025	1,080.98	4,758.87	55,096.03	60,935.88
– Transfers to Stage 1	(88.28)	58.29	29.99	–
– Transfers to Stage 2	1,008.32	(1,506.74)	498.42	–
– Transfers to Stage 3	190.89	139.11	(330.00)	–
– Loans that have been derecognised during the year	(144.42)	(950.76)	(42,667.19)	(43,762.36)
New loans originated during the year	697.17	19.34	59.00	775.51
Write-offs	–	–	(6,107.71)	(6,107.71)
Net remeasurement of loss allowance	(309.54)	248.70	7,470.79	7,409.95
ECL allowance balance as at 31 March 2026	2,435.11	2,766.81	14,049.34	19,251.28

Notes to the Financial Statements for the year ended 31 March 2026**Reconciliation of ECL balance on loan commitments**

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at 1 April 2024	98.13	3.83	2.49	104.45
Changes due to loans recognised in the opening balance that have:				
– Transfers to Stage 1	(0.15)	0.12	0.03	–
– Transfers to Stage 2	–	–	–	–
– Transfers to Stage 3	–	–	–	–
– Loans that have been derecognised during the year	(84.59)	(3.83)	(2.49)	(90.91)
New loans originated during the year	33.27	2.11	–	35.38
Write-offs	–	–	–	–
Net remeasurement of loss allowance	(9.77)	2.16	1.19	(6.42)
ECL allowance balance as at 31 March 2025	36.89	4.39	1.22	42.50
Changes due to loans recognised in the opening balance that have:				
– Transfers to Stage 1	(0.08)	0.08	–	–
– Transfers to Stage 2	–	–	–	–
– Transfers to Stage 3	–	–	–	–
– Loans that have been derecognised during the year	(26.70)	(4.14)	(1.22)	(32.05)
New loans originated during the year	162.03	–	–	162.03
Write-offs	–	–	–	–
Net remeasurement of loss allowance	13.19	4.70	0.01	17.89
ECL allowance balance as at 31 March 2026	185.34	5.02	0.01	190.38

The increase in ECL of the portfolio was driven by an increase in the size of the portfolio, movements between stages as a result of increases in credit risk and due to deterioration in economic conditions.

Significant changes in the gross carrying value that contributed to change in loss allowance

The Company provides loans to retail individual customers in rural, semi urban and urban areas. Change in any single customer repayment will not impact significantly to Company's provisioning. All customers are being monitored based on past due and corrective actions are taken accordingly to limit the Company's risk.

Concentration of Credit Risk

Company's loan portfolio is predominantly to finance retail home loans. The Company manages concentration of risk primarily by geographical region in India. The following tables show the geographical concentrations of loans:

Particulars	As at 31 March 2026	As at 31 March 2025
<u>Concentration by geographical region in India:</u>		
North	1,31,321.99	1,06,811.86
East	23,493.38	20,717.27
West	3,99,474.48	3,21,102.77
South	2,96,924.84	3,01,677.05
Total	8,51,214.69	7,50,308.95

Maximum exposure to credit risk

The maximum exposure to credit risk of loans is their carrying amount. The maximum exposure is before considering the effect of mitigation through collateral.

(j) Collaterals**Narrative description of collateral**

Collateral primarily include land and constructed/purchased house property by retail loan customers Company generally does not obtain additional collateral during the term of the loan.

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

The below tables provide an analysis of the fair values of collateral held for credit impaired assets:

	Maximum exposure to Credit Risk	Land and Building	Surplus Collateral	Total Collateral	Net Exposure	Associated ECL
31 March 2026						
Loans:						
a) Loans against assets	20,335.15	98,390.48	78,230.78	20,159.70	175.45	14,049.34
b) Others	—	—	—	—	—	—
Total	20,335.15	98,390.48	78,230.78	20,159.70	175.45	14,049.34
	Maximum exposure to Credit Risk	Land and Building	Surplus Collateral	Total Collateral	Net Exposure	Associated ECL
31 March 2025						
Loans:						
a) Loans against assets	64,894.81	1,39,531.65	76,484.09	63,047.56	1,847.25	55,096.03
b) Others	—	—	—	—	—	—
Total	64,894.81	1,39,531.65	76,484.09	63,047.56	1,847.25	55,096.03

The Company has provided for additional impairment for the shortfall in collateral value on its credit impaired assets.

Collaterals repossessed

Company did not obtain non financial assets during the year by taking possession of collateral it held as security.

Quantitative information of collateral - credit impaired assets

The company's concentrations of risk are managed based on Loan to value (LTV) segregation. The following tables stratify credit exposures from housing and other loans to customers by range of Loan to value (LTV) ratio. LTV is calculated as the ratio of gross amount of loan or the amount committed for loan commitments to the value of collateral. The value of the collateral for housing and other loans is based on collateral value at origination.

Gross value of total loans to value of collateral:

	Gross Value of total loans	
Loan To Value	31 March 2026	31 March 2025
Upto 50%	3,19,364.76	2,97,369.48
51 - 70%	2,62,969.23	2,39,154.74
71 - 100%	2,59,844.34	2,13,773.17
Above 100%	—	—
	8,42,178.32	7,50,297.39

Gross value of credit impaired loans to value of collateral:

	Gross value of loans in stage 3	
Loan To Value	31 March 2026	31 March 2025
Upto 50%	8,616.58	30,913.87
51 - 70%	7,204.46	24,793.34
71 - 100%	4,512.97	9,187.60
Above 100%	—	—
	20,334.00	64,894.81

iii) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established Asset and Liability Committee (ALCO) for the management of the Company's short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. The Company also has Inter corporate deposits line available from holding company and fellow subsidiary companies within its group to meet any short term fund requirements.

a) Maturity profile of non-derivative financial liabilities

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment years. The amount disclosed in the tables have been drawn up based on the undiscounted contractual cash flows of financial liabilities based on the earliest date on which the Company may be required to pay.

Notes to the Financial Statements for the year ended 31 March 2026

The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is calculated considering interest rate prevailing as at respective year end date.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
Non-derivative financial liabilities				
31 March 2026				
Trade payable:	1,634.55	520.57	0.38	–
Other payable	20.30	–	–	–
Debt securities:				
– Principal	1,21,000.00	2,01,010.00	67,500.00	21,000.00
– Interest	26,320.07	37,294.77	10,634.84	2,531.95
Borrowings (Other than debt securities):				
– Principal	99,206.43	1,28,609.61	64,018.86	–
– Interest	18,513.97	19,998.49	4,355.35	–
Subordinated liabilities:				
– Principal	12,200.00	12,000.00	15,000.00	10,000.00
– Interest	4,135.59	5,639.34	3,360.00	3,335.42
Other financial liabilities:	25,791.24	3,258.49	2,839.42	1,413.32
Total	3,08,822.14	4,08,331.27	1,67,708.86	38,280.69
31 March 2025				
Trade payable	2,918.10	16.16	–	–
Other payable	24.50	–	–	–
Debt securities:				
– Principal	1,57,500.00	81,000.00	96,010.00	21,000.00
– Interest	25,754.92	24,881.16	14,858.39	4,233.68
Borrowings (Other than debt securities):				
– Principal	1,01,285.01	91,938.35	18,188.31	–
– Interest	15,057.72	10,470.85	1,080.27	–
Subordinated liabilities:				
– Principal	6,000.00	20,700.00	13,500.00	15,000.00
– Interest	4,830.87	7,315.92	4,589.00	4,565.42
Other financial liabilities:	14,159.80	3,290.25	2,841.56	2,169.63
Total	3,27,530.92	2,39,612.69	1,51,067.53	46,968.73

b) Maturity profile of derivative financial liabilities

The following table details the Company's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted gross inflows and outflows on those derivatives that require gross settlement. There is no derivative instruments that is settled on a net basis. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting year.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
	INR	INR	INR	INR
Derivative financial instruments				
As at 31 March 2026				
Gross settled:				
Interest Rate swaps				
- Payable	–	–	(86.71)	–
- Receivable			–	
Total Payable	–	–	(86.71)	–
Total Receivable	–	–	–	–

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

Particulars	Less than 1 Year INR	1-3 Years INR	3 Years to 5 Years INR	5 years and above INR
As at 31 March 2025				
Gross settled:				
Interest Rate swaps				
- Payable	—	—	(170.15)	—
- Receivable	—	—	—	—
Total Payable	—	—	(170.15)	—
Total Receivable	—	—	—	—

iv) Measurement of Fair Value**Valuation technique for fair value measurement**

Fair value of loans and borrowings are calculated using a portfolio based approach, grouping them as far as possible into homogenous groups based on similar characteristics (such as tenor and rates of interest). Using the discounted cash flow approach, the values are then calculated for the portfolio considering all significant characteristics of the loans and borrowings.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instruments measured at amortised cost

Particulars	Carrying Value	Fair value	Level 1	Fair value Level 2	Level 3
As at 31 March 2026					
Financial assets					
a) Loans	8,31,963.41	8,32,446.85	—	—	8,32,446.85
Total	8,31,963.41	8,32,446.85	—	—	8,32,446.85
Financial liabilities					
a) Debt securities	4,18,883.05	3,97,250.47	3,97,250.47	—	—
b) Borrowings other than debt securities	2,92,597.19	2,83,324.04	—	2,83,324.04	—
c) Subordinated liabilities	51,088.86	51,449.01	51,449.01	—	—
d) Lease liability	7,464.76	9,214.72	—	9,214.72	—
Total	7,70,033.86	7,41,238.25	4,48,699.49	2,92,538.76	—
As at 31 March 2025					
Financial assets					
a) Loans	6,89,373.07	6,90,321.01	—	—	6,90,321.01
Total	6,89,373.07	6,90,321.01	—	—	6,90,321.01
Financial liabilities					
a) Debt securities	3,65,707.51	3,65,479.66	3,65,479.66	—	—
b) Borrowings other than debt securities	2,13,273.53	2,13,273.53	—	2,13,273.53	—
c) Subordinated liabilities	57,425.96	57,540.59	57,540.59	—	—
d) Lease liability	7,938.56	9,861.14	—	9,861.14	—
Total	6,44,345.56	6,46,154.92	4,23,020.25	2,23,134.67	—

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalent, trade receivables, balances other than cash and cash equivalents, term deposits, other payable and trade payables.

Loans and Advances to customers

The fair values of loans and advances are estimated by discounted cash flow models based on contractual cash flows using actual yields

Notes to the Financial Statements for the year ended 31 March 2026

Financial Investments

For Government securities and bonds, the quoted market price as on date of reporting is considered for fair value computations. Where such price is not available, quoted market price of similar instruments as on date of reporting is considered.

Borrowings other than deposits from public

The fair value of borrowings is estimated by a discounted cash flow model incorporating interest rate estimates from market-observable data such as secondary prices for its traded debt itself.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

Financial instruments regularly measured using fair value - recurring items

Financial assets/ financial liabilities	Fair Value				Fair value hierarchy	Valuation technique(s)	Key inputs	Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
	Financial assets/ financial liabilities	Category	As at 31 March 2026	As at 31 March 2025					
Investment in Mutual Funds	Financial Assets	Financial instrument measured at FVTPL	12,376.09	19,350.06	Level 1	Quoted market price			
Investment in Certificate of Deposit	Financial Assets	Financial instrument measured at FVTPL	2,480.97	–	Level 1	Quoted market price			
Investment in Commercial Paper	Financial Assets	Financial instrument measured at FVTPL	12,402.14	2,487.41	Level 1	Quoted market price			
Investment in Government Securities	Financial Assets	Financial instrument measured at FVOCI	23,943.01	18,362.61	Level 1	Quoted market price			
Investment in Security Receipt	Financial Assets	Financial instrument measured at FVTPL	7,967.10	–	Level 3	Un quoted market price			
Interest rate swaps	Financial Assets	Financial instrument measured at FVTPL	–	–	Level 2	Discounted Cash Flow			
Interest rate swaps	Financial Liabilities	Financial instrument measured at FVTPL	62.81	156.25	Level 2	Discounted Cash Flow			

46 Disclosure as required under Guidelines on Resolution Framework for COVID-19-related Stress:

In the year ending 31 March 2022 to relieve COVID-19 pandemic related stress, the Company had invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI vide its circular no. RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 on Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses dated 5 May 2021. This is in continuation to the restructuring plan implemented for the customers as per the RBI circular no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 on Resolution Framework for COVID-19-related Stress dated 6 August 2020.

As at 31 March 2026

- (i) Disclosure as per format prescribed under circular no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 for the year ended 31 March 2026 for the restructuring plans implemented as per RBI circular dated 6 August 2020.

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year *	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year **
Personal Loans	–	–	–	–	–
Corporate persons	–	–	–	–	–
Of which, MSMEs	–	–	–	–	–
Others - Housing Loan	158.93	–	–	34.77	136.55

* Represents amount outstanding as at the end of 30 September 2025

** Represents the closing balance of loan accounts as at 31 March 2026

- (ii) Disclosure as per format prescribed under circular no. RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 for the year ended 31 March 2026 for the restructuring plans implemented as per RBI circular dated 5 May 2021.

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year ***	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year ****
Personal Loans	–	–	–	–	–
Corporate persons	–	–	–	–	–
Of which, MSMEs	–	–	–	–	–
Others - Housing Loan	26,936.49	626.21	960.46	8,598.67	19,474.70

*** Represents amount outstanding as at the end of 30 September 2025

**** Represents the closing balance of loan accounts as at 31 March 2026

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

As at 30 September 2025

- (i) Disclosure as per format prescribed under circular no.RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 for the period ended 30 September 2025 for the restructuring plans implemented as per RBI circular dated 6 August 2020.

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year *	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year **
Personal Loans	–	–	–	–	–
Corporate persons	–	–	–	–	–
Of which, MSMEs	–	–	–	–	–
Others - Housing Loan	166.75	4.62	–	11.41	161.77

* Represents amount outstanding as at the end of 30 September 2025

** Represents the closing balance of loan accounts as at 31 March 2025

- (ii) Disclosure as per format prescribed under circular no. RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 for the period ended 30 September 2025 for the restructuring plans implemented as per RBI circular dated 5 May 2021.

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year ***	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year ****
Personal Loans	–	–	–	–	–
Corporate persons	–	–	–	–	–
Of which, MSMEs	–	–	–	–	–
Others - Housing Loan	52,330.37	1,616.85	1,314.66	14,251.49	37,467.27

*** Represents amount outstanding as at the end of 30 September 2025

**** Represents the closing balance of loan accounts as at 31 March 2025

47 Disclosure as required under RBI Direction. RBI/DOR/2025-26/359 DOR.ACC.REC.No.278/21.04.018/2025-26 Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025 dated November 28, 2025

- i) A comparison between provisions required under extant prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109 for the year ended

31 March 2026

Asset Classification as per NHB Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)= (3) - (4)	(6)	(7)= (4) - (6)
Performing Assets						
Standard	Stage 1	8,00,934.91	2,409.01	7,98,525.89	3,413.57	(1,004.55)
	Stage 2	11,130.42	951.25	10,179.16	210.40	740.85
Subtotal for standard		8,12,065.32	3,360.27	8,08,705.05	3,623.97	(263.69)
Non-Performing Assets (NPA)						
Substandard	Stage 1*	573.70	10.06	563.64	83.13	(73.08)
	Stage 2*	7,112.24	740.76	6,371.48	1,026.56	(285.80)
	Stage 3	7,034.48	2,844.36	4,190.12	984.70	1,859.66
Subtotal for Substandard		14,720.43	3,595.19	11,125.24	2,094.41	1,500.78
Doubtful - up to 1 year	Stage 1*	398.89	8.45	390.44	98.23	(89.78)
	Stage 2*	4,983.44	484.54	4,498.90	1,186.32	(701.78)
	Stage 3	8,746.32	8,479.41	266.92	2,172.56	6,306.85
Subtotal for doubtful up to 1 year		14,128.65	8,972.40	5,156.26	3,457.11	5,515.29

Notes to the Financial Statements for the year ended 31 March 2026

Asset Classification as per NHB Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)= (3) - (4)	(6)	(7)= (4) - (6)
Doubtful - 1 to 3 years	Stage 1*	337.22	7.45	329.77	133.08	(125.63)
	Stage 2*	5,322.47	584.81	4,737.66	2,028.02	(1,443.20)
	Stage 3	4,395.23	2,566.46	1,828.77	1,522.48	1,043.98
Subtotal for doubtful up to 1 to 3 years		10,054.92	3,158.72	6,896.20	3,683.58	(524.86)
More than 3 years	Stage 1*	7.15	0.16	6.99	7.00	(6.84)
	Stage 2*	54.03	5.45	48.58	51.17	(45.72)
	Stage 3	42.01	42.01	—	35.52	6.49
Subtotal for Doubtful - More than 3 years		103.19	47.62	55.57	93.69	(46.07)
Subtotal for Doubtful		24,286.76	12,178.74	12,108.02	7,234.38	4,944.36
Loss	Stage 3	117.10	117.10	—	99.98	17.12
Subtotal for NPA		39,124.29	15,891.03	23,233.27	9,428.78	6,462.26
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	81,665.01	185.35	81,479.66	—	185.35
	Stage 2	52.18	5.02	47.15	—	5.02
	Stage 3	—	—	—	—	—
Subtotal		81,717.18	190.37	81,526.81	—	190.37
Total	Stage 1	8,83,916.88	2,620.47	8,81,296.39	3,735.01	(1,114.53)
	Stage 2	28,654.76	2,771.83	25,882.93	4,502.47	(1,730.63)
	Stage 3	20,335.17	14,049.36	6,285.80	4,815.25	9,234.10
Total (Including commitments)		9,32,906.81	19,441.66	9,13,465.12	13,052.72	6,388.93
31 March 2025						
Asset Classification as per NHB Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)= (3) - (4)	(6)	(7)= (4) - (6)
Performing Assets						
Standard	Stage 1	6,36,534.29	1,074.07	6,35,460.22	3,058.09	(1,984.02)
	Stage 2	17,668.31	1,775.78	15,892.53	342.02	1,433.76
Subtotal for standard		6,54,202.60	2,849.85	6,51,352.75	3,400.11	(550.26)
Non-Performing Assets (NPA)						
Substandard	Stage 1*	459.68	3.95	455.73	66.63	(62.68)
	Stage 2*	13,854.78	1,264.53	12,590.25	1,970.08	(705.55)
	Stage 3	8,571.65	4,296.64	4,275.01	1,228.21	3,068.43
Subtotal for substandard		22,886.11	5,565.12	17,320.99	3,264.92	2,300.20
Doubtful - up to 1 year	Stage 1*	142.45	1.10	141.35	34.90	(33.80)
	Stage 2*	4,655.88	481.74	4,174.14	1,104.20	(622.46)
	Stage 3	8,760.36	7,819.37	940.99	2,045.53	5,773.84
Subtotal for doubtful up to 1 year		13,558.69	8,302.19	5,256.48	3,184.63	5,117.58

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

Asset Classification as per NHB Norms (1)	Asset classification as per Ind AS 109 (2)	Gross Carrying Amount as per Ind AS (3)	Loss Allowances (Provisions) as required under Ind AS 109 (4)	Net Carrying Amount (5)= (3) - (4)	Provisions required as per IRACP norms (6)	Difference between Ind AS 109 provisions and IRACP norms (7)= (4) - (6)
Doubtful - 1 to 3 years	Stage 1*	226.17	1.86	224.31	88.43	(86.57)
	Stage 2*	11,862.02	1,233.97	10,628.05	4,510.82	(3,276.85)
	Stage 3	46,954.97	42,372.19	4,582.78	12,917.53	29,454.66
Subtotal for doubtful up to 1 to 3 years		59,043.16	43,608.02	15,435.14	17,516.78	26,091.24
More than 3 years	Stage 1*			—	—	—
	Stage 2*	10.55	2.86	7.69	10.15	(7.29)
	Stage 3	428.56	428.55	0.01	222.31	206.24
Subtotal for Doubtful - More than 3 years		439.11	431.41	7.70	232.46	198.95
Subtotal for Doubtful		73,040.96	52,341.63	20,699.32	20,933.87	31,407.77
Loss	Stage 3	179.28	179.27	0.01	180.35	(1.08)
Subtotal for NPA		96,106.35	58,086.03	38,020.33	24,379.14	33,706.89
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	53,122.68	36.89	53,085.79	—	36.89
	Stage 2	41.52	4.39	37.13	—	4.39
	Stage 3	4.85	1.22	3.63	—	1.22
Subtotal		53,169.05	42.50	53,126.55	—	42.50
Total	Stage 1	6,90,485.27	1,117.87	6,89,367.40	3,248.05	(2,130.18)
	Stage 2	48,093.06	4,763.27	43,329.79	7,937.27	(3,174.00)
	Stage 3	64,899.67	55,097.24	9,802.43	16,593.93	38,503.31
Total (Including commitments)		8,03,478.00	60,978.38	7,42,499.62	27,779.25	33,199.13

Since the total impairment allowances under Ind AS 109 is higher than the total provisioning required under IRACP (including standard asset provisioning) as at 31 March 2026, no amount is required to be transferred to 'Impairment Reserve' for the financial year. The gross carrying amount of asset as per Ind AS 109 and Loss allowances (Provisions) thereon includes interest accrual on net carrying value of stage - 3 assets as permitted under Ind AS 109. While, the provisions required as per IRACP norms does not include any such interest as interest accrual on NPAs is not permitted under IRACP norms.

The balance in the 'Impairment Reserve' (as and when created) shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI

ii) In terms of recommendations as per above referred notification, the Company has complied with Ind AS 109, Financial Instruments and the Board approved Expected Credit Loss (ECL) policy in the computation and measurement of impairment allowance. For the purpose of provisions as per IRACP norms the Company has adopted the definition used for regulatory purposes.

As at 31 March 2026 and 31 March 2025, there were no loan accounts that are past due beyond 90 days but not treated as impaired, i.e. all 90+ days ageing loan accounts have been classified as Stage-3 and no dispensation is considered in stage-3 classification.

iii) *The gross carrying amount of stage 1 and 2 in non performing assets section are classified in respective stages as per Ind AS.

48 Disclosure to the Stock Exchange as per SEBI circular SEBI/HO/DDHS/PoD1/P/CIR/2024/54 dated May 22, 2024 (as amended from time to time) & SEBI/HO/DDHS/PoD1/ P/CIR/2023/119 update dated 7th July 2023

As per the definition given in above referred notification, the Company is a Large Corporate and hence is required to disclose the following information about its borrowings.

**Initial Disclosure to be made by an entity identified as a Large Corporate
(To be submitted to the Stock Exchange(s) within 30 days from the beginning of the FY)**

SN	Particulars	Details
1	Name of the company	Mahindra Rural Housing Finance Limited
2	CIN	U65922MH2007PLC169791
3	Outstanding borrowing of company as on 31 March 2026	₹ 751544.89 Lakhs
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	a. Bank Borrowings – CRISIL AAA/ Stable/IND AAA/Stable b. NCD/Sub-Debt – CRISIL AAA/ Stable/IND AAA/ Stable, CARE AAA/ Stable, CRISIL PPMLD AAA/Stable', IND PPMLD AAA/ Stable' c. Short term external credit rating (Commercial Papers)- CRISIL A1+, IND A1+
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	BSE Limited

Notes to the Financial Statements for the year ended 31 March 2026

49 Compensation of key management personnel of the Company

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company or its employees.

Name of the KMP	Nature of transactions	31 March 2026	31 March 2025
Mr. Shantanu Rege (Managing Director)			
(Ceased to be the Managing director with effect from 15 November 2024)	Gross Salary including perquisites	—	186.97
		—	186.97
Mr. Dinesh Prajapati (Chief Financial Officer)			
	Gross Salary including perquisites	147.46	120.26
	Others - Contribution to Funds	4.64	4.64
		152.10	124.90
Mr. Jaspreet Chadha (Chief Executive Officer)			
(Ceased to be the Chief Executive Officer with effect from 31 January 2026)	Gross Salary including perquisites	342.48	43.98
		342.48	43.98
Mr. Debasish Kar (Chief Executive Officer)			
(Appointed from 10 February 2026)	Gross Salary including perquisites	12.00	—
	Others - Contribution to Funds	0.68	—
		12.68	—
Mr. Navin Joshi (Company Secretary)			
(Appointed from 1 February 2025)	Gross Salary including perquisites	55.51	8.53
		55.51	8.53
Mr. Jyotin Mehta (Independent Director)			
	Commission \ Remuneration	9.53	9.08
	Other benefits	6.40	5.70
		15.93	14.78
Mr. Narendra Mairpady (Independent Director)			
(Ceased to be Director with effect from 12 August 2025)	Commission \ Remuneration	3.50	9.08
	Other benefits	2.20	4.90
		5.70	13.98

Name of the KMP	Nature of transactions	31 March 2026	31 March 2025
Mrs. Smita Mankad (Independent Director)	Commission \ Remuneration	9.53	9.08
	Other benefits	6.40	5.10
		15.93	14.18

50 Related party disclosures:

i) As per Ind AS 24 on 'Related party disclosures', the related parties of the Company are as follows:

a) Ultimate Holding Company	Mahindra & Mahindra Limited
b) Holding Company	Mahindra & Mahindra Financial Services Limited
c) Fellow Subsidiaries: (entities with whom the Company has transactions)	Mahindra Insurance Brokers Limited NBS International Limited Mahindra Integrated Business Solutions Private Limited Mahindra Holidays and Resorts India Limited Mahindra First Choice Wheels Limited Bristlecone India Limited Mahindra Accelo Limited Mahindra Happinest Developers Limited Mahindra Lifespace Developers Limited
d) Other Related Parties:	Mahindra Rural Housing Finance Limited Employee Welfare Trust Mahindra Rural Housing Finance Limited Group Gratuity Cum Life Assurance Scheme Mahindra & Mahindra Financial Services Limited Superannuation Scheme
e) Joint Ventures/ Associates (entities with whom the Company has transactions)	Mahindra Manulife Investment Management Private Limited
f) Key Management Personnel:	Mr. Shantanu Rege (Managing Director) (Ceased to be a KMP w.e.f. 16 November 2024) Mr. Jaspreet Singh Chadha (Chief Executive Officer) (ceased to be KMP w.e.f. 31 January 2026) Mr. Debasish Kar (Chief Executive Officer) (KMP w.e.f. 10 February 2026) Mr. Dinesh Prajapati (Chief Financial Officer) Mr. Navin Joshi (Company Secretary) (KMP w.e.f. 01 February 2025) Mr. Narendra Mairpady (Independent Director) (ceased to be Director w.e.f. 12 August 2025) Mr. Jyotin Mehta (Independent Director) Ms. Smita Mankad (Independent Director)

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

ii) The nature and volume of transactions of the Company during the year with above related parties were as follows:

Particulars	Holding Company		Fellow Subsidiaries/ Other Related Parties		Joint Ventures/ Associates		Key Management Personnel	
	Year ended 31 Mar 2026	Year ended 31 Mar 2025	Year ended 31 Mar 2026	Year ended 31 Mar 2025	Year ended 31 Mar 2026	Year ended 31 Mar 2025	Year ended 31 Mar 2026	Year ended 31 Mar 2025
Other Income								
– Mahindra Insurance Brokers Limited	–	–	6.93	128.71	–	–	–	–
– Mahindra & Mahindra Financial Services Limited	0.49	2.59	–	–	–	–	–	–
Reimbursement from parties								
– Mahindra Rural Housing Finance Limited Group Gratuity Cum Life Assurance Scheme	–	–	227.46	–	–	–	–	–
Interest expense								
– Mahindra Insurance Brokers Limited	–	–	1,211.78	2,499.40	–	–	–	–
– Mahindra Manulife Investment Management Private Limited	–	–	–	–	409.80	409.48	–	–
– Mahindra Vehicle Manufacturers Limited	–	–	–	–	–	–	–	–
– Mahindra Holidays and Resorts India Limited	–	–	–	163.11	–	–	–	–
Other expenses								
– Mahindra & Mahindra Limited	96.43	88.11	–	–	–	–	–	–
– Mahindra & Mahindra Financial Services Limited	690.52	450.65	–	–	–	–	–	–
– NBS International Limited	–	–	6.54	6.14	–	–	–	–
– Mahindra Integrated Business Solutions Private Limited	–	–	971.54	1,185.75	–	–	–	–
– Mahindra First Choice Wheels Ltd.	–	–	22.20	12.21	–	–	–	–
– Bristlecone India Limited	–	–	–	14.05	–	–	–	–
– Mahindra Accelo Limited	–	–	–	10.43	–	–	–	–
– Mahindra Happinest Developers Limited	–	–	–	0.62	–	–	–	–
– Mahindra Lifespace Developers Limited	–	–	–	0.53	–	–	–	–
– Mahindra & Mahindra Financial Services Limited Superannuation Scheme	–	–	72.84	–	–	–	–	–
ESOP Expenses								
– Mahindra & Mahindra Limited	16.28	38.49	–	–	–	–	–	–
– Mahindra & Mahindra Financial Services Limited	56.75	8.66	–	–	–	–	–	–
– Mahindra Insurance Brokers Limited	–	–	–	0.30	–	–	–	–
Remuneration								
– Mr. Shantanu Rege	–	–	–	–	–	–	–	186.97
– Mr. Jaspreet Singh Chadha	–	–	–	–	–	–	342.48	43.98
– Mr. Debasish Kar	–	–	–	–	–	–	12.68	–
– Mr. Dinesh Prajapati	–	–	–	–	–	–	152.10	124.91
– Mr. Navin Joshi	–	–	–	–	–	–	55.51	8.53
– Mr. Narendra Mairpady	–	–	–	–	–	–	5.70	13.98
– Mr. Jyotin Mehta	–	–	–	–	–	–	15.93	14.78
– Ms. Smita Mankad	–	–	–	–	–	–	15.93	14.18
Purchase of fixed assets								
– Mahindra & Mahindra Limited	130.38	122.08	–	–	–	–	–	–
– Mahindra & Mahindra Financial Services Limited	28.61	5.12	–	–	–	–	–	–
– NBS International Limited	–	–	32.63	17.58	–	–	–	–
Capital Advance								
– Mahindra & Mahindra Limited	24.96	–	–	–	–	–	–	–
Sale of fixed assets								
– Mahindra & Mahindra Financial Services Limited	17.46	1.16	–	–	–	–	–	–
– Mahindra Insurance Brokers Limited	–	–	–	10.82	–	–	–	–

Notes to the Financial Statements for the year ended 31 March 2026

Particulars	Holding Company		Fellow Subsidiaries/ Other Related Parties		Joint Ventures/ Associates		Key Management Personnel	
	Year ended 31 Mar 2026	Year ended 31 Mar 2025	Year ended 31 Mar 2026	Year ended 31 Mar 2025	Year ended 31 Mar 2026	Year ended 31 Mar 2025	Year ended 31 Mar 2026	Year ended 31 Mar 2025
– Mahindra First Choice Wheels Ltd.	–	–	10.84	–	–	–	–	–
Inter corporate deposits taken								
– Mahindra Insurance Brokers Limited	–	–	6,650.00	17,375.00	–	–	–	–
Inter corporate deposits repaid/matured								
– Mahindra Insurance Brokers Limited	–	–	27,725.00	19,225.00	–	–	–	–
– Mahindra Holidays and Resorts India Limited	–	–	–	9,000.00	–	–	–	–

iii) Balances as at the end of the year:

Particulars	Holding Company		Fellow Subsidiaries/ Other Related Parties		Joint Ventures/ Associates		Key Management Personnel	
	Year ended 31 Mar 2026	Year ended 31 Mar 2025	Year ended 31 Mar 2026	Year ended 31 Mar 2025	Year ended 31 Mar 2026	Year ended 31 Mar 2025	Year ended 31 Mar 2026	Year ended 31 Mar 2025
Balances as at the end of the year								
Subordinate debt held (including interest accrued but not due)								
– Mahindra Manulife Investment Management Private Limited	–	–	–	–	4,856.88	4,857.22	–	–
Receivables								
– Mahindra Rural Housing Finance Limited Employee Welfare Trust	–	–	519.43	–	–	–	–	–
Payables								
– Mahindra & Mahindra Limited	35.88	–	–	–	–	–	–	–
– Mahindra & Mahindra Financial Services Limited	315.35	148.96	–	–	–	–	–	–
– Mahindra Integrated Business Solutions Private Limited	–	–	63.74	105.28	–	–	–	–
– NBS International Limited	–	–	–	0.56	–	–	–	–
– Mahindra First Choice Wheels Ltd.	–	–	1.17	1.17	–	–	–	–
– Mr. Narendra Mairpady	–	–	–	–	–	–	3.15	8.17
– Mr. Jyotin Mehta	–	–	–	–	–	–	8.58	8.17
– Ms. Smita Mankad	–	–	–	–	–	–	8.58	8.17
Inter corporate deposits outstanding (including interest accrued but not due)								
– Mahindra Insurance Brokers Limited	–	–	6,772.33	29,319.16	–	–	–	–

Note:

- i) Above Assets and Liabilities have been given for general business purposes of the recipient and figures are at historical cost.
ii) There were no guarantees given/Securities Provided during the year

51 (a) Disclosure for Insurance commission income as required under Insurance regulatory and development Authority (IRDA)

Particulars	31 March 2026	31 March 2025
(i) Axis Max Life Insurance Company Ltd	993.07	–
(ii) Bajaj Allianz Life Insurance Company Ltd	242.99	–
(iii) ICICI Prudential Life Insurance Company Ltd	13.64	–
(iv) PNB MetLife India Insurance Company Ltd	1087.81	–
(v) Bajaj Allianz General Insurance Company Ltd	127.07	–
Total	2464.58	–

51 (b) Disclosure in respect of income from insurance companies where Company has Corporate agency agreement:

Particulars	31 March 2026	31 March 2025
(i) Income From Commission Services-Life Insurance	2337.51	–
(ii) Income From Commission Services-General Insurance	127.07	–
Total	2464.58	–

The Company received Corporate agency (CA) license from the Insurance Regulatory and Development of Authority of India (IRDAI) on 03-10-2025.

Notes to the Financial Statements for the year ended 31 March 2026

The Company entered into agreement with various insurance partners as a corporate agent and commission income earned during the year as disclosed above.

The Company is registered with Insurance Regulatory and Development Authority of India (IRDAI) as Corporate Agent - Composite bearing registration number CA1075 with validity till October 02, 2028. The Company has Corporate Agency agreement executed with multiple insurers.

During the FY 2025-2026, the Company has complied with Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015 and all other relevant regulations/circulars and guidelines issued by IRDAI. No penalties/fine was levied by the IRDAI during the FY 2025-2026.

52 Balance Sheet Disclosures as required under Master Direction Reserve Bank of India (Housing Finance Companies) Directions, 2025

These disclosures are made pursuant to Reserve Bank of India Master Direction RBI/DoR/2025-26/365 DoR.FIN.REC.284/03-10-119/2025-26 dated November 28, 2025 (as amended), to the extent applicable to the Company and outlining the regulatory guidance in relation to Ind AS financial statements. This includes guidance for computation of 'owned funds', 'net owned funds' and 'regulatory capital'. Accordingly, Capital to Risk (weighted) Assets Ratio (CRAR) and other disclosures have been computed in accordance with these requirements read with the requirements of the Indian Accounting Standards prescribed under Sec 133 of The Companies Act, 2013.

Summary of Material Accounting Policy Information

The material accounting policy regarding key areas of operations are disclosed as note 2 to the financial statement for the year ended 31 March 2026

I Capital

Particulars	31 March 2026	31 March 2025
(i) CRAR (%)	26.18%	34.08%
(ii) CRAR - Tier I Capital (%)	21.40%	26.22%
(iii) CRAR - Tier II Capital (%)	4.78%	7.85%
(iv) Amount of subordinated debt raised as Tier - II Capital	23,100	30,940
(v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

II Investments

The investments outstanding details are as under:

Particulars	31 March 2026	31 March 2025
1 Value of Investments		
(i) Gross value of Investments*		
(a) In India	59,169.31	40,200.08
(b) Outside India	—	—
(ii) Provisions for Depreciation		
(a) In India	7,967.10	—
(b) Outside India	—	—
(iii) Net value of Investments		
(a) In India	51,202.21	40,200.08
(b) Outside India	—	—

Particulars	31 March 2026	31 March 2025
2 Movement of provisions held towards depreciation on investments		
(i) Opening balance	—	—
(ii) Add: Provisions made	9,924.72	—
(iii) Less: Write-off/Written-back of excess provisions during the year	1,957.62	—
(iv) Closing balance	7,967.10	—

* Value of investments represent fair value of investment

III Derivatives

The Company has entered into Interest rate swap derivatives during the current year for converting fixed rate liability to floating rate liability on NCD borrowing.

a) Forward Rate Agreement (FRA)/Interest Rate Swap (IRS)

Particulars	31 March 2026	31 March 2025
(i) The notional principal of swap agreements	10,000.00	10,000.00
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	—	—
(iii) Collateral required by the HFC upon entering into swaps	—	—
(iv) Concentration of credit risk arising from the swaps	—	—
(v) The fair value of the swap book (Asset/(Liability))	(62.81)	(156.25)

b) Exchange Traded Interest Rate (IR) Derivative

The Company is not carrying out any activity of providing Derivative cover to third parties.

c) Disclosures on Risk Exposure in Derivatives

A Qualitative Disclosure:

- The company undertakes the derivatives transaction to prudently hedge the risk in context of a particular borrowing or to diversify sources of borrowing and to maintain fixed and floating borrowing mix. The company does not indulge into any derivative trading transactions. The company reviews, the proposed transaction and outline any consideration associated with the transaction, including identification of the benefits and potential risks (worst case scenarios) an independent analysis of potential savings from the proposed transaction. The company evaluates all the risks inherent in the transaction viz, counter party risk, Market risk, Operational Risk, basis risk etc.
- Credit risk is controlled by restricting the counterparties that the company deals with, to those who either have banking relationship with the company or are internationally renowned or can provide sufficient information. Market/price risk arising from the fluctuations of interest rates and foreign exchanges rates of from other factors shall be closely monitored and controlled. Normally transaction entered for hedging will run till life, irrespective of profit or loss. However in case of exception it has to be un-wind only with prior approval of MD/CFO/Treasurer. Liquidity risk is controlled by restricting counterparties to those who have adequate facility, sufficient information and sizable trading capacity and capability to enter into transaction in any market around the world.

Notes to the Financial Statements for the year ended 31 March 2026

- iii) The respective functions of trading, confirmation and settlement should be performed by different personnel. The front office and back office role is well defined and segregated. All the derivatives transaction is quarterly monitored and reviewed by CFO and Treasurer the derivative transactions have to be reported to the board of directors on every quarterly board meetings including this financials positions.

B Quantitative Disclosure

Particulars	As at March 31 2026		As at March 31 2025	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)		10,000.00		10,000.00
(ii) Marked to Market Positions		—		—
(a) Assets (+)	Not Applicable		Not Applicable	—
(b) Liability (-)		(62.81)		(156.25)
(iii) Credit Exposure		—		—
(iv) Unhedged Exposures		—		—

V Exposure

a) Exposure to real estate sector

Category		31 March 2026	31 March 2025
a)	Direct exposure		
(i)	Residential Mortgages -		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	8,37,295.64	7,49,998.70
	Of the above Individual housing loan upto ₹ 15 lakh	2,94,355.42	4,06,574.93
(ii)	Commercial Real Estate -		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits	4,882.68	298.69
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a) Residential	Nil	Nil
	b) Commercial Real Estate	Nil	Nil
b)	Indirect Exposure		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	Nil	Nil

b) The Company does not have any exposure towards capital market.

Particulars	31 March 2026	31 March 2025
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	Not Applicable	Not Applicable

Particulars	31 March 2026	31 March 2025
(ii) advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures and units of equity oriented mutual funds;	Not Applicable	Not Applicable
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Not Applicable	Not Applicable
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/convertible debentures/units of equity oriented mutual funds does not fully cover the advances;	Not Applicable	Not Applicable
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Not Applicable	Not Applicable
(vi) loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Not Applicable	Not Applicable
(vii) bridge loans to companies against expected equity flows/issues;	Not Applicable	Not Applicable
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	Not Applicable	Not Applicable
Total exposure to capital market	Not Applicable	Not Applicable

- c) The Company has not financed any parent Company products and accordingly no disclosure is made.
- d) The Company has not exceeded the prudential exposure limits w.r.t. Single Borrower Limit (SBL)/Group Borrower Limit (GBL) and accordingly no disclosure is made.
- e) The Company has not given any unsecured advances against collateral of rights, licenses, authorisations, etc. and accordingly no disclosure is made.

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

- f) Exposure to group companies engaged in real estate business.

SN	Particulars	31 March 2026	% of NOF	31 March 2025	% of NOF
(i)	Exposure to any single entity in a group engaged in real estate business*	1,364.53	1.19%	1,011.66	0.95%
(ii)	Exposure to all entities in a group engaged in real estate business*	1,364.53	1.19%	1,011.66	0.95%

* This exposure is towards the retail individual home buyers

VI Miscellaneous

- a) Registration obtained from other financial sector regulators

Sr.No	Regulator	Registration No.	Valid from	Valid Upto
1	Insurance Regulatory and Development Authority-Corporate agent	CA1075	03-10-2025	02-10-2028

- b) Penalty of ₹ NIL is imposed on the company by RBI for financial position

- c) **Related Party Policy:**

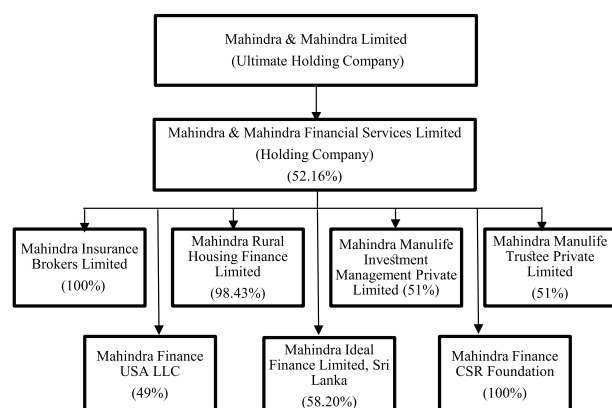
All contracts/arrangements/transactions entered into by the Company during the current year with related parties were in the ordinary course of business and on an arm's length basis (refer note 50).

Pursuant to section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no transactions to be reported under Section 188(1) of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable.

The policy on related party transactions is approved by the Audit Committee and the Board Of Directors of the Company and is available on the website of the Company.

- d) **Group Structure**

Below is the diagrammatic representation of group structure as of 31 March 2026



- e) **Rating assigned by Credit Rating Agencies and migration of rating during the year.**

During the year under consideration, CRISIL Ratings Limited has re-affirmed Company's rating to 'CRISIL AAA/Stable' outlook to the Company's Bank facilities, Non-Convertible Debentures and

Subordinated Debt and re-affirmed 'CRISIL A1+' rating to the Company's Commercial Paper.

During the year under consideration, CRISIL Ratings Limited has re-affirmed 'CRISIL PPMLD AAA/Stable' outlook to the Company's Long-Term Principal Protected Market Linked Debentures (MLDs).

During the year under consideration, India Ratings & Research Private Limited has upgraded the Company's Bank Facilities, Non-Convertible Debentures, and Subordinated Debt to 'IND AAA/Stable' from 'IND AA+/Stable', while reaffirming the 'IND A1+' rating for Commercial Paper

During the year under review, India Ratings & Research Private Limited upgraded the Company's Principal Protected Market Linked Debentures (MLDs) to 'IND PPMLD AAA/Stable' from 'IND PPMLD AA+/Stable'.

CARE Ratings Limited (Formerly known as 'Credit Analysis & Research Limited') has re-affirmed the rating to the Company's Non-Convertible Debentures and Subordinated Debt as 'CARE AAA/stable' outlook.

- f) **Remuneration of Independent Directors**

Particulars of Remuneration	Names of Directors			Total
	Mr. Jyotin Mehta	Mr. Narendra Mairpady	Mrs. Smita Mankad	
Independent Directors				
Fee for attending board/committee meetings	6.40	2.20	6.40	15.00
	(5.70)	(4.90)	(5.10)	(15.70)
	9.53	3.50	9.53	22.56
Remuneration/Commission	(9.08)	(9.08)	(9.08)	(27.23)
Total	15.93	5.70	15.93	37.56
	(14.78)	(13.98)	(14.18)	(42.93)

Notes: Figures in bracket represent corresponding figures of previous year.

- g) **Net profit or loss for the year, prior year items and change in accounting policies**

There are no such material items which require disclosures in the notes to accounts in terms of the relevant accounting standards.

- VII **During the year there were no circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.**

VIII Other Disclosures

- a) **Provisions and Contingencies**

Breakup of "Provisions & Contingencies" shown under the head Expenditure in Statement of Profit and Loss	31 March 2026	31 March 2025
1. Provisions for depreciation on Investment	7,967.10	–
2. Provision towards non-performing assets (Stage 3 assets)	(41,046.69)	34,035.08
3. Provision made towards Income Tax	–	–
4. Other Provision and Contingencies (Loan commitment & other advances)	147.88	(61.95)
5. Provision for Standard Assets (Stage 1 and Stage 2 assets)	(637.92)	(677.59)

The Company has complied with Ind AS 109, Financial Instruments and the Board approved Expected Credit Loss (ECL) policy in the computation and measurement of impairment allowance. In the disclosures required under RBI/NHB, the references of amounts to Non Performing Assets refers to Stage 3 amounts as per Ind AS 109.

Notes to the Financial Statements for the year ended 31 March 2026

Breakup of Loan & Advances and Provisions thereon	Housing		Non-Housing	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Standard Assets				
a) Total Outstanding Amount	6,68,408.35	5,77,393.81	1,62,471.19	1,08,008.77
b) Provisions made	4,338.67	5,269.04	863.27	570.81
Sub-Standard Assets				
a) Total Outstanding Amount	5,915.26	7,949.60	1,119.22	579.99
b) Provisions made	6,323.29	4,245.51	448.08	236.36
Doubtful Assets - Category – I				
a) Total Outstanding Amount	8,079.17	8,417.21	667.15	385.19
b) Provisions made	4,238.54	7,347.91	313.86	286.23
Doubtful Assets - Category – II				
a) Total Outstanding Amount	4,261.56	45,429.06	133.68	1,525.91
b) Provisions made	2,494.77	40,993.26	71.69	1,378.93
Doubtful Assets - Category – III				
a) Total Outstanding Amount	40.07	410.64	1.94	17.91
b) Provisions made	40.07	410.64	1.94	17.91
Loss Assets				
a) Total Outstanding Amount	112.42	152.71	4.68	26.57
b) Provisions made	112.42	152.71	4.68	26.57
a) Total Outstanding Amount	6,86,816.83	6,39,753.03	1,64,397.86	1,10,544.35
b) Provisions made	17,547.77	58,419.07	1,703.52	2,516.81

Insurance/fees component in Housing Loans has been classified under Non Housing Loans amounting to ₹ 24398.55 Lakhs as of 31 March 2026, ₹ 26659.60 Lakhs as of 31 March 2025.

b) Draw Down from Reserves

The Company has not withdrawn any amount from any reserve in the current year or in the previous year.

c) Concentration of Public Deposits, Advances, Exposures and NPAs**i) Concentration of Public Deposits (for Public Deposit taking/ holding HFCs)**

Particulars	31 March 2026	31 March 2025
Total deposits of twenty largest depositors	Not Applicable	Not Applicable
Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC		

ii) Concentration of Loans & Advances

Particulars	31 March 2026	31 March 2025
Total loans & advances to twenty largest borrowers	6,020.85	2,380.96
Percentage of loans & advances to twenty largest borrowers to total advances of the HFC	0.71%	0.31%

iii) Concentration of all exposure (including off-balance sheet exposure)

Particulars	31 March 2026	31 March 2025
Total exposure to twenty largest borrowers/customers	6,751.10	2,829.83

Particulars	31 March 2026	31 March 2025
Percentage of exposure to twenty largest borrowers/customers to total exposure of the HFC on borrowers/customers	0.72%	0.34%

iv) Concentration of NPAs

Particulars	31 March 2026	31 March 2025
Total exposure to top Four NPA accounts	243.17	204.66
Total exposure to top ten NPA accounts	528.82	425.68

v) Sector – wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
A. Housing loans:		
1	Individuals	2.68%
2	Builders/Project loans	Nil
3	Corporates	Nil
4	Others (specify)	Nil
B. Non-housing loans:		
1	Individuals	1.17%
2	Builders/Project loans	Nil
3	Corporates	Nil
4	Others (specify)	Nil

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

d) i) Movement of NPAs

Particulars	31 March 2026	31 March 2025
(I) Net NPAs to Net Advances (%)	0.75%	1.41%
(II) Movement of NPAs (Gross)		
a) Opening balance	64,894.81	65,091.29
b) Additions during the year	11,050.58	19,697.21
c) Reductions during the year	(55,610.24)	(19,893.69)
d) Closing balance	20,335.15	64,894.81
(III) Movement of Net NPAs		
a) Opening balance	9,798.78	44,030.35
b) Additions during the year	2,992.37	5,347.76
c) Reductions during the year	(6,505.34)	(39,579.33)
d) Closing balance	6,285.80	9,798.78
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	55,096.03	21,060.94
b) Provisions made during the year	8,058.21	41,669.26
c) Write-off of short provision/ write-back of excess provisions	(49,104.90)	(7,634.17)
d) Closing balance	14,049.34	55,096.03

ii) Movement of standard assets provision

Particulars	31 March 2026	31 March 2025
a) Opening balance	5,839.85	6,517.44
b) Provisions made/write-back during the year	(637.91)	(677.59)
c) Closing balance	5,201.94	5,839.85

e) Overseas Assets

The Company does not own any overseas asset and the area of operations is only India. The Company does not have any joint venture partners or overseas subsidiaries

Particulars	31 March 2026	31 March 2025
No overseas assets	Not Applicable	Not Applicable

f) Off-balance Sheet SPVs sponsored

Name of the SPV sponsored	
Domestic	Overseas
Not Applicable	Not Applicable

IX Disclosure of customers complaints

Particulars	31 March 2026	31 March 2025
a) No. of complaints pending at the beginning of the year	88	43
b) No. of complaints received during the year	1475	1553
c) No. of complaints redressed during the year	1554	1508
d) No. of complaints pending at the end of the year	9	88

IV Assets Liability Management

31 March 2026

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowing from bank	9,416.34	-	4,956.80	1,592.11	13,428.06	17,484.05	46,190.17	1,26,402.35	64,018.86	-	2,83,488.74
Market borrowing	-	-	1,626.03	24,223.33	11,891.71	6,807.55	1,06,342.93	2,14,758.70	82,430.11	31,000.00	4,79,080.36
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	3,206.80	4,617.79	5,002.60	6,294.61	7,042.20	16,312.20	36,493.69	97,109.10	75,608.50	5,80,275.94	8,31,963.41
Investments	27,259.20	148.08	15,639.06	-	74.12	12.33	8,069.44	-	-	-	51,202.21
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

31 March 2025

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowing from bank	14,230.48	-	4,745.57	750.00	8,373.06	17,733.61	27,994.99	91,938.35	18,188.31	-	1,83,954.37
Market borrowing	-	371.65	6,536.73	15,154.32	35,036.65	16,132.99	1,32,597.04	1,01,517.83	1,09,198.44	35,906.98	4,52,452.63

Notes to the Financial Statements for the year ended 31 March 2026

31 March 2025

Particulars	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Foreign currency liabilities	–	–	–	–	–	–	–	–	–	–	–
Assets											
Advances	3,107.57	3,536.20	4,071.99	5,462.06	7,165.11	12,220.77	60,496.97	1,19,732.21	74,873.94	3,98,706.25	6,89,373.09
Investments	19,350.06	106.09	2,487.41	68.58	11.99	50.42	18,125.53	–	–	–	40,200.08
Foreign currency assets	–	–	–	–	–	–	–	–	–	–	–

XV Principal Business Criteria for HFCs

Housing finance Company" shall mean a Company incorporated under the Companies Act, 2013 that fulfils the following conditions:

- It is an NBFC whose financial assets, in the business of providing finance for housing, constitute at least 60% of its total assets (netted off by intangible assets).
- Out of the total assets (netted off by intangible assets), not less than 50% should be by way of housing financing for individuals.
RBI vide its circular number RBI/2020-21/60/DOR.NBFC (HFC) CC.NO 118/03.10.136/2020-21 dated October 22,2020 defined the principal business criteria for HFCs. The Company meets the aforesaid principal business criteria for HFCs.

Particulars	31 March 2026	31 March 2025
Total Assets	9,31,259.98	7,87,733.80
Less: Intangible assets	(16,810.65)	(18,843.77)
Net total Assets	9,14,449.33	7,68,890.03
Housing Finance	6,69,269.06	5,81,333.96
Individual Housing Finance	6,69,269.06	5,81,333.96
Percentage of housing finance to total assets (netted off intangible assets)	73.19%	75.61%
Percentage of individual housing finance to total assets (netted off intangible assets)	73.19%	75.61%

XVI Details of loans not in default and stressed loans transferred during the year ended March 31, 2026 under the RBI Master Direction RBI/DOR/2025-26/352 DOR.STR.REC.271/21.04.048 /2025-26 Reserve Bank of India (Non-Banking Financial Companies - Transfer and Distribution of Credit Risk) Directions, 2025 Dated November 28, 2025:

- The Company has not acquired any non-performing assets.
- The Company has not transferred/acquired any Special Mention Account.
- The Company has not transferred/acquired loans not in default through assignment.
- Details of stressed loans transferred during the year ended 31 March 2026:

(₹ in lakhs)				
Particulars	To ARCs		To permitted transferees	To other transferees (please specify)
	NPA	SMA		
No: of accounts	30,536	–	–	–
Aggregate principal outstanding of loans transferred*	31,663	–	–	–
Weighted average residual tenor of the loans transferred (in years)	1.83	–	–	–
Net book value of loans transferred (at the time of transfer)	3,528	–	–	–
Aggregate consideration	12,724	–	–	–
Additional consideration realized in respect of accounts transferred in earlier years	–	–	–	–

* The principal outstanding includes 2,869 contracts written off with principal dues of ₹ 3406.85 lakhs

No Excess provision (net) reversed due to aforesaid transaction

- Details of ratings on Security Receipts outstanding as on 31 March 2026 are given below:

(₹ in lakhs)			
Rating	Rating Agency	Recovery Rating	Gross Value of Outstanding
Brickwork Ratings India Pvt Ltd	RR1	100%-150%	7967.10

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

XVII Disclosure on loans and advances, etc., if any, taken by the Directors and SMPs from the Company under scale-based Regulations issued by the Reserve Bank of India

Pursuant to the circular no. RBI/2021-22/112 DOR.CRE.REC.No.60/03.10.001/2021-22 dated 22 October 2021 on Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs issued by the Reserve Bank of India (the RBI) read with Circular no. RBI/2022-23/29 DOR.CRE.REC.No.25/03.10.001/2022-23 dated 19 April 2022 on 'Loans and Advances – Regulatory Restrictions – NBFCs' issued by the RBI, the details of loans to directors, senior officers and relatives of directors and to entities where directors or their relatives have major shareholding are as under:

Accordingly, refer below details for loans and advances granted to Directors and Senior Officers, their relatives -

Particulars	31 March 2026		31 March 2025	
	Transaction during the year	Outstanding balance at year end	Transaction during the year	Outstanding balance at year end
Directors and their relatives	–	–	–	–
Entities associated with directors and their relatives	–	–	–	–
Senior Officers and their relatives*	53.33	53.63	–	–

* The transactions undertaken were prior to the 1 October 2022, i.e. applicability of the said regulations.

X Movement of Statutory Reserve

(As per Section 29C of the National Housing Bank Act, 1987)

Particulars	31 March 2026	31 March 2025
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	240.00	240.00
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	31,649.93	31,649.93
Total	31,889.93	31,889.93
Addition/Appropriation/Withdrawal during the year		
Add:		
a) Amount Transferred u/s 29C of the NHB Act, 1987	58.00	–
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	1,200.00	–
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act 1987	–	–
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purposes of provision u/s 29C of the NHB Act, 1987	–	–
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	298.00	240.00
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	32,849.93	31,649.93
Total	33,147.93	31,889.93

XI As required under Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No. 102/03.10.001/2019-20 dated 4 November 2019 and Master Direction - Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

Public disclosure on liquidity risk

Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	Type of instrument	Number of Significant Counter parties	Amount (₹ in Lakhs)	% of Total deposits	% of Total Liabilities
1	Deposits	Nil	Nil	Nil	Nil
2	Borrowings	15	6,20,531.34	NA	77.57%

* Amounts are at contracted values

Top 20 large deposits (amount in ₹ lakhs and % of total deposits)

Sr. No.	Description	Amount (₹ in Lakhs)	% of Total Deposits
1	NA	Nil	Nil

Top 10 borrowings (amount in ₹ lakhs and % of total borrowings)

Sr. No.	Description	Amount (₹ in Lakhs)	% of Total Borrowings
1	Total for top 10 borrowings	5,41,102.77	70.96%

Notes to the Financial Statements for the year ended 31 March 2026

Funding concentration based on significant instrument/product

Sr. No.	Name of the instrument /product	Amount (₹ in Lakhs)	% of Total Liabilities
1	Bank borrowings	2,82,984.89	35.38%
2	Non-convertible debentures	3,33,010.00	41.63%
3	Inter corporate deposits	8,850.00	1.11%
4	Sub debt	49,200.00	6.15%
5	Commercial Papers	77,500.00	9.69%
		7,51,544.89	93.95%
Funding concentration pertaining to insignificant instruments/products		–	0.00%
Total borrowings under all instruments/ products		7,51,544.89	93.95%

* Amounts are at contracted values

Stock Ratios:

Sr. No.	Name of instrument/ product	Amount (₹ in Lakhs)	% of Total Public funds	% of Total Liabilities	% of Total deposits
1	Commercial papers (CPs)	77,500.00	10.16%	9.69%	8.32%
2	NCDs with original maturity of less than one year	Nil	Nil	Nil	Nil
3	Other short-term liabilities	25,803.55	3.38%	3.23%	2.77%

Institutional set-up for liquidity risk management

The ultimate responsibility for liquidity risk management rests with the Board of directors, which has established Asset and Liability Committee (ALCO), Asset and Liability Management Committee (ALMCO) for the management of the Company's short, medium and long-term funding and liquidity management requirements. The ALCO and ALMCO meets regularly to review the liquidity position based on future cash flows. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and by

matching the maturity profiles of financial assets and liabilities. The Company also maintains adequate liquid assets, banking facilities and reserve borrowing facilities to hedge against unexpected requirements.

In order to achieve above, the Company also has an Investment Policy to ensure that safety, liquidity and return on the surplus funds are given appropriate weightages and are placed in that order of priority. Investments are as per the operational parameters and framework within the limits as may be set by the Board for investment. The Board approves revising the limit as and when required. The policy is also reviewed periodically in the background of developments in the money markets and the on the external factors proactively to reduce the risk in the investments. A well-defined front and back office mechanism is in place to ensure a system of checks and balances.

Definition of terms as used in the table above:

a) Significant counterparty

A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC's total liabilities.

b) Significant instrument/product:

A "Significant instrument/product" is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the NBFC's total liabilities.

c) Total liabilities:

Total liabilities include all external liabilities (other than equity).

d) Public funds:

"Public funds" includes funds raised either directly or indirectly through public deposits, inter-corporate deposits, bank finance and all funds received from outside sources such as funds raised by issue of commercial papers, debentures etc. but excludes funds raised by issue of instruments compulsorily convertible into equity shares within a year not exceeding 5 years from the date of issue.

It includes total borrowings outstanding under all types of instruments/products.

e) Other short-term liabilities:

All short-term borrowings other than CPs and NCDs with original maturity less than 12 months.

XII Liquidity Coverage Ratio (LCR)

		Quarter ended 31 March 2026		Quarter ended 31 December 2025##		Quarter ended 30 September 2025##		Quarter ended 30 June 2025##	
S. No.	Particulars	Total Un-Weighted	Total Weighted	Total Un-Weighted	Total Weighted	Total Un-Weighted	Total Weighted	Total Un-Weighted	Total Weighted
		Value (Average)*	Value (Average)#	Value (Average)*	Value (Average)#	Value (Average)*	Value (Average)#	Value (Average)*	Value (Average)#
High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)	28,874.25	28,128.46	25,874.08	25,263.49	20,459.38	20,341.70	21,748.11	21,391.73
Cash Outflows									
2	Deposits (for deposit taking companies)	–	–	–	–	–	–	–	–
3	Unsecured wholesale funding	11,908.64	13,694.94	22,579.94	25,966.93	10,609.78	12,201.25	15,060.30	17,319.34
4	Secured wholesale funding	25,919.20	29,807.08	14,158.26	16,281.99	18,685.61	21,488.45	27,716.69	31,874.19

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

S. No.	Particulars	Quarter ended 31 March 2026		Quarter ended 31 December 2025##		Quarter ended 30 September 2025##		Quarter ended 30 June 2025##	
		Total Un- Weighted	Total Weighted	Total Un- Weighted	Total Weighted	Total Un- Weighted	Total Weighted	Total Un- Weighted	Total Weighted
		Value (Average)*	Value (Average)*	Value (Average)*	Value (Average)*	Value (Average)*	Value (Average)*	Value (Average)*	Value (Average)*
5	Additional requirements, of which								
(i)	Outflows related to derivative exposures and other collateral requirements								
(ii)	Outflows related to loss of funding on debt products								
(iii)	Credit and liquidity facilities								
6	Other contractual funding obligations	5,172.22	5,948.06	4,398.91	5,058.75	4,004.35	4,605.00	6,341.97	7,293.27
7	Other contingent funding obligations	34,222.22	39,355.56	24,759.78	28,473.75	19,939.13	22,930.00	17,937.59	20,628.23
8	TOTAL CASH OUTFLOWS	77,222.29	88,805.63	65,896.90	75,781.41	53,238.87	61,224.70	67,056.55	77,115.03
Cash Inflows									
9	Secured lending	—	—	—	—	—	—	—	—
10	Inflows from fully performing exposures (Secured)	24,688.89	18,516.67	21,951.09	16,463.32	21,221.74	15,916.30	20,170.33	15,127.75
11	Other cash inflows	90,728.75	68,046.56	97,633.76	73,225.32	1,14,121.61	85,591.21	97,285.23	72,963.92
12	TOTAL CASH INFLOWS	1,15,417.64	86,563.23	1,19,584.84	89,688.63	1,35,343.35	1,01,507.51	1,17,455.56	88,091.67
13	TOTAL HQLA		28,128.46		25,263.49		20,341.70		21,391.73
14	TOTAL NET CASH OUTFLOWS		22,201.41		18,945.36		15,306.18		19,278.76
15	LIQUIDITY COVERAGE RATIO (%)		126.70%		133.35%		133%		111%

Notes:

- The average LCR is calculated as simple average of daily observations over the quarter. The weightage factor is applied to compute weighted average value.
- Prior to introduction of LCR framework, the company used to maintain a substantial share of its liquidity in form of fixed deposits with banks and investment in debt mutual funds. Post the introduction of LCR framework, the Company has consciously worked towards increasing its investment in High Quality Liquid Assets (HQLA) as per the RBI guidelines in order to meet the LCR requirement.
- Components of High Quality Liquid Assets (HQLA)

Particulars	Quarter ended 31 March 2026		Quarter ended 31 December 2025##		Quarter ended 30 September 2025##		Quarter ended 30 June 2025##	
	Total Un- Weighted	Total Weighted	Total Un- Weighted	Total Weighted	Total Un- Weighted	Total Weighted	Total Un- Weighted	Total Weighted
	Value (Average)*	Value (Average)#	Value (Average)*	Value (Average)#	Value (Average)*	Value (Average)#	Value (Average)*	Value (Average)#
Assets to be included as HQLA:								
— Government Securities	21,488.89	21,488.89	19,793.48	19,793.48	18,000.00	18,000.00	18,000.00	18,000.00
— Commercial Paper	4,971.95	4,226.16	4,070.60	3,460.01	784.58	666.89	2,375.87	2,019.49
— Cash Balance	2,413.42	2,413.42	2,010.00	2,010.00	1,674.81	1,674.81	1,372.25	1,372.25
Total	28,874.25	28,128.46	25,874.08	25,263.49	20,459.38	20,341.70	21,748.11	21,391.73

* Unweighted values calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

Weighted values calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

Notes to the Financial Statements for the year ended 31 March 2026

The figures pertaining to December 31, 2025, September 30, 2025 & June 30, 2025 are unaudited and are as represented by the management.

Qualitative information:

The Company has implemented the guidelines on Liquidity Risk Management Framework prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that an NBFC maintains an adequate level of unencumbered HQLAs that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario.

LCR = Stock of High-Quality Liquid Assets (HQLAs)/Total Net Cash Outflows over the next 30 calendar days

HQLAs comprise of Cash*, Investment in Central and State Government Securities, and highly-rated Corporate Bonds and Commercial papers, including those of Public Sector Enterprises, as adjusted after assigning the haircuts as prescribed by RBI.

* Cash would mean Cash on hand and demand deposits with Scheduled Commercial Banks

Total net cash outflows are arrived after taking into consideration total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days. As prescribed by RBI, total net cash outflows over the next 30 days = Stressed Outflows - [Min (stressed inflows; 75% of stressed outflows)]. Total expected cash outflows (stressed outflows) are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by 115% (15% being the rate at which they are expected to run off further or be drawn down). Total expected cash inflows (stressed inflows) are calculated by multiplying the outstanding balances of various categories of contractual receivables by 75% (25% being the rate at which they are expected to under-flow).

The Liquidity Risk Management framework of the Company is governed by its Liquidity Risk Management Policy and Procedures approved by the Board. The Asset Liability Committee of the Board (ALCO) and Asset Liability Management Committee (ALMCO) oversee the implementation of liquidity risk management strategy of the Company and ensure adherence to the risk tolerance/limits set by the Board.

The Company maintains a robust funding profile with no undue concentration of funding sources. In order to ensure a diversified borrowing mix, concentration of borrowing through various sources is monitored. Further, the Company has prudential limits on investments in different instruments to maintain a healthy investment profile. The above is periodically monitored by ALMCO and reviewed by ALCO.

The average LCR is computed at as simple averages of daily observations over the previous quarter.

The Company has implemented the LCR framework and has maintained LCR well above the regulatory threshold. The average LCR for the quarter ended March 31, 2026 is 126.70%, for the quarter ended December 31, 2025 is 133.35% which is above the regulatory requirement of 100% and for the quarter ended September 30, 2025 average LCR was stood at 133% and for the quarter ended June 30, 2025 average LCR was stood at 111%, which is above the regulatory requirement of 85%.

XIII Schedule to the Balance Sheet of the Company

In compliance with Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

Particulars	Amount outstanding	Amount overdue
Liabilities side		
(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
(a) Debentures: Secured	3,04,661.54	–
: Unsecured	40,239.96	–
(other than falling within the meaning of public deposits*)	–	–

Particulars	Amount outstanding	Amount overdue
Liabilities side		
(b) Deferred credits	–	–
(c) Term loans	2,83,488.74	–
(d) Inter-corporate loans and borrowing	9,108.45	–
(e) Commercial paper	73,981.55	–
(f) Public deposits*	–	–
(g) Other loans (Subordinate debt)	51,088.86	–
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
(a) In the form of Unsecured debentures	–	–
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	–	–
(c) Other public deposits	–	–
	Amount outstanding (net of provisions)	
Assets side		
(3) Break-up of loans and advances including bills receivables [other than those included in (4) below]:		
(a) Secured	8,23,037.51	
(b) Unsecured	8,925.90	
(4) Break up of leased assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial lease	NA	
(b) Operating lease	NA	
(ii) Stock on hire including hire charges under sundry debtors		
(a) Assets on hire	NA	
(b) Repossessed assets	NA	
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed	NA	
(b) Loans other than (a) above	NA	
(5) Break-up of Investments		
<u>Current investments</u>		
1 <u>Quoted</u>		
(i) Shares		
(a) Equity	–	–

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

Particulars		Amount outstanding	Amount overdue
Liabilities side			
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	12,376.09	-
	(iv) Government securities	23,943.01	-
	(v) Others	14,883.11	-
2	Unquoted		
	(i) Shares		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	Long term investments		
1	Quoted		
	(i) Shares		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
2	Unquoted		
	(i) Shares		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Category		Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties **			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
2	Other than related parties	8,23,037.51	8,925.90	8,31,963.41

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(Please see Note 3 below)

(₹ in Lakhs)

Category		Market Value/Break up or fair	Book Value (Net of Provisions)
1	Related Parties **		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
2	Other than related parties	48,721.24	48,721.24

(8) Other information

(₹ in Lakhs)

Particulars		Amount
(i)	Gross non-performing assets	
	(a) Related parties	-
	(b) Other than related parties	20,335.15
(ii)	Net non-performing assets	
	(a) Related parties	-
	(b) Other than related parties	6,285.80
(iii)	Assets acquired in satisfaction of debt	-

* As defined in Paragraph 9 - of Reserve Bank of India (Non-Banking Financial Companies – Financial Statements: Presentation and Disclosures) Directions, 2025

** All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

XIV The Company has not granted any loans or advances against collateral of gold jewellery.

53 Balance Sheet disclosures as required under scale based regulations Section I**A Exposure****1) Exposure to real estate sector**

Category		31 March 2026	31 March 2025
i)	Direct exposure		
a)	Residential Mortgages -		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	8,37,295.64	7,49,998.70
b)	Commercial Real Estate -		
	Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	4,882.68	298.69

Notes to the Financial Statements for the year ended 31 March 2026

Category			31 March 2026	31 March 2025
c)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -			
	a) Residential		Nil	Nil
	b) Commercial Real Estate		Nil	Nil

Category			31 March 2026	31 March 2025
ii)	Indirect Exposure			
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		Nil	Nil
Total Exposure to Real Estate Sector			8,42,178.32	7,50,297.39

2) Exposure to capital market

Particulars	31 March 2026	31 March 2025
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	Not Applicable	Not Applicable
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds		
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security		
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances		
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers		
vi) Loans sanctioned to corporates against the security of shares / bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources		
vii) Bridge loans to companies against expected equity flows/issues		
viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds		
ix) Financing to stockbrokers for margin trading		
x) All exposures to Alternative Investment Funds:		
(i) Category I		
(ii) Category II		
(iii) Category III		
Total exposure to capital market		

3) Sectorial exposure

Sectors	31 March 2026			31 March 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector*	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector*
1. Agriculture and Allied Activities						
2. Industry	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
3. Services						
4. Personal Loans						
i. Housing Loans	7,57,775.81	18,408.48	2.43%	6,88,920.36	62,359.23	9.05%
ii. Non Housing Loan	1,75,156.06	1,926.67	1.10%	1,14,557.64	2,535.58	2.21%
Total of Personal Loans	9,32,931.87	20,335.15	2.18%	8,03,478.00	64,894.81	8.08%

* Percentage of Gross NPAs to total exposure is arrived after considering on-balance sheet and off-balance sheet exposures in total exposure.

4) Intra-group exposures

There is no Intra-group exposure for the current year along with comparatives for the previous year

5) Unhedged foreign currency exposure

There is no unhedged foreign currency exposure during the current year.

(₹ in Lakhs)

Notes to the Financial Statements for the year ended 31 March 2026

B Related Party Disclosure

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others		Fellow Subsidiaries		Total	
Items	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025
Borrowings	–	–	–	–	4,700.00	4,700.00	–	–	–	–	–	–	6,650.00	27,725.00	11,350.00	32,425.00
Maximum outstanding of Borrowings during the year	–	–	–	–	4,700.00	4,700.00	–	–	–	–	–	–	27,725.00	42,275.00	32,425.00	46,975.00
Interest accrued but not due on ICD/Debentures	–	–	–	–	156.88	157.22	–	–	–	–	–	–	122.33	1,594.16	279.21	1,751.38
Deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Placement of deposits	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Advances	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Investments	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Purchase of fixed/other assets	158.99	127.20	–	–	–	–	–	–	–	–	–	–	32.63	17.58	191.62	144.78
Sale of fixed/other assets	17.46	1.16	–	–	–	–	–	–	–	–	–	–	10.84	10.82	28.30	11.98
Interest paid	–	–	–	–	409.80	409.48	–	–	–	–	–	–	1,211.78	2,662.51	1,621.58	3,071.99
Interest received	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Others:																
– ESOP Income	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
– ESOP Expenses	73.03	47.14	–	–	–	–	–	–	–	–	–	–	–	0.30	73.03	47.44
– Remuneration\ Sitting fees \ Commission	–	–	–	–	–	–	600.33	407.33	–	–	–	–	–	–	600.33	407.33
– Other Income	0.49	2.59	–	–	–	–	–	–	–	–	227.46	–	6.93	128.71	234.88	131.30
– Other Expenses	786.95	538.76	–	–	–	–	–	–	–	–	72.84	–	1,000.28	1,229.73	1,860.07	1,768.49
– Capital Advance	24.96	–	–	–	–	–	–	–	–	–	–	–	–	–	24.96	–
– Inter corporate deposits taken	–	–	–	–	–	–	–	–	–	–	–	–	6,650.00	17,375.00	6,650.00	17,375.00
– Inter corporate deposits repaid/ matured	–	–	–	–	–	–	–	–	–	–	–	–	27,725.00	28,225.00	27,725.00	28,225.00
– Subordinate debt repaid	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
– Receivables	–	–	–	–	–	–	–	–	–	–	519.43	–	–	–	519.43	–
– Payables	351.23	148.96	–	–	–	–	20.31	24.51	–	–	–	–	64.91	107.01	436.45	280.48

C Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

SN	Particulars	31 March 2026	31 March 2025
Complaints received by the NBFC from its customers			
1	Number of complaints pending at beginning of the year	88	43
2	Number of complaints received during the year	1,475	1,553
3	Number of complaints disposed during the year	1,554	1,508
3.1	Of which, number of complaints rejected by the NBFC	–	–
4	Number of complaints pending at the end of the year	9	88
Maintainable complaints received by the NBFC from Office of Ombudsman			
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	NA	NA
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	NA	NA
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NA	NA
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NA	NA
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

Notes to the Financial Statements for the year ended 31 March 2026

2) Top five grounds of complaints received by the NBFCs from customers

31 March 2026

SN	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year ending 31 March 2026	% increase/decrease in the number of complaints received over the previous year ended 31 March 2025	Number of complaints pending at the end of the year	Of 5, the number of complaints pending beyond 30 days
1	Cibil Related	14	406	(2.64%)	1	—
2	Insurance Refund Not Received	30	354	(17.10%)	3	—
3	SMS and Calls On Wrong Number	1	77	1.32%	1	—
4	Moratorium/Tenure	5	74	39.62%	1	—
5	EMI Not Deducted Through ACH/ECS Mode	4	57	32.56%	0	—
6	Others	34	507	(12.59%)	3	—
	Total	88	1475	(5.02%)	9	

31 March 2025

SN	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year ending 31 March 2025	% increase/decrease in the number of complaints received over the previous year ended 31 March 2024	Number of complaints pending at the end of the year	Of 5, the number of complaints pending beyond 30 days
1	Insurance Refund Not Received	6	427	71%	30	—
2	CIBIL Related	14	417	44%	14	—
3	SMS & Calls On Wrong Number	6	76	(49%)	1	—
4	ROI Related	0	56	1300%	17	—
5	Delay in Loan Application	2	55	25%	0	—
6	Others	15	522	(86%)	26	—
	Total	43	1553	(65%)	88	

Section II

A Breach of covenant

During the current year, there is no instance of breach of covenant of loan availed or debt securities issued.

B Divergence in Asset Classification and Provisioning

No divergence in asset classification and provisioning was assessed by the RBI / NHB.

55 Events after reporting date

There have been no significant events after the reporting date that require disclosure in these financial statements.

56 Additional disclosures

- i) Relationship with struck off Companies : The Company has been undertaken transactions with company whose name is struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 in the financial years ended 31 March, 2026.

Name of Vendor	Relationship	Nature of Transaction	Balance outstanding
Agarwal Super Fast Pack Relocations Pvt Ltd	Vendor	Courier Expenses	Nil

- ii) During the financial years ended 31st March 2026 and 31st March 2025, the Company has granted any loans or advances in the nature of loans to promoters, directors, KMPS, SMPS and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person (a) repayable on demand or (b) without specifying any terms or period of repayment.

Accordingly, refer below details for loans and advances granted to Directors and Senior Officers, their relatives -

Particulars	31 March 2026		31 March 2025	
	Transaction during the year	Outstanding balance at year end	Transaction during the year*	Outstanding balance at year end
Directors and their relatives	—	—	—	—
Entities associated with directors and their relatives	—	—	—	—
Senior Officers and their relatives*	53.33	53.63	—	—

Notes to the Financial Statements for the year ended 31 March 2026

- iii) There is no Benami Property held by the Company and there is 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 rules made thereunder.
- iv) There is no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.
- v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- vi) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the financial year ended March 31, 2026 and March 31, 2025.
- vii) There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.
- viii) The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.
- ix) **Going Concern:**
The financial statements of the Company are prepared on a going concern basis for the year ended 31st March 2026. The Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.
- x) **Merger Scheme:**
Pursuant to Regulation 51 (2) and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board of Directors of the Company, at its meeting held on Wednesday, 28th January 2026, has accorded its in-principle approval for evaluating the proposal for consolidation including Scheme of merger by absorption of Mahindra Rural Housing Finance Limited ("MRHFL", the Company), in Mahindra & Mahindra Financial

Services Limited (MMFSL, the Holding Company) which owns 98.43% of the paid-up share capital of the Company, and authorised the management to appoint various consultants, advisors and intermediaries for the purpose.

The said in-principle approval is subject to further evaluation being carried out by the Committee of Independent Directors and Audit Committee of the Board and necessary recommendations being made by them.

- xi) There was no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.
- xii) **Utilisation of Borrowed funds and share premium:**
- A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -
- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -
- (i) 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
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 57 Previous year figures have been regrouped/ reclassified wherever necessary, to conform to current year classification.

Signatures to Notes 1 to 57

As per our report of even date attached.

For G M Kapadia & Co.

Chartered Accountants

Firm's Registration No: 104767W

Hitesh Jain

Partner

Membership No: 410215

Mumbai
15 April 2026

Debasish Kar

Chief Executive Officer

Dinesh Prajapati

Chief Financial Officer

Mumbai
15 April 2026

Raul Rebello

Director

[DIN: 10052487]

Navin Joshi

Company Secretary

[ACS9049]

Jyotin Mehta

Director

[DIN: 00033518]

For and on behalf of the Board of Directors

Mahindra Rural Housing Finance Limited

CIN: U65922MH2007PLC169791

INDEPENDENT AUDITOR'S REPORT

To the Members of

Mahindra Manulife Investment Management Private Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of Mahindra Manulife Investment Management Private Limited ("the Company"), which comprise the standalone balance sheet as at 31st March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the 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 standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters ("KAM") 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 the requirement of SA 701 are not applicable to the Company as it is an unlisted company.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements

and our auditor's report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

influence the economic decisions of users taken on the basis of these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by management and the Board of Directors.
- Conclude on the appropriateness of management and the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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

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

- 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.
 - c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigation on its financial position in its financial statements-Refer Note 35 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - 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, other than as disclosed in the notes to accounts, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company 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 accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries
- (c) Based on such audit procedures as 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 mis-statement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility

and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of audit we did not come across any instance of the audit trail feature being tampered with from the date of its implementation and according to the information provided to us, the audit trail has been preserved by the company as per the statutory requirements for record retention.

- h. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, as amended, in our opinion and according to the information and explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For M. P. Chitale & Co
Chartered Accountants
Firm Reg. No. 101851W

sd/
Santosh More
Partner
M. No. 114236
UDIN: 26114236MEVMBJ8361

Place: Mumbai
Date: April 20, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT (REFERRED TO IN PARAGRAPH (1) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its Property, Plant and equipment by which all Property, Plant and equipment are verified in a phased manner. In our opinion, the periodicity of physical verification is reasonable having regard to size of the Company and the nature of its assets. The property, plant and equipment have been physically verified by the management during the year and the discrepancies noticed between the books records and the physical records have been properly dealt with in the books of accounts.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company do not hold any immovable properties. Thus, paragraph 3(i)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not involve holding of any inventories. Accordingly, paragraph 3(ii)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees from banks or financial institutions on the basis of security of current assets. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) In our opinion and according to the information and explanations given to us, during the year, the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.
- (b) In our opinion and according to the information and explanations given to us, the Company has not provided guarantees or given security. The investments made by the company is not prejudicial to the company's interest.
- (c) In our opinion and according to the information and explanations given to us, the Company has not provided loans or provided advances in the nature of loans. Hence, this clause (iii) (c) to (iii) (f) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided guarantees or security in connection with any director or any person in whom the director is interested which attract the provisions of sections 185 of the Act. The Company has complied with the provisions of section 186 of the Act, with respect to investments made by the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company has been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues applicable to it to the appropriate authorities. As explained to us, the Company did not have any undisputed statutory dues on account of sales tax, wealth tax, duty of customs and duty of excise value added tax, cess and any other statutory dues to the appropriate authorities. No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, cess and other material statutory dues were in arrears as at 31st March 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 on the basis of our examination of records, there are no dues of income tax, goods and service tax, cess, provident fund, employees' state insurance and other material statutory dues that have not been deposited on account of any dispute.

- (viii) In our opinion and according to the information and explanations given to us, there is no transactions of the earlier year that was not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) In our opinion and according to the information and explanations given to us, the Company does not have any outstanding loans or borrowings from banks, financial institutions or government. Accordingly, clause (a) to (f) of paragraph 3(ix) of the Order is not applicable to the Company.
- (x) (a) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, Clause (a) of paragraph 3(x) of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, Clause (b) of paragraph 3(x) 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 fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, Clause (b) of paragraph 3(xi) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, no whistle-blower complaints, have been received during the year by the company;
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Accordingly, clauses (a) to (c) of paragraph 3(xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) According to the information and explanations given to us and based on our examination of the records of the Company, we confirm that the company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit provided by the company were considered by the statutory auditor.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, we confirm that the company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Thus, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and the audit procedures performed by us, we report that the Group has five Core Investment Companies.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not incurred any cash losses in the current financial year but has incurred Rupees 109 Lakhs in the immediately preceding financial year.

(xviii) According to the information and explanations given to us and based on our examination of the records of the Company, there is no resignation of statutory auditor during the year.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all

liabilities falling due within a period of one year from the balance sheet date, will get discharged.

(xx) In our opinion, the provisions of section 135 of the Act regarding Corporate Social Responsibilities are not applicable to the Company. Therefore, reporting under sub clause (a) and (b) of clause 3(xx) of the Order is not applicable to the Company;

For M. P. Chitale & Co
Chartered Accountants
Firm Reg. No. 101851W

sd/
Santosh More
Partner
M. No. 114236
UDIN: 26114236MEVMBJ8361

Place: Mumbai
Date: April 20, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT (REFERRED TO IN PARAGRAPH 2(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra Manulife Investment Management Private Limited ("the Company") as of 31st March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements 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.

Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements

included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 with Reference to Financial Statements

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

For M. P. Chitale & Co
Chartered Accountants
Firm Reg. No. 101851W

sd/
Santosh More
Partner
M. No. 114236
UDIN: 26114236MEVMBJ8361

Place: Mumbai
Date: April 20, 2026

BALANCE SHEET AS AT 31 MARCH 2026

Particulars	Note no.	Rs. in lakhs	
		As at 31 March 2026	As at 31 March 2025
ASSETS			
Financial Assets			
a) Cash and cash equivalents	3	12.60	9.61
b) Bank Balance other than (a) above	4	2,600.00	2,600.00
c) Receivables			
– Trade Receivables	5	1,631.40	969.41
d) Investments	6	17,146.79	16,130.51
e) Other financial assets	7	443.96	477.58
		<u>21,834.75</u>	<u>20,187.11</u>
Non-financial Assets			
a) Current tax assets (Net)	8	–	51.92
b) Property, Plant and Equipment	9	718.87	748.30
c) Right of Use asset	9	1,576.90	1,329.29
d) Other intangible assets	10	18.52	42.89
e) Other non-financial assets	11	329.98	299.00
		<u>2,644.27</u>	<u>2,471.40</u>
Total Assets		<u>24,479.02</u>	<u>22,658.51</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
a) Trade Payables			
i) total outstanding dues of micro and small enterprises	12	126.80	32.39
ii) total outstanding dues of creditors other than micro and small enterprises	12	349.31	202.67
b) Other financial liabilities	13	3,035.98	2,462.06
		<u>3,512.09</u>	<u>2,697.12</u>
Non-financial Liabilities			
a) Current Tax Liabilities (net)	14	25.13	–
b) Provisions	15	2,302.65	1,819.76
c) Other non-financial liabilities	16	427.27	321.37
		<u>2,755.05</u>	<u>2,141.13</u>
EQUITY			
a) Equity Share capital	17	38,294.12	38,294.12
b) Other Equity	18	(20,082.24)	(20,473.86)
		<u>18,211.88</u>	<u>17,820.26</u>
Total Liabilities and Equity		<u>24,479.02</u>	<u>22,658.51</u>
Summary of material accounting policies	2		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For M. P. Chitale & Co.

Chartered Accountants

Firm's Registration No: 101851W

sd/-

Santosh More

Partner

Membership No: 114236

For and on behalf of the Board of Directors of

Mahindra Manulife Investment Management Private Limited

sd/-

Raul Rebello

Chairman

[DIN: 10052487]

sd/-

Anthony Heredia

Managing Director & CEO

[DIN: 02205628]

sd/-

Chitra Andrade

Director

[DIN: 08090478]

sd/-

Vijay Ramchandran

Director

[DIN: 02639324]

sd/-

Ashwini Sankhe

Chief Financial Officer

sd/-

Ravi Dayma

Company Secretary

[ACS - 20803]

Place : Mumbai

Date : April 20, 2026

Place : Mumbai

Date : April 20, 2026

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

			Rs. in lakhs
Particulars	Note No.	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from operations			
Fees and commission Income	19	10,186.29	7,403.05
Total Revenue from operations		10,186.29	7,403.05
Other Income	20	1,224.77	1,368.24
Total Income		11,411.06	8,771.29
Expenses			
Employee Benefits Expenses	21	6,532.84	6,302.23
Finance costs	22	133.92	118.02
Depreciation and amortization	23	638.01	567.04
Others expenses	24	3,333.01	2,789.89
Total Expenses		10,637.78	9,777.18
Profit / (loss) before exceptional items and tax		773.28	(1,005.89)
Exceptional items	34	123.12	—
Profit/(Loss) Before Tax		650.16	(1,005.89)
Tax Expense :			
(i) Current tax		232.03	—
(ii) Deferred tax		—	—
		232.03	—
Profit/(Loss) After Tax	A	418.13	(1,005.89)
Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss:-			
- Remeasurement gain / (loss) on defined benefit plans		(36.09)	(17.15)
- Net gain / (loss) on fair valuation of equity instruments		9.58	(2.69)
(ii) Income tax impact thereon		—	—
(B) Items that will be reclassified to profit or loss		—	—
Total Other Comprehensive Income	B	(26.51)	(19.84)
Total Comprehensive Income for the year	(A+B)	391.62	(1,025.73)
Earnings per equity share			
Basic and diluted Earnings/(Loss) per share (in ₹)	25	0.11	(0.26)
(Nominal value per share ₹ 10)			
Summary of material accounting policies	2		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For M. P. Chitale & Co.

Chartered Accountants

Firm's Registration No: 101851W

sd/-

Santosh More

Partner

Membership No: 114236

For and on behalf of the Board of Directors of

Mahindra Manulife Investment Management Private Limited

sd/-

Raul Rebello

Chairman

[DIN: 10052487]

sd/-

Anthony Heredia

Managing Director & CEO

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[DIN: 02639324]

sd/-

Ashwini Sankhe

Chief Financial Officer

sd/-

Ravi Dayma

Company Secretary

[ACS - 20803]

Place : Mumbai

Date : April 20, 2026

Place : Mumbai

Date : April 20, 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026**A. Equity share capital**

Particulars	Rs. in lakhs	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	38,294.12	38,294.12
Changes in equity share capital during the year	—	—
Balance at the end of the year	38,294.12	38,294.12

B. Other Equity

Particulars	Rs. in lakhs			
	Securities Premium	Reserves and Surplus Retained earnings	Other Comprehensive Income (OCI)	Total
Balance as at 1 April 2025	7,046.46	(27,465.24)	(55.08)	(20,473.86)
Profit / (Loss) for the year	—	418.13	—	418.13
Remeasurement gain / (loss) on defined benefit plans	—	—	(36.09)	(36.09)
Net gain / (loss) on fair valuation of equity instruments	—	—	9.58	9.58
Total Comprehensive Income for the year	—	418.13	(26.51)	391.62
Balance as at 31 March 2026	7,046.46	(27,047.11)	(81.59)	(20,082.24)

Particulars	Rs. in lakhs			
	Securities Premium	Reserves and Surplus Retained earnings	Other Comprehensive Income (OCI)	Total
Balance as at 1 April 2024	7,046.46	(26,459.35)	(35.24)	(19,448.13)
Profit / (Loss) for the year	—	(1,005.89)	—	(1,005.89)
Remeasurement gain / (loss) on defined benefit plans	—	—	(17.15)	(17.15)
Net gain / (loss) on fair valuation of equity instruments	—	—	(2.69)	(2.69)
Total Comprehensive Income for the year	—	(1,005.89)	(19.84)	(1,025.73)
Balance as at 31 March 2025	7,046.46	(27,465.24)	(55.08)	(20,473.86)

See summary of material accounting policies and accompanying notes which form an integral part of the financial statements
As per our report of even date

For M. P. Chitale & Co.

Chartered Accountants
Firm's Registration No: 101851W

sd/-

Santosh More

Partner

Membership No: 114236

For and on behalf of the Board of Directors of

Mahindra Manulife Investment Management Private Limited

sd/-

Raul Rebello

Chairman

[DIN: 10052487]

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Anthony Heredia

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Ashwini Sankhe

Chief Financial Officer

sd/-

Ravi Dayma

Company Secretary

[ACS - 20803]

Place : Mumbai

Date : April 20, 2026

Place : Mumbai

Date : April 20, 2026

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2026

		Rs. in lakhs	
		Year ended	Year ended
		31 March 2026	31 March 2025
Particulars			
A) Cash Flow From Operating Activities			
Profit/(Loss) before exceptional items and taxes		773.28	(1,005.89)
Add/(Less) : Adjustments for			
Depreciation and amortization		638.01	567.04
Finance Costs		133.92	118.02
Share based compensation to employees		538.81	799.38
Fair Value (Gain)/Loss on Investments		(162.12)	(221.86)
Investment Income from Financial Instruments		(590.11)	(686.55)
(Profit)/Loss on Derecognition of Property, Plant and Equipment (net)		(1.14)	0.32
Remeasurement of ROU assets and lease liability		(20.46)	(4.29)
(Profit)/Loss on Sale of Investments (net)		(441.98)	(451.41)
Operating Profit/(Loss) before working capital changes		868.21	(885.24)
Adjustments for Changes in working capital			
Trade receivables		(661.99)	(226.61)
Other financial assets		33.62	153.46
Other non-financial assets		(30.97)	(59.19)
Trade Payables		241.05	(39.81)
Other financial liabilities		291.05	106.01
Other non-financial liabilities		105.90	54.10
Provisions		(215.12)	(274.83)
Cash generated from/(used in) operations		631.75	(1,172.11)
Income Tax paid (net of refunds)		(154.98)	2.32
Net Cash From/ (Used In) Operating Activities (A)		476.77	(1,169.79)
B) Cash Flow From Investing Activities			
Purchase of Property, Plant and Equipment and Other Intangible Assets		(297.21)	(255.80)
Proceeds from Sale of Property, Plant and Equipment and Other Intangible Assets		21.76	14.53
Proceeds from/ (Investments in) term deposits with banks (net)		–	1,550.00
Purchase of investments at FVTPL		(10,401.60)	(13,172.13)
Proceeds from sale of investments at FVTPL		9,999.00	12,693.00
Interest Received		590.11	686.55
Net Cash Generated From / (Used In) Investing Activities (B)		(87.94)	1,516.15
C) Cash Flow From Financing Activities			
Principal Element of Lease Payments		(251.92)	(226.28)
Interest Element of Lease Payments		(133.92)	(118.02)
Net Cash Generated From / (Used In) Financing Activities (C)		(385.84)	(344.30)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2026 (CONTINUED)

Particulars	Rs. in lakhs	
	Year ended 31 March 2026	Year ended 31 March 2025
Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C)	2.99	2.06
Cash and Cash Equivalents at the beginning of the year	9.61	7.55
Cash And Cash Equivalents at the end of the year (Refer Note No. 3)	12.60	9.61
Components of Cash and Cash Equivalents		
Particulars		
Cash and cash equivalents at the end of the year		
– Cash on hand	0.63	0.57
– Balances with banks in current accounts	11.97	9.04
Total	12.60	9.61

Notes:

The above Cash Flow Statement has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

See summary of material accounting policies and accompanying notes which form an integral part of the financial statements

As per our report of even date attached.

For M. P. Chitale & Co.

Chartered Accountants
Firm's Registration No: 101851W

sd/-

Santosh More

Partner

Membership No: 114236

For and on behalf of the Board of Directors

Mahindra Manulife Investment Management Private Limited

sd/-

Raul Rebello

Chairman

[DIN: 10052487]

sd/-

Anthony Heredia

Managing Director & CEO

[DIN: 02205628]

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Chitra Andrade

Director

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Vijay Ramchandran

Director

[DIN: 02639324]

sd/-

Ashwini Sankhe

Chief Financial Officer

sd/-

Ravi Dayma

Company Secretary

[ACS - 20803]

Place : Mumbai

Date : April 20, 2026

Place : Mumbai

Date : April 20, 2026

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

1. CORPORATE INFORMATION

Mahindra Manulife Investment Management Private Limited ('the Company'), was incorporated under the Companies Act, 1956 on June 20, 2013, with its registered office in Mumbai, Maharashtra, India. The company is a joint venture of Mahindra & Mahindra Financial Services Ltd. and Manulife Investment Management (Singapore) Pte. Ltd. The Company has a license from the Securities & Exchange Board of India to provide investment management services to the schemes of Mahindra Manulife Mutual Fund. SEBI granted the certificate of registration to Mahindra Manulife Mutual Fund on February 4, 2016. The Company is primarily engaged to act as an investment manager to Mahindra Manulife Mutual Fund and was managing twenty-seven schemes of Mahindra Manulife Mutual Fund as on March 31, 2026.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1. Statement of compliance and basis for preparation and presentation of financial statements

These standalone or separate financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act, as amended from time to time.

The financial statements of the Company for the year ended March 31, 2026, were approved for issue by the Company's Board of Directors on April 20, 2026.

2.2. Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or '₹') which is also the Company's functional currency. All amounts are rounded off to the nearest lakh upto two decimal places, unless otherwise indicated.

2.3. Basis of measurement

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value as required by relevant Ind AS.

2.4. Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

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

2.5. Use of estimates and judgments

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. The management believes that these estimates are prudent and reasonable and are based upon the management's best knowledge of current events and actions as on the reporting date. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results/actions are known or materialise. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities:

Property, Plant and Equipment

The estimates of useful lives and residual value of property, plant and equipment, and other intangible assets

RoU assets and liabilities

Determination of lease term and discount rate for lease liabilities

Fair value of financial instruments

The Company measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) require management's best estimate about future developments.

Defined benefit obligations

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

In addition to above, critical policies that involves critical accounting estimates includes impairment of non-financial assets, estimates of useful lives and residual value of property, plant and equipment and intangible assets, discount rate for lease liabilities and provisions and contingencies.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable and are based upon the management's best knowledge of current events and actions as on the reporting date.

2.6. Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers

The Company recognises revenue from contracts with customers based on five-step model as set out in Ind AS 115

Step 1: identification of contract(s) with customers: A contract is defined as an agreement between two or more parties that create enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identification of the separate performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determination of transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocation of transaction price to the separate performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognition of revenue when (or as) the Company satisfies a performance obligation.

The Company principally generates revenue by providing asset management services to Mahindra Manulife Mutual fund and by providing investment advisory services to the Manulife Investment Management (Singapore) Pte. Ltd.

Investment management fees

Fees from management of mutual fund schemes are recognised on an accrual basis at specific rates, applied on the average daily net assets of the schemes of Mahindra Manulife Mutual Fund in accordance with the Investment Management Agreement between the Company and the Trustees of Mahindra Manulife Mutual Fund and SEBI (Mutual Fund) Regulations, 1996 as amended from time to time. Amount disclosed as fees are exclusive of Goods and Services Tax. The maximum amount of management fee that can be charged is subject to applicable SEBI regulations.

The contract includes a single performance obligation (series of distinct services) that is satisfied over time and the investment management

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

fees earned are considered as variable consideration. Invoices becomes payable when the bills are issued to the customer.

Investment Advisory Fees

Investment Advisory Fees are recognised on satisfaction of a performance obligation at a point in time in accordance with the respective terms of contract with counterparties.

Other Income

The gains / losses on sale of investments are recognised in the Statement of Profit and Loss on the trade day and it is determined on FIFO ('first in first out') method.

The gains / losses on termination of lease contracts are recognised in the Statement of Profit and Loss on the termination date after netting off the carrying value of the respective RoU asset against its Lease Liability.

Recognition of Interest Income

Interest income from a financial asset at FVTPL is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding.

Recognition of Dividend Income

Dividend from investments is recognised in the Statement of Profit and Loss when the right to receive payment is established.

Rental Income

Income from operating leases is recognized in the Statement of profit and loss on a straight-line basis over the lease term.

2.7. Property, Plant and Equipment ('PPE')

The cost of an item of PPE shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost of an item of PPE comprises of its purchase price (after deducting trade discounts and rebates) including import duties and non-refundable taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Item of PPE are subsequently measured and stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any.

Cost of acquisition consists of purchase price or construction cost which is the amount paid, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured.

Other repairs and maintenance costs are expensed off as and when incurred.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately as "Capital advances" under other non-financial assets. Capital work in progress comprises the cost of PPE that are not ready for its intended use at the reporting date

In accordance with Ind AS 116 - Leases, the Right-of-Use assets (Leasehold premises) are initially recognized at cost which comprises of initial amount of lease liability adjusted for any lease payments made at or prior to the commencement date of the lease less any lease incentives. These are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-Use assets (Leasehold premises) are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Depreciation on PPE is provided on straight-line basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis except for following assets in respect of which useful life is taken as estimated by the management based on the actual usage

pattern of the assets Depreciation methods, useful lives and residual values are reviewed in each financial year, and changes, if any, are accounted for prospectively.

Accordingly, useful life of assets is estimated as follows:

Assets	Useful life
Vehicles	- 4 years
Computers	- 3 years
Furniture and fixtures	- 10 years
Office equipment	- 2 to 5 years
Leasehold Improvements	- Over the primary lease period or useful life, whichever is less
Right-Of-Use assets (Leasehold premises)	- Over the period of lease

Exceptions to useful lives specified in Schedule II to the Companies Act, 2013 -

- Vehicles provided to employees as part of Cost-To-Company (CTC) scheme are depreciated using estimated useful life of 4 years.
- Assets costing less than Rs.5000/- are fully depreciated in the period of purchase.

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if required.

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if required. Depreciation on additions/disposals is provided on a pro- rata basis i.e. from/up to the date on which asset is ready to use/disposed off.

PPE is de-recognised on disposal or when no future economic benefits are expected from its use. Assets to be disposed off are reported at the lower of the carrying value and fair value less cost to sell. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognised in other income / netted off from any loss on disposal in the Statement of Profit and Loss in the year the asset is de-recognised.

2.8. Intangible assets

Other intangible assets including computer software are measured at cost and recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. Such other intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Cost of an intangible asset comprises of its purchase price (after deducting trade discounts and rebates) including import duties and non-refundable taxes and any directly attributable cost for preparing the asset for its intended use.

Intangible assets are subsequently measured and stated at cost less accumulated amortisation and impairment loss, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure is recognised in the Standalone Statement of Profit and Loss as incurred.

Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

Intangible assets are amortised over the estimated useful life. The maximum period for such amortisation is taken as 36 months based on management's estimates of useful life. Amortisation is calculated using the Straight-line method to write down the cost of intangible assets over their estimated useful lives.

Amortisation method, useful lives and residual values are reviewed at each financial year end and adjusted, if required.

Intangible assets are derecognised on disposal or when no future economic benefits are expected to arise from its continuous use, and the resultant gains or losses are recognised in the Standalone Statement of Profit and Loss.

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2.9. Intangible assets under development

The intangible assets under development includes cost of intangible assets that are not ready for their intended use on the date of balance sheet less accumulated impairment losses, if any.

2.10. Cash and cash equivalent

Cash and cash equivalents include cash on hand, demand deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.11. Foreign exchange transactions and translations

Initial recognition

Transactions in foreign currencies are recognised at the prevailing exchange rates between the reporting currency and the foreign currency on the transaction date.

Translations

Transactions in foreign currencies are translated into the 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 generally recognised in the Statement of Profit and Loss.

Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Non-monetary items that are measured at historical cost in foreign currency are not re-translated at reporting date.

2.12. Financial instruments

Initial Recognition

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

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

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as - measured at:

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL.

The financial assets held with the objective to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of interest on the principal amount outstanding are measured at amortised cost on the reporting date. Accordingly, the Company measures investment in non-convertible debentures at amortised cost. Interest income and impairment if any, is recognised in the Statement of Profit and Loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments as FVTOCI as the Company believes that this provides a more meaningful presentation of medium or long-term strategic investments, than reflecting changes in fair value immediately in the Statement of Profit and Loss. Dividend income, if any, received on such equity investments are recognised in the Statement of Profit and Loss. Equity investments that are not designated to be measured at FVTOCI are designated to be measured as FVTPL. Subsequent changes in fair value are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, any interest or dividend income, are recognized in Statement of profit and loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost. Interest expenses and foreign exchange gains and losses are recognised in the Statement of Profit and Loss. Any gain or loss on de-recognition is also recognised in the Statement of Profit and Loss.

De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation in respect of the liability is discharged, cancelled or expires. The difference between the carrying value of the financial liability and the consideration paid is recognised in the Statement of Profit and Loss.

Impairment of financial assets

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

2.13. Security deposits measured at amortised cost

The Company's rent/lease agreements for the rented/ leased office premises are cancellable with a notice period of 2-3 months. All the agreements are considered to be short term in nature. Accordingly, the Company has not applied the provisions of Ind AS 109 - Financial Instruments for taking the effect of fair valuation of security deposits in the financial statements and the deposits.

2.14. Employee Benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and these are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Contribution to provident fund

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into an account with a separate entity and has no legal or constructive obligation to pay further amounts. The Company makes specified periodic contributions to the credit of the employees' account with the Employees' Provident Fund Organisation. Company's contribution paid/payable during the year to provident fund is recognised in the Statement of Profit and Loss.

National Pension System (NPS)

NPS is a defined contribution plan. In case employee opts for NPS, the Company contributes certain percentage of basic salary plus dearness pay, if any, of the eligible employees' salary to the NPS. The Company recognises such contribution as an expense as and when incurred.

Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company's liability towards gratuity scheme is determined by an independent actuary, using the projected unit credit method. 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. Past services are recognized at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/termination benefits.

The net interest cost/ income is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost/ income is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in the Balance Sheet with corresponding debit or credit to other comprehensive income. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent period.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit and Loss. The Company recognises gains and losses on the statement of a defined benefit plan when the settlement occurs.

Leave encashment / compensated absences / sick leave

The Company provides for the encashment / availment of leave with pay subject to certain rules as per leave policy for the company. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

Remeasurement gains or losses on long term compensated absences that are classified as other long term benefits are recognised in the Statement of Profit and Loss.

Employee Share based payments

Cash-settled share-based payments to employees are measured at the fair value of the equity instruments at each reporting date. Any change in fair value is recognized for the vested period in the Statement of Profit and Loss for the period as an employee benefit expenses

2.15. Scheme related expenses

As per SEBI circular dated October 22, 2018, all scheme related expenses subsequent to that date are to be borne by the mutual fund schemes. As a result, the investment management fees subsequent to this date are received net of all scheme expenses.

New Fund Offer ('NFO') expenses

Expenses pertaining to NFO are charged to the Statement of Profit and Loss in the year in which these expenses are incurred which is in compliance with SEBI (Mutual Fund) Regulations, 1996.

2.16. Finance Costs

Finance costs include interest expense accrued on a time basis, by reference to the principal outstanding. Interest expense on lease liabilities computed by applying the Company's weighted average incremental borrowing rate has been included under finance costs.

2.17. Income taxes

Income tax comprises of current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in Other Comprehensive Income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates and tax laws enacted or substantively enacted by the reporting date.

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

The 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.

Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

2.18. Securities issue expenses

Expenses incurred in connection with the fresh issue of share capital are adjusted against Securities premium.

2.19. Impairment of non-financial assets

The Company reviews the carrying amounts of its tangible and other intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the assets is considered impaired, and is written down to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised for the asset (or cash generating unit) in prior years. The reversal of an impairment loss is recognised in the statement of profit and loss.

2.20. Accounting for provisions, contingent liabilities, contingent assets and commitments

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognised in the financial statements. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognise contingent asset.

Commitments includes the amount of purchase order (net of advance) issued to counterparties for supplying/ development of assets and amounts pertaining to Investments which have been committed but not called for.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

2.21. Leases

Where the Company is the lessee

As a lessee, the Company's lease asset class primarily consist of buildings or part thereof taken on lease for office premises and certain IT equipment used for operating activities. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost which comprises of initial amount of lease liability adjusted for any lease payments made at or prior to the commencement date of the lease less any lease incentives. These are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at amortized cost at the present value of the future lease payments that are not paid at the commencement date, discounted using the Company's incremental average borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option

The Company has used a single discount rate to a portfolio of leases with similar characteristics.

Where the Company is the lessor

At the inception of the lease, the Company classifies each of its leases as either a finance lease or an operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, contract is classified as a finance lease. All other leases are classified as operating leases.

In accordance with Ind AS 116, Leases, the financial information has been presented in the following manner:

- a) ROU assets and lease liabilities have been included within the line items 'Property, plant and equipment' and 'Other financial liabilities' respectively in the Balance sheet,
- b) Interest expenses on the lease liability and depreciation charge for the right-to-use asset have been included within the line items "Finance costs" and 'Depreciation, amortization and impairment' respectively in the statement of profit or loss.
- c) Short-term lease payments and payments for leases of low-value assets, where exemption as permitted under this standard is availed, have been recognized as expense on a straight-line basis over the lease term in the statement of Profit and Loss.
- d) Cash payments for the principal and interest of the lease liability have been presented within "financing activities" in the statement of cash flows;
- e) The disclosures as required in accordance with Ind AS 116, Leases, are set out under note no. 31.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

2.22. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit/ loss for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3. Cash and cash equivalents

	(Rs. in Lakhs)	
Particulars	As at 31 March 2026	As at 31 March 2025
Cash on hand	0.63	0.57
Balances with banks	11.97	9.04
Total	12.60	9.61

4. Bank Balance other than cash and cash equivalents

	(Rs. in Lakhs)	
Particulars	As at 31 March 2026	As at 31 March 2025
Term deposit with banks	2,600.00	2,600.00
Total	2,600.00	2,600.00

5. Trade Receivables

	(Rs. in Lakhs)	
Particulars	As at 31 March 2026	As at 31 March 2025
Investment Management Fee Receivable	1,525.30	873.19
Advisory Services Fee Receivable	106.10	96.22
Total	1,631.40	969.41

- a) No trade or other receivable is due from directors or other officers or any of them either severally or jointly with any other person nor any trade or other receivable is due from firms, Limited liability partnerships or private companies in which any director is a partner, a director or a member.
- b) Trade receivable is due within 30 to 90 days from the date of the invoice.

Trade Receivables Ageing Schedule as at 31 March 2026

	(Rs. in Lakhs)					
	Outstanding for following periods from due date of payment					
Particulars	Less than 6 months	6 Months – 1 year	1-2 years	2-3 Years	More than 3 years	Total
Undisputed Trade receivables – considered good	1,631.40	–	–	–	–	1,631.40
Total	1,631.40	–	–	–	–	1,631.40

Trade Receivables Ageing Schedule as at 31 March 2025

	(Rs. in Lakhs)					
	Outstanding for following periods from due date of payment					
Particulars	Less than 6 months	6 Months – 1 year	1-2 years	2-3 Years	More than 3 years	Total
Undisputed Trade receivables – considered good	969.41	–	–	–	–	969.41
Total	969.41	–	–	–	–	969.41

6. Investments

	As at March 31, 2026				As at March 31, 2025			
Particulars	At Amortised Cost	At FVTOCI	At FVTPL	Total	At Amortised Cost	At FVTOCI	At FVTPL	Total
Mutual Fund	–	–	12,361.58	12,361.58	–	–	11,355.94	11,355.94
Debt Securities	4,700.00	–	–	4,700.00	4,700.00	–	–	4,700.00
Equity Instruments	–	61.24	–	61.24	–	51.66	–	51.66
Alternative Investment Fund	–	–	23.97	23.97	–	–	22.91	22.91
Total Gross Investements (A)	4,700.00	61.24	12,385.55	17,146.79	4,700.00	51.66	11,378.85	16,130.51
Investments outside India	–	–	–	–	–	–	–	–
Investments in India	4,700.00	61.24	12,385.55	17,146.79	4,700.00	51.66	11,378.85	16,130.51
Total (B)	4,700.00	61.24	12,385.55	17,146.79	4,700.00	51.66	11,378.85	16,130.51
Less: Allowance for Impairment (C)	–	–	–	–	–	–	–	–
Total Net Investements (D)=(A)-(C)	4,700.00	61.24	12,385.55	17,146.79	4,700.00	51.66	11,378.85	16,130.51

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

7. Other financial assets

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Interest accrued on investments	261.10	290.23
Security Deposits	182.08	182.34
Other Receivables	0.78	5.01
Total	443.96	477.58

8. Current tax assets (Net)

(i) Advance Tax/Tax deducted at source (net of provision for tax)

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Advance Tax/Tax deducted at source (net of provision for tax)	-	51.92
Total	-	51.92

(ii) Unused tax losses - Revenue in nature

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Expiry period		
Upto Five years	17,073.27	17,826.82
More than Five years	3,669.13	6,448.67
No Expiry Date	914.50	896.79
Total	21,656.90	25,172.28

9. Property, Plant and Equipments

As at 31 March 2026

(Rs. in Lakhs)

Asset description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01 April 2025	Additions	Deductions/ adjustments	As at 31 March 2026	As at 01 April 2025	Additions	Deductions/ adjustments	As at 31 March 2026	As at 31 March 2026	
Computers & Network	385.86	57.39	1.14	442.11	229.55	82.74	1.14	311.15	130.96	
Furniture & fixtures	64.04	11.05	7.43	67.66	24.19	8.20	6.33	26.06	41.60	
Vehicles	649.46	214.24	103.03	760.67	369.05	157.63	84.88	441.80	318.87	
Office Equipments	174.38	14.53	4.98	183.93	73.66	32.05	4.82	100.89	83.04	
Leasehold Improvements	212.85	-	-	212.85	41.84	26.61	-	68.45	144.40	
Right of Use Asset - leased premises	2,055.79	650.27	315.72	2,390.34	726.50	307.62	220.68	813.44	1,576.90	
Total	3,542.38	947.48	432.30	4,057.56	1,464.79	614.85	317.85	1,761.79	2,295.77	

As at 31 March 2025

(Rs. in Lakhs)

Asset description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01 April 2024	Additions	Deductions/ adjustments	As at 31 March 2025	As at 01 April 2024	Additions	Deductions/ adjustments	As at 31 March 2025	As at 31 March 2025	
Computers & Network	242.75	144.52	1.41	385.86	168.71	62.25	1.41	229.55	156.31	
Furniture & fixtures	65.75	0.85	2.56	64.04	20.06	6.35	2.22	24.19	39.85	
Vehicles	634.95	88.98	74.47	649.46	285.99	143.90	60.84	369.05	280.41	
Office Equipments	172.18	6.47	4.27	174.38	47.65	30.25	4.24	73.66	100.72	
Leasehold Improvements	212.85	-	-	212.85	15.23	26.61	-	41.84	171.01	
Right of Use Asset - leased premises	2,027.01	200.29	171.51	2,055.79	598.10	277.26	148.86	726.50	1,329.29	
Total	3,355.49	441.11	254.22	3,542.38	1,135.74	546.62	217.57	1,464.79	2,077.59	

There is no immovable property where title deed of such immovable property is not held in name of the Company or jointly held with others.

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets)

10. Other Intangible Assets

As at 31 March 2026

(Rs. in Lakhs)

Asset description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01 April 2025	Additions	Deductions/ adjustments	As at 31 March 2026	As at 01 April 2025	Additions	Deductions/ adjustments	As at 31 March 2026	As at 31 March 2026	
Computer software	158.06	-	-	158.06	115.17	24.37	-	139.54	18.52	
Total	158.06	-	-	158.06	115.17	24.37	-	139.54	18.52	

As at 31 March 2025

(Rs. in Lakhs)

Asset description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As at 01 April 2024	Additions	Deductions/ adjustments	As at 31 March 2025	As at 01 April 2024	Additions	Deductions/ adjustments	As at 31 March 2025	As at 31 March 2025	
Computer software	143.08	14.98	-	158.06	93.93	21.24	-	115.17	42.89	
Total	143.08	14.98	-	158.06	93.93	21.24	-	115.17	42.89	

The Company has not revalued its Intangible Assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

11. Other non-financial assets

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Capital advances	11.47	18.38
Prepaid expenses	141.16	176.93
Balances with Government Authorities	161.57	95.93
Other advances	15.78	7.76
Total	329.98	299.00

12. Trade Payables

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprise and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of Micro and small enterprises		
a) Dues remaining unpaid to any supplier at the year end		
– Principal	126.80	32.39
– Interest on the above	–	–
b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year	–	–
– Principal paid beyond the appointed date	–	–
– Interest paid in terms of section 16 of the MSMED Act	–	–
c) Amount of interest due and payable for the year of delay on payments made beyond the appointed day during the year	–	–
d) Amount of interest accrued and remaining unpaid at the year end	–	–
e) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	–	–
Total outstanding dues of creditors other than micro and small enterprises	349.31	202.67
Total	476.11	235.06

Trade Payables Ageing Schedule as at 31 March, 2026

Trade Payables - Undisputed

Particulars	(Rs. in Lakhs)				
	Outstanding for following periods				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
(i) MSME	126.80	–	–	–	126.80
(ii) Others	349.31	–	–	–	349.31
Total	476.11	–	–	–	476.11

Trade Payables Ageing Schedule as at 31 March 2025

Trade Payables - Undisputed

Particulars	(Rs. in Lakhs)				
	Outstanding for following periods				Total
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
(i) MSME	32.39	–	–	–	32.39
(ii) Others	202.67	–	–	–	202.67
Total	235.06	–	–	–	235.06

13. Other financial liabilities

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Employee Benefits payable	1,227.04	942.78
Other payable	12.30	5.51
Lease Liability	1,796.64	1,513.77
Total	3,035.98	2,462.06

Terms & Conditions of financial liabilities

- Trade payables are normally settled on 30 days terms
- Other financial liabilities are normally settled as and when due

14. Current Tax Liabilities (net)

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Provision for Income Tax (Net of Advance tax and TDS)	25.13	–
Total	25.13	–

15. Provisions

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits		
– Gratuity	339.65	141.19
– Leave encashment	310.83	210.30
– Share based compensation to employees	1,652.17	1,468.27
Total	2,302.65	1,819.76

16. Other non-financial liabilities

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
TDS Payable	132.29	139.57
GST Payable	257.20	147.72
Other statutory dues and taxes payable	37.78	34.08
Total	427.27	321.37

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

17. Equity Share capital

Particulars	As at 31 March 2026 No. of shares	As at 31 March 2026 Rs. in Lakhs	As at 31 March 2025 No. of shares	As at 31 March 2025 Rs. in Lakhs
Authorised capital :				
Equity shares of Rs.10/- each	40,00,00,000	40,000.00	40,00,00,000	40,000.00
	<u>40,00,00,000</u>	<u>40,000.00</u>	<u>40,00,00,000</u>	<u>40,000.00</u>
Issued, Subscribed and paid-up capital :				
Equity shares of Rs. 10/- each, fully paid up	38,29,41,180	38,294.12	38,29,41,180	38,294.12
	<u>38,29,41,180</u>	<u>38,294.12</u>	<u>38,29,41,180</u>	<u>38,294.12</u>

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
a) Reconciliation of number of equity shares and amount outstanding:				
Issued, Subscribed and paid-up capital:				
Balance at the beginning of the year	38,29,41,180	38,294.12	38,29,41,180	38,294.12
Add : Fresh allotment of shares :				
–Shares issued during the year	–	–	–	–
Balance at the end of the year	<u>38,29,41,180</u>	<u>38,294.12</u>	<u>38,29,41,180</u>	<u>38,294.12</u>
b) Number of equity shares held by holding company or ultimate holding company including shares held by its subsidiaries/associates:				
Holding company				
Mahindra & Mahindra Financial Services Limited	19,53,00,000	19,530.00	19,53,00,000	19,530.00
Percentage of holding (%)	51%		51%	
c) Shareholders holding more than 5 percent of the aggregate shares:				
Mahindra & Mahindra Financial Services Limited	19,53,00,000	19,530.00	19,53,00,000	19,530.00
Percentage of holding (%)	51%		51%	
Manulife Investment Management (Singapore) Pte Limited	18,76,41,180	18,764.12	18,76,41,180	18,764.12
Percentage of holding (%)	49%		49%	
d) Shareholding of Promoters:				
Mahindra & Mahindra Financial Services Limited	19,53,00,000	19,530.00	19,53,00,000	19,530.00
Percentage of holding (%)	51%		51%	
Change in holding during the year (%)	–		–	
Manulife Investment Management (Singapore) Pte Limited	18,76,41,180	18,764.12	18,76,41,180	18,764.12
Percentage of holding (%)	49%		49%	
Change in holding during the year (%)	–		–	
e) Terms/rights attached to equity shares:				
The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity share is entitled to one vote per share. The holders of the equity shares are entitled to dividends, if any, proposed by the board of directors and approved by the shareholders at the Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				

18. Other Equity

Nature and purpose of reserves

Securities Premium: Securities Premium is used to record the premium (amount received in excess of face value of equity shares) 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 the Companies Act, 2013. The securities premium also includes amount transferred from Share options outstanding account upon exercise of options by employees and subsequent allotment of shares to them.

Retained earnings or Profit & loss account: Retained earnings are the profits that a company has earned to date, less any dividends or other distributions paid to the Shareholders, net of utilisation as permitted under applicable regulations.

Other Comprehensive Income (OCI): Other Comprehensive Income (OCI) represents remeasurements of defined benefits plans comprising of actuarial gains and losses on its net liabilities / assets and fair valuation of financial instruments.

Particulars	(Rs. in Lakhs)			
	Securities premium	Retained earnings or Profit & loss account	Other Comprehensive Income (OCI)	Total
Balance as at 01 April 2024	7,046.46	(26,459.35)	(35.24)	(19,448.13)
Profit / (Loss) for the year	–	(1,005.89)	–	(1,005.89)
Remeasurement gain / (loss) on defined benefit plans	–	–	(17.15)	(17.15)
Net gain / (loss) on fair valuation of equity instruments	–	–	(2.69)	(2.69)
Total Comprehensive Income for the year	<u>–</u>	<u>(1,005.89)</u>	<u>(19.84)</u>	<u>(1,025.73)</u>
Balance as at 31 March 2025	<u>7,046.46</u>	<u>(27,465.24)</u>	<u>(55.08)</u>	<u>(20,473.86)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

	(Rs. in Lakhs)			
Particulars	Securities premium	Retained earnings or Profit & loss account	Other Comprehensive Income (OCI)	Total
Balance as at 01 April 2025	7,046.46	(27,465.24)	(55.08)	(20,473.86)
Profit / (Loss) for the year	–	418.13	–	418.13
Remeasurement gain / (loss) on defined benefit plans	–	–	(36.09)	(36.09)
Net gain / (loss) on fair valuation of equity instruments	–	–	9.58	9.58
Total Comprehensive Income for the year	–	418.13	(26.51)	391.62
Balance as at 31 March 2026	7,046.46	(27,047.11)	(81.59)	(20,082.24)

19. Fees and commission income

	(Rs. in Lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Fees earned from management of mutual fund schemes	9,786.81	7,022.46
Investment Advisory Fees	399.48	380.59
Total	10,186.29	7,403.05

Note: The Investment Advisory Fees stated above are earning in foreign currency.

20. Other income

	(Rs. in Lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest income on financial instruments measured at amortised cost	590.11	686.55
Interest on Income Tax Refund	2.88	2.77
Net profit / (loss) on sale of investments	441.98	451.41
Net gain / (loss) on financial instruments at FVTPL		
– Unrealised gain on Investments	162.12	221.86
Other Non Operating Income		
– Non operating income	27.68	5.65
Total	1,224.77	1,368.24

21. Employee benefits expenses

	(Rs. in Lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries and wages	5,657.67	5,197.59
Contribution to provident funds and other funds	304.71	274.39
Long Term Incentive Plan	538.81	799.38
Staff welfare expenses	31.65	30.87
Total	6,532.84	6,302.23

22. Finance costs

	(Rs. in Lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
On Lease Liability		
Interest on lease liability	133.92	118.02
Total	133.92	118.02

23. Depreciation and amortization

	(Rs. in Lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation on Property, Plant and Equipment	306.02	268.53
Amortization of intangible assets	24.37	21.24
Amortization on leased assets	307.62	277.27
Total	638.01	567.04

24. Other expenses

	(Rs. in Lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Rent, taxes and energy costs	42.34	36.90
Repairs and maintenance	112.30	42.37
Communication Costs	98.43	91.18
Information Technology	308.54	263.76
Printing and stationery	20.36	26.62
Advertisement and publicity	209.19	163.18
Marketing & Sales Promotion	580.77	449.60
Directors' sitting fees	27.90	28.50
Auditor's fees and expenses		
– Audit fees	6.00	6.00
– Other services	–	–
– Reimbursement of expenses	0.26	0.21
Legal and professional fees	184.06	160.39
Fund accounting charges	318.03	274.30
Scheme related expenses	405.40	362.47
Insurance	122.60	104.59
Manpower outsourcing cost	251.82	222.54
Conference & Seminar	29.83	36.12
Membership & Subscription	263.81	244.51
Travelling & Conveyance	172.25	131.90
Other expenditure	179.12	144.75
Total	3,333.01	2,789.89

Note 1: Membership & subscription fees includes ₹2.91 lakhs expenditure in foreign currency. (Previous year - Rs. 17.13 lakhs)

Note 2: Previous year's figures have been regrouped/ reclassified wherever found necessary.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

25. Earning Per Share (EPS)

Basic EPS is calculated in accordance with Ind AS 33 'Earnings Per Share' by dividing the net profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the net profit attributable to equity holders 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 of the Company.

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Profit/ (Loss) for the year	418.13	(1,005.89)
Weighted average number of Equity Shares used in computing basic EPS	3,829.41	3,829.41
Weighted average number of Equity Shares used in computing diluted EPS	3,829.41	3,829.41
Basic Earnings per share (Rs.) (Face value of Rs. 10/- per share)	0.11	(0.26)
Diluted Earnings per share (Rs.)	0.11	(0.26)

26. Employee benefits

Details of defined benefit plans as per actuarial valuation are as follows:

Particulars	Funded Plan Gratuity		Unfunded Plans Exigency leave/Earned leave	
	Year ended 31 March 2026	2025	Year ended 31 March 2026	2025
I. Amounts recognised in the Statement of Profit & Loss				
Current service cost	69.81	67.32	81.49	7.97
Net Interest cost	13.46	10.57	—	—
Past service cost	104.09	—	19.04	—
Actuarial (gain)/loss	—	—	—	—
Interest income	—	—	—	—
Total expenses included in employee benefits expense	187.36	77.89	100.53	7.97
II. Amount recognised in Other Comprehensive income				
Remeasurement (gains)/losses:				
a) Actuarial (gains)/losses arising from changes in –				
– demographic changes	(12.24)	(2.21)	—	—
– financial assumptions	(5.27)	16.77	—	—
– experience adjustments	48.85	3.03	—	—
b) Return on Plan Assets, Excluding Interest Income	4.75	(0.44)	—	—
Total amount recognised in other comprehensive income	36.09	17.15	—	—
III. Changes in the defined benefit obligation				
Opening defined benefit obligation	407.94	334.15	210.30	202.33
Current service cost	69.81	67.32	81.49	7.97
Past service cost	104.09	—	19.04	—
Interest expense	29.68	24.17	—	—
Remeasurement (gains)/losses arising from changes in –		—		—
– demographic changes	(12.24)	(2.21)	—	—
– financial assumptions	(5.27)	16.77	—	—
– experience adjustments	48.85	3.03	—	—
Benefits paid/extinguished	(64.75)	(35.27)	—	—
Closing defined benefit obligation	578.11	407.94	310.83	210.30

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Particulars	Funded Plan Gratuity		Unfunded Plans Exigency leave/Earned leave	
	Year ended 31 March		Year ended 31 March	
	2026	2025	2026	2025
IV. Change in the fair value of plan assets during the year				
Opening Fair value of plan assets	266.75	187.99	–	–
Interest income	16.22	13.59	–	–
Expected return on plan assets	(4.75)	0.44	–	–
Contributions by employer	30.00	100.00	–	–
Adjustment due to change in opening balance of Plan assets	–	–	–	–
Actual Benefits paid	(64.75)	(35.27)	–	–
Closing Fair value of plan assets	243.47	266.75	–	–
V. Net defined benefit obligation				
Defined benefit obligation	578.11	407.94	310.83	210.30
Fair value of plan assets	243.47	266.75	–	–
Surplus/(Deficit)	(334.64)	(141.19)	(310.83)	(210.30)
Current portion of the above	(193.17)	(133.47)	(53.69)	(25.51)
Non current portion of the above	(141.47)	(7.72)	(257.14)	(184.79)

Details of defined benefit plans as per actuarial valuation are as follows:

Particulars	Funded Plan Gratuity		Unfunded Plans Exigency leave/Earned leave	
	Year ended 31 March		Year ended 31 March	
	2026	2025	2026	2025
Actuarial assumptions and Sensitivity				
I. Actuarial assumptions				
Discount Rate (p.a.)	6.77%	6.65%	6.77%	6.65%
Attrition rate	14%- 53%	11%- 18%	14%- 53%	11%- 18%
Rate of Salary increase (p.a.)	7.00%	7.00%	7.00%	7.00%
Retirement Age	60 years	60 years	60 years	60 years
In-service Mortality	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
II. Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as follows:				
One percentage point increase in discount rate	(24.45)	(22.97)	(12.26)	(11.31)
One percentage point decrease in discount rate	26.77	25.65	13.42	12.61
One percentage point increase in Salary growth rate	23.10	25.31	13.26	12.44
One percentage point decrease in Salary growth rate	(22.34)	(23.10)	(12.34)	(11.37)
One percentage point increase in Attrition rate	(1.45)	(1.78)	(0.37)	(0.26)
One percentage point decrease in Attrition rate	1.41	1.85	0.38	0.28
III. Maturity profile of defined benefit obligation				
Within 1 year	82.33	45.04	53.69	25.51
Between 1 and 5 years	296.34	166.21	257.14	184.79

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

27. Financial Instruments

i) Financial Instruments regularly measured using Fair Value-recurring items

(Rs. in Lakhs)						
Financial assets/ financial liabilities	Financial assets/ financial liabilities	Fair Value		Fair value hierarchy	Valuation technique(s)	
		Category	As at 31 March 2026	As at 31 March 2025		
						Based on latest available net worth of investee company
1) Investment in equity instruments-Unquoted	Financial Assets	Financial instrument designated at FVTOCI	61.24	51.66	Level 3	
2) Investment in Alternative Investment Fund-Unquoted	Financial Assets	Financial instrument measured at FVTPL	23.97	22.91	Level 1	NAV
3) Investment in Mutual Funds	Financial Assets	Financial instrument measured at FVTPL	12,361.58	11,355.94	Level 1	NAV

ii) Financial Instruments measured at amortised cost

(Rs. in Lakhs)					
Particulars	Carrying Value	Fair value	Level 1	Level 2	Level 3
As at 31 March 2026					
Financial assets					
a) Cash and cash equivalents	12.60	12.60	12.60	–	–
b) Bank Balance other than cash and cash equivalents	2,600.00	2,600.00	2,600.00	–	–
c) Trade Receivables	1,631.40	1,631.40	–	1,631.40	–
d) Investments	4,700.00	4,700.00	4,700.00	–	–
e) Other financial assets	443.96	443.96	261.10	182.86	–
Total	9,387.96	9,387.96	7,573.70	1,814.26	–
Financial liabilities					
a) Trade Payables	476.11	476.11	–	476.11	–
b) Other financial liabilities	3,035.98	3,035.98	–	3,035.98	–
Total	3,512.09	3,512.09	–	3,512.09	–
As at 31 March 2025					
Financial assets					
a) Cash and cash equivalents	9.61	9.61	9.61	–	–
b) Bank Balance other than cash and cash equivalents	2,600.00	2,600.00	2,600.00	–	–
c) Trade Receivables	969.41	969.41	–	969.41	–
d) Investments	4,700.00	4,700.00	4,700.00	–	–
e) Other financial assets	477.58	477.58	290.23	187.35	–
Total	8,756.60	8,756.60	7,599.84	1,156.76	–
Financial liabilities					
a) Trade Payables	235.06	235.06	–	235.06	–
b) Other financial liabilities	2,462.06	2,462.06	–	2,462.06	–
Total	2,697.12	2,697.12	–	2,697.12	–

There were no transfers between Level 1 and Level 2 during the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

28. Financial Risk Management

In the course of its business, the Company is exposed to certain financial risks: liquidity risk and market risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Liquidity Risk Management

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows.

Maturity profile of non-derivative financial liabilities

Particulars	(Rs. in Lakhs)				
	Less than 1 Year	1-3 Years	3-5 Years	5 years and above	Total
Non-derivative financial liabilities					
As at 31 March 2026					
Trade Payables	476.11	—	—	—	476.11
Other financial liabilities	1,271.25	62.65	1,197.10	504.98	3,035.98
Total	1,747.36	62.65	1,197.10	504.98	3,512.09
As at 31 March 2025					
Trade Payables	235.06	—	—	—	235.06
Other financial liabilities	963.87	170.45	162.80	1,164.94	2,462.06
Total	1,198.93	170.45	162.80	1,164.94	2,697.12

Market Risk Management

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three

types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company invests in fixed rate instruments, units of mutual fund taking into account the current liquidity requirements. There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

29. Related party disclosures:

i) As per Ind AS 24 on 'Related party disclosures', the related parties of the Company are as follows:

- a) **Holding Company**
Mahindra & Mahindra Financial Services Ltd
- b) **Ultimate Holding Company**
Mahindra & Mahindra Ltd
- c) **Fellow Subsidiaries / Associate Companies/ Joint Ventures:**
(entities with whom the Company has transactions)
Manulife Investment Management Singapore Pte Ltd
Mahindra Rural Housing Finance Limited
NBS International Limited
Mahindra Integrated Business Solutions Private Limited
Mahindra Holidays and Resorts India Ltd
Mahindra Manulife Trustee Private Limited
Manulife Investment Management (Hong Kong) Limited
- d) **Key Management Personnel:**
Mr. Anthony Heredia - Managing Director & CEO
Mr. Raul Rebello - Director
Mr. Gianni Fiacco - Director
Mr. Sethu Gururajan - Independent Director (Ceased w.e.f 15th January 2025)
Mrs. Chitra Andrade - Independent Director
Mr. Vijay Ramachandran - Independent Director
Mr. Abizer Diwanji - Independent Director

ii) The nature and volume of transactions of the Company during the year with the above related parties were as follows:

Particulars	(Rs. in Lakhs)							
	Holding Company		Ultimate Holding Company		Fellow Subsidiaries/ Associate Companies/ Joint Ventures		Key Management Personnel	
	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025
Purchase / Transfer of fixed assets								
Mahindra & Mahindra Ltd	—	—	30.14	8.45	—	—	—	—
NBS International Limited	—	—	—	—	22.40	22.60	—	—
Interest income								
Mahindra Rural Housing Finance Ltd	—	—	—	—	409.80	409.48	—	—
Lease Rental Income								
Mahindra Manulife Trustee Private Limited	—	—	—	—	1.72	—	—	—
Other expenses								
Mahindra Integrated Business Solutions Pvt Ltd	—	—	—	—	58.98	49.44	—	—
NBS International Limited	—	—	—	—	1.03	0.83	—	—
Mahindra & Mahindra Financial Services Ltd	78.64	105.17	—	—	—	—	—	—
Mahindra & Mahindra Ltd	—	—	37.20	28.48	—	—	—	—
Mahindra Holidays and Resorts India Ltd	—	—	—	—	—	0.19	—	—
Investment Advisory Fees Income								
Manulife Investment Management (Hong Kong) Ltd	—	—	—	—	399.48	380.59	—	—
Directors' Sitting Fees	—	—	—	—	—	—	27.90	28.50
Remuneration to Managing Director & Chief Executive Officer								
Mr. Anthony Heredia	—	—	—	—	—	—	413.63	332.85

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

iii) Balances as at the end of the year:

Particulars	Rs. in lakhs					
	Holding Company		Ultimate Holding Company		Fellow Subsidiaries/ Associate Companies/ Joint Ventures	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Balances as at the end of the period						
Investments						
Investments in Non convertible debentures (including interest accrued but not due)						
Mahindra Rural Housing Finance Limited	-	-	-	-	4,856.88	4,857.22
Trade Receivables						
Manulife Investment Management (Hong Kong) Ltd	-	-	-	-	106.10	96.22
Trade Payables						
Mahindra & Mahindra Ltd	-	-	-	-	14.30	0.33
Mahindra Integrated Business Solutions Pvt Ltd	-	-	-	-	1.25	0.89
NBS International Limited	-	-	-	-	4.27	-

30. Disclosure on Employee Share-based Compensation Scheme (Cash-settled phantom share based payments)

The Company has a Long Term Incentive Compensation Scheme ('LTIC') for eligible employees. The same was announced in Financial Year 2018-19. The LTIC payment calculation is based on a framework of phantom shares. The cash-settled share-based amount is measured at the fair value of the liability as per the requirements of Ind AS 102 Share-based payments. Until the liability is settled, the Company shall remeasure the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in the Statement of profit and loss for the year. Accordingly, a charge to Statement of Profit and loss for the year ended March 31, 2026 is Rs. 670.50 lakhs (previous year Rs. 631.33 lakhs).

Summary of phantom shares

Particulars	FY 2024-25		FY 2025-26	
	No. of phantom shares	Weighted average allocation price (Rs.)	No. of phantom shares	Weighted average allocation price (Rs.)
Phantom shares outstanding as on 1st April 2024 & 2025	89,38,923	5.88	75,84,486	6.01
Phantom shares exercised during the year	(5,97,299)	3.98	(3,51,807)	3.48
Phantom shares forfeited during the year	(7,57,138)	6.13	(77,873)	20.91
Phantom shares outstanding as on 31st March 2025 & 2026	75,84,486	6.01	71,54,806	6.12

Information in respect of outstanding phantom shares as at 31st March 2026:

Fair Value of phantom shares at the allocation date	Range of Allocation price	Number of Phantom shares outstanding as on 31.03.2026	Weighted average remaining period	Fair Value of Share as on 31.03.2026
12.16	Rs. 4.87 (at 60% discount)	27,44,481	-	42.55
16.12	Rs. 6.45 (at 60% discount)	6,88,354	5 months	42.55
18.24	Rs. 3.65 (at 80% discount)	3,26,698	14 months	42.55
18.24	Rs. 7.30 (at 60% discount)	33,95,273	14 months	42.55

Information in respect of outstanding phantom shares as at 31st March 2025:

Fair Value of phantom shares at the allocation date	Range of Allocation price	Number of Phantom shares outstanding as on 31.03.2025	Weighted average remaining period	Fair Value of Share as on 31.03.2025
8.70	Rs. 3.48 (at 60% discount)	3,51,807	-	35.67
12.16	Rs. 4.87 (at 60% discount)	27,44,481	5 months	35.67
16.12	Rs. 6.45 (at 60% discount)	6,88,354	14 months	35.67
18.24	Rs. 3.65 (at 80% discount)	3,26,698	26 months	35.67
18.24	Rs. 7.30 (at 60% discount)	34,73,146	26 months	35.67

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026

Period of payout	Payout period completed as on 31 March 2026	Payout period remaining as on 31 March 2026	Provision (Rs. in Lakhs)
Equity Based - Cash Settled			
April 1 2021 to March 31 2026	60 months	–	465.48
April 1 2022 to March 31 2026	48 months	–	74.55
April 1 2022 to March 31 2027	48 months	12 months	89.46
April 1 2023 to March 31 2026	36 months	–	330.98
April 1 2023 to March 31 2027	36 months	12 months	297.88
April 1 2023 to March 31 2028	36 months	24 months	357.46
Total Provision made as on 31st March 2026			1,615.80

Period of payout	Payout period completed as on 31 March 2025	Payout period remaining as on 31 March 2025	Provision (Rs. in Lakhs)
Equity Based - Cash Settled			
April 1 2020 to March 31 2025	60 months	–	50.96
April 1 2021 to March 31 2025	48 months	–	253.67
April 1 2021 to March 31 2026	48 months	12 months	304.41
April 1 2022 to March 31 2025	36 months	–	50.28
April 1 2022 to March 31 2026	36 months	12 months	45.26
April 1 2022 to March 31 2027	36 months	24 months	54.31
April 1 2023 to March 31 2026	24 months	12 months	181.66
April 1 2023 to March 31 2027	24 months	24 months	163.49
April 1 2023 to March 31 2028	24 months	36 months	196.19
Total Provision made as on 31 March 2025			1,300.22

Valuation of the Company has been done by assigning a valuation percentage to the average assets under management of the company for March 2026 plus cash and cash equivalent as of 31st March 2026. A different valuation percentage is assigned to different asset classes. The total value of the company is divided by the total number of shares outstanding as on reporting date, to arrive at the fair value per share of the Company.

31. Leases

The Company has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Company. Right of Use asset has been included under the line 'Property, Plant and Equipment' and Lease liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

Following are the changes in the carrying value of Right to Use asset for the year ended 31st March 2026

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
		Category of Asset Leasehold premises
Balance at the beginning	1,329.29	1,428.91
Additions	650.27	154.13
Restatement of ROU Asset	–	46.17
Deletions	(95.04)	(22.65)
Amortisation on ROU Asset for the year	(307.62)	(277.27)
Balance as at the end of the year	1,576.90	1,329.29

Following is the movement in the lease liabilities during the year ended 31st March 2026

Particulars	Rs. in lakhs	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning	1,513.77	1,566.70
Additions	650.27	154.13
Restatement of lease liability	–	49.05
Deletions	(115.48)	(29.83)
Finance Cost accrued during the year	133.92	118.02
Payment of lease liabilities	(385.84)	(344.30)
Balance as at the end of the year	1,796.64	1,513.77

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	Rs. in lakhs	
	As at 31 March 2026	As at 31 March 2025
Less than one year	385.64	337.42
One to five years	1,666.10	1,405.13
More than five years	197.03	157.86
Total	2,248.77	1,900.41

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026**32. Additional disclosures****i) Financials Ratios**

Ratio	Numerator	Denominator	Ratio as on 31st March 2026	Ratio as on 31st March 2025	% Variance	Reason for variance
Capital to risk-weighted assets ratio (CRAR)*	–	–	–	–	–	NA
Tier I CRAR*	–	–	–	–	–	NA
Tier II CRAR*	–	–	–	–	–	NA
Liquidity Coverage Ratio*	–	–	–	–	–	NA

* Note: Since the Company is not in lending business, it does not have any credit exposure. Hence, these ratios are not applicable to the Company.

- ii) During the financial years ended 31st March 2026 and 31st March 2025, the Company has not granted any loans or advances in the nature of loans to promoters, directors, Key Management Personnel and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person (a) repayable on demand or (b) without specifying any terms or period of repayment.
- iii) There is no Benami Property held by the Company and 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 rules made thereunder.
- iv) The Company does not have any transactions with companies stuck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956
- v) There are no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.
- vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- vii) Utilisation of borrowed funds and share premium:
 - A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries;
 - B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- viii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- ix) There are no transactions which have not been recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.
- x) There was no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.
- xi) The Company has not been declared as wilful defaulter by any bank or financial Institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

33 Operating Segments

The Company is in the business of providing investment management services to the Mahindra Manulife Mutual Fund and offshore advisory to clients. The primary segment is identified as investment management services. As such the Company's financial statements are largely reflective of the investment management business and there is no separate reportable segment as per Ind AS 108 on "Operating Segments" in respect of the Company.

34 Social Security code

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws into a unified framework governing employee benefits during employment and post-employment. In accordance with the new Labour Codes, the Company has currently estimated impact of Gratuity and Leave Encashment to be Rs. 123.12 lakhs on the basis of Actuarial Valuation. This has been presented under "Exceptional Items" in the statement of profit and loss for the year ended March 31, 2026. The Company continues to monitor development on the Rules to be notified by regulatory authorities, including clarifications/guidance from the authorities and will continue to assess the accounting implications, basis such developments/guidance.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2026**35 Contingent Liabilities and Commitments**

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
(a) Contingent liabilities:		
Claims against the Company not acknowledged as debt:		
- Disputed Goods and Services Tax demand	-	26.26
(b) Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	24.50	29.75

36 Events after the reporting date

There have been no other events after the reporting date that require disclosure in these financial statements.

As per our report of even date

For M. P. Chitale & Co.

Chartered Accountants
Firm's Registration No: 101851W

sd/-

Santosh More

Partner

Membership No: 114236

For and on behalf of the Board of Directors of

Mahindra Manulife Investment Management Private Limited

sd/-

Raul Rebello

Chairman

[DIN: 10052487]

sd/-

Anthony Heredia

Managing Director & CEO

[DIN: 02205628]

sd/-

Chitra Andrade

Director

[DIN: 08090478]

sd/-

Vijay Ramchandran

Director

[DIN: 02639324]

sd/-

Ashwini Sankhe

Chief Financial Officer

sd/-

Ravi Dayma

Company Secretary

[ACS - 20803]

Place : Mumbai

Date : April 20, 2026

Place : Mumbai

Date : April 20, 2026

INDEPENDENT AUDITORS' REPORT

To the Members of

Mahindra Manulife Trustee Private Limited

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Ind AS Financial Statements of Mahindra Manulife Trustee Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards as 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, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Financial Statements and our auditors' report thereon.

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

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

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

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting

a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order;
2. As required by Section 143(3) of the Act, we report 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;
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Audited Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
 - 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 controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
 - 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) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, the provisions of Section 197 of the Act related to the managerial remuneration are not applicable.
 - i) (i) 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 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 provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to 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 Parties ("Ultimate Beneficiaries") or provided any guarantee, security or the like on behalf of the Ultimate beneficiaries; and
- (iii) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- (iv) No dividend (declared/paid/declared and paid) during the year by the Company and therefore the compliance with Section 123 of the Act is not applicable.

- (v) Based on our examination which included test checks, the Company has used an 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For B. K. Khare & Co
Chartered Accountants
Firm Registration No. 105102W

sd/-
Chaitanya Vinay Joshi
Partner
Membership No. 131403
UDIN: 26131403PYEPLQ2000
Mumbai,
Date: April 23, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S 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 **Mahindra Manulife Trustee Private Limited** ("the Company") as of March 31, 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent 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 with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls system over financial reporting with reference to these financial statements 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 B. K. Khare & Co
Chartered Accountants
Firm Registration No. 105102W

sd/-
Chaitanya Vinay Joshi
Partner

Membership No. 131403
UDIN: 26131403PYEPLQ2000
Mumbai, April 23, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the financial statements of **Mahindra Manulife Trustee Private Limited** for the year ended March 31, 2026.

Annexure to the Auditor's Report referred to in our report of even date:

- i. (a) (A) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.
- (a) (B) According to the information and explanations given to us, Company does not have any Intangible assets, thus this clause is not applicable.
- (b) Property, Plant & Equipment were verified by management at reasonable intervals and no material discrepancies were found. ROU assets were verified against lease agreements.
- (c) According to the information and explanations given to us, the Company does not hold any immovable property in its own name. In respect of immovable properties taken on lease and disclosed as Right-of-Use assets, the sub-lease agreement is in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets during the year. Accordingly, the provisions of this clause are not applicable.
- (e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) Company is into service industry and does not hold any inventory, thus this clause does not applicable to the company.
- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.
- iii. According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to loans granted, guarantees provided and investments made by the Company. The Company has not provided any security during the year to the parties covered under Sections 185 and 186 of the Act.
- v. According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year 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 on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as at 31 March 2026, which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.
- ix. According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any loans or other borrowings during the year. Accordingly, the reporting under Clause 3(ix) of the Order is not applicable to the Company.
- x. (a) According to the information and explanations given to us, the Company has not raised any moneys 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.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) 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) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) As per Section 138 of the Companies Act, 2013, Internal Audit is not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) According to the information and explanations given to us, 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) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us, 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 Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.
- Based on the information and explanations given to us and the audit procedures performed by us, we report that the Group has Five Core Investment Companies.
- xvii. In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us, Section 135 of the Companies Act, 2013 does not apply to the Company. Accordingly, the reporting under Clause 3(xx) of the Order is not applicable to the Company.
- xxi. According to the information and explanations given to us, the Company does not have any subsidiary companies. Accordingly, the reporting under Clause 3(xxi) of the Order is not applicable to the Company.

For B. K. Khare & Co
Chartered Accountants
Firm Registration No. 105102W

sd/-
Chaitanya Vinay Joshi
Partner

Membership No. 131403
UDIN: 26131403PYEPLQ2000
Mumbai, April 23, 2026

BALANCE SHEET AS AT 31 MARCH 2026

			(Rs. in lakhs) As at 31 March 2025
	Note No.	As at 31 March 2026	
I ASSETS			
Non-current assets			
Property, Plant and Equipment	3	25.16	-
		<u>25.16</u>	<u>-</u>
Current assets			
(a) Financial Assets			
(i) Investments	4	242.71	226.13
(ii) Trade receivables	5	5.92	4.97
(iii) Cash and cash equivalents	6	1.68	1.70
(b) Current Tax Assets (Net)	7	2.08	0.01
(c) Other Current Assets	8	0.15	0.06
		<u>252.54</u>	<u>232.87</u>
TOTAL ASSETS		<u>277.70</u>	<u>232.87</u>
II EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	9	98.04	98.04
(b) Other Equity	10	147.12	128.19
		<u>245.16</u>	<u>226.23</u>
Liabilities			
Non-current liabilities			
Other Non-current Liabilities & Provisions	11	26.86	1.16
		<u>26.86</u>	<u>1.16</u>
Current liabilities			
(a) Financial Liabilities			
Trade Payables			
i) Total outstanding dues of micro and small enterprise	12	0.24	0.12
ii) Total outstanding dues of creditors other than micro and small enterprise	12	0.81	0.42
(b) Other Current Liabilities & Provisions	11	4.63	4.94
		<u>5.68</u>	<u>5.48</u>
TOTAL EQUITY AND LIABILITIES		<u>277.70</u>	<u>232.87</u>
Summary of material accounting policies	2		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For B. K. Khare & Co.
Chartered Accountants
Firm Regn No. 105102W

sd/-
Chaitanya Joshi
Partner
Membership No. 131403

Place: Mumbai
Date: April 23, 2026

**For and on behalf of the Board of Directors of
Mahindra Manulife Trustee Private Limited**

sd/-
Nilesh Sathe
Chairman
[DIN: 02372576]

sd/-
Krishnaswamy Arabadi
Sridhar
Director
[DIN: 00046719]

sd/-
Suneet Maheshwari
Director
[DIN: 00420952]

sd/-
Tejas Agrawal
Company Secretary
[ACS No – 55747]

Place: Mumbai
Date: April 23, 2026

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

			(Rs. in lakhs)
Particulars	Note No.	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from operations	13	63.66	99.14
Other Income	14	14.24	14.62
Total Income		77.90	113.76
Expenses			
Employee benefits expense	15	19.03	16.22
Finance costs	16	0.67	-
Depreciation and amortization	17	1.55	0.01
Other expenses	18	33.49	35.71
Total Expenses		54.74	51.94
Profit/(Loss) Before Tax		23.16	61.82
Tax expense:	19		
Current tax		4.44	13.80
Tax expense of earlier years		(0.21)	-
		4.23	13.80
Profit/ (Loss) for the year		18.93	48.02
Other comprehensive income			
(i) Items that will not be reclassified to Statement of Profit and Loss		-	-
(a) Remeasurements of the defined benefit liabilities / (asset)		-	-
Total Comprehensive Income for the year		18.93	48.02
Earnings per equity share			
Basic and diluted Earnings/(Loss) per share (in ₹)	20	1.93	4.90
(Nominal value per share ₹ 10)			
Summary of material accounting policies	2		

The accompanying notes form an integral part of the financial statements

As per our report of even date

For B. K. Khare & Co.
Chartered Accountants
Firm Regn No. 105102W

sd/-
Chaitanya Joshi
 Partner
 Membership No. 131403

Place: Mumbai
 Date: April 23, 2026

**For and on behalf of the Board of Directors of
 Mahindra Manulife Trustee Private Limited**

sd/- Nilesh Sathe Chairman [DIN: 02372576]	sd/- Krishnaswamy Arabadi Sridhar Director [DIN: 00046719]
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sd/- Suneet Maheshwari Director [DIN: 00420952]	sd/- Uday Bhansali Director [DIN: 00363902]
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Place: Mumbai Date: April 23, 2026	sd/- Tejas Agrawal Company Secretary [ACS No – 55747]
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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026**A. Equity share capital**

		(Rs. in lakhs)
Particulars	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	98.04	98.04
Changes in equity share capital during the year	—	—
Balance at the end of the year	98.04	98.04

B. Other Equity

			(Rs. in lakhs)
Particulars	Securities Premium	Profit & Loss	Total
As at 1 April 2025	27.63	100.56	128.19
Profit / (Loss) for the year	—	18.93	18.93
Other Comprehensive Income / (Loss)	—	—	—
Total Comprehensive Income for the year	—	18.93	18.93
as at 31 March 2026	27.63	119.49	147.12

			Rs. in lakhs
Particulars	Securities Premium	Profit & Loss	Total
As at 1 April 2024	27.63	52.54	80.17
Profit / (Loss) for the year	—	48.02	48.02
Other Comprehensive Income / (Loss)	—	—	—
Total Comprehensive Income for the year	—	48.02	48.02
As at 31 March 2025	27.63	100.56	128.19

The accompanying notes form an integral part of the financial statements

As per our report of even date

For B. K. Khare & Co.
Chartered Accountants
Firm Regn No. 105102W

sd/-
Chaitanya Joshi
Partner
Membership No. 131403

Place: Mumbai
Date: April 23, 2026

**For and on behalf of the Board of Directors of
Mahindra Manulife Trustee Private Limited**

sd/-
Nilesh Sathe
Chairman
[DIN: 02372576]

sd/-
Suneet Maheshwari
Director
[DIN: 00420952]

Place: Mumbai
Date: April 23, 2026

sd/-
**Krishnaswamy Arabadi
Sridhar**
Director
[DIN: 00046719]

sd/-
Uday Bhansali
Director
[DIN: 00363902]

sd/-
Tejas Agrawal
Company Secretary
[ACS No – 55747]

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

	Year ended 31 March 2026	(Rs. in lakhs) Year ended 31 March 2025
Particulars		
Cash flows from operating activities		
Profit / (Loss) before tax for the year	23.16	61.82
Adjustments for:		
Investment income recognised in Statement of Profit and Loss	(14.24)	(14.62)
Finance cost	0.67	-
Depreciation and amortization	1.55	0.01
Operating Profit / (Loss) before working capital changes (I)	11.14	47.21
Movements in working capital:		
(Increase) / decrease in trade receivables	(0.95)	7.63
(Increase) / decrease in other assets	(0.09)	0.10
Increase / (decrease) in trade and other payables	0.51	(0.19)
Increase / (decrease) in other liabilities	(0.27)	1.60
Net movements in working capital (II)	(0.80)	9.14
Cash generated from / (used in) operations (I+II)	10.34	56.35
Income taxes paid (net of refunds) (III)	(6.30)	(14.04)
Net cash generated from / (used in) operating activities (I+II+III)	4.04	42.31
Cash flows from investing activities		
Purchase of investments	(60.57)	(104.13)
Proceeds from sale of investments	58.23	61.00
Net cash (used in) / generated by investing activities (IV)	(2.34)	(43.13)
Cash flows from financing activities		
Principal Element of Lease Payments	(1.05)	-
Interest Element of Lease Payments	(0.67)	-
Net cash generated from financing activities (V)	(1.72)	-
Net increase in cash and cash equivalents (I+II+III+IV+V)	(0.02)	(0.82)
Cash and cash equivalents at the beginning of the year	1.70	2.52
Cash and cash equivalents at the end of the year	1.68	1.70
Components of Cash and Cash equivalents		
Particulars		
- Cash on hand	-	-
- Balances with banks	1.68	1.70
Total	1.68	1.70

Note: The above cash flow statement has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS 7)- 'Statement of Cash Flows'.

As per our report of even date

For B. K. Khare & Co.

Chartered Accountants

Firm Regn No. 105102W

sd/-

Chaitanya Joshi

Partner

Membership No. 131403

Place: Mumbai

Date: April 23, 2026

For and on behalf of the Board of Directors of
Mahindra Manulife Trustee Private Limited

sd/-

Nilesh Sathe

Chairman

[DIN: 02372576]

sd/-

Suneet Maheshwari

Director

[DIN: 00420952]

Place: Mumbai

Date: April 23, 2026

sd/-

Krishnaswamy Arabadi

Sridhar

Director

[DIN: 00046719]

sd/-

Uday Bhansali

Director

[DIN: 00363902]

sd/-

Tejas Agrawal

Company Secretary

[ACS No – 55747]

Notes forming part of the Financial Statements for the year ended March 31, 2026

1. CORPORATE INFORMATION

Mahindra Manulife Trustee Private Limited ('the Company'), was incorporated under the Companies Act, 1956 on July 10, 2013. The company is a joint venture of Mahindra & Mahindra Financial Services Ltd. and Manulife Investment Management (Singapore) Pte. Ltd. The Company is incorporated to function as a Trustee to Mahindra Manulife Mutual Fund. The Company has entered into Investment Management Agreement with Mahindra Manulife Investment Management Private Limited ('Investment Manager') for managing the schemes of Mahindra Manulife Mutual Fund.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1. Statement of compliance and basis for preparation and presentation of financial statements

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements were approved for issue in accordance with a resolution of the directors on 23rd April 2026.

2.2. Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or '₹') which is also the Company's functional currency. All amounts are rounded off to the nearest lakhs upto two decimal places, unless otherwise indicated.

2.3. Basis of measurement

The financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values as required by relevant Ind AS.

2.4. Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

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

2.5. Use of estimates and judgments

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities:

Fair value of financial instruments

The Company measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed

for impairment. Fair value measurement that are based on material unobservable inputs (Level 3) require management's best estimate about future developments.

In addition to above, critical policies that involves critical accounting estimates includes impairment of non-financial assets, estimates of useful lives and residual value of property, plant and equipment and intangible assets, discount rate for lease liabilities and provisions and contingencies.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable and are based upon the management's best knowledge of current events and actions as on the reporting date.

2.6. Revenue recognition

The Company recognises revenue from contracts with customers based on five-step model as set out in Ind AS 115 - Revenue from contracts with customers. Revenue is measured based on the transaction price specified in the contract with a customer that is allocated to that performance obligation

Step 1: identification of contract(s) with customers: A contract is defined as an agreement between two or more parties that create enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identification of the separate performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determination of transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocation of transaction price to the separate performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognition of revenue when (or as) the Company satisfies a performance obligation.

Trusteeship Fees (net of tax)

Trusteeship Fees are recognised as revenue when the trusteeship services are performed for the schemes of Mahindra Manulife Mutual Fund. Amount disclosed as fees are exclusive of GST.

Other Income

The gains / losses on sale of investments are recognised in the Statement of Profit and Loss on the trade day and it is determined on FIFO ('first in first out') method.

Recognition of Dividend Income

Dividend from investments is recognised in the Statement of Profit and Loss when the right to receive payment is established.

Recognition of Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding.

2.7. Property, plant and equipment ('PPE')

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any.

Cost of acquisition consists of purchase price or construction cost which

Notes forming part of the Financial Statements for the year ended March 31, 2026

is the amount paid, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured.

Other repairs and maintenance costs are expensed off as and when incurred.

Advances paid towards the acquisition of PPE outstanding at each balance sheet date are disclosed separately as "Capital advances" under long term loans and advances. Capital work in progress comprises the cost of Property, Plant and Equipment that are not ready for its intended use at the reporting date.

In accordance with Ind AS 116 - Leases, the Right-of-Use assets (Leasehold premises) are initially recognized at cost which comprises of initial amount of lease liability adjusted for any lease payments made at or prior to the commencement date of the lease less any lease incentives. These are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-Use assets (Leasehold premises) are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Depreciation on PPE is provided on straight-line basis in accordance with the useful lives specified in Schedule II to the Companies Act, 2013 on a pro-rata basis except for certain assets. Depreciation methods, useful lives and residual values are reviewed in each financial year, and changes, if any, are accounted for prospectively.

Assets individually costing INR 5,000/- or less are fully depreciated in the year of purchase or acquisition. Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if required.. Accordingly, useful life of assets is estimated as follows:

Computer	– 3 years
Furniture	– 10 years
Office Equipment	– 2 to 5 years

PPE is de-recognised on disposal or when no future economic benefits are expected from its use. Assets to be disposed off are reported at the lower of the carrying value & fair value less cost to sell. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the net carrying amount of the asset) is recognised in other income / netted off from any loss on disposal in the Statement of Profit and Loss in the year the asset is de-recognised.

2.8. Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

Intangible assets comprise of computer software which is amortised over the estimated useful life. The maximum period for such amortisation is taken as 36 months based on management's estimates of useful life. Amortisation is calculated using the Straight-line method to write down the cost of intangible assets over their estimated useful lives.

2.9. Cash and cash equivalent

Cash and cash equivalents include cash on hand, demand deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.10. Foreign exchange transactions and translations

Initial recognition

Transactions in foreign currencies are recognised at the prevailing exchange rates between the reporting currency and the foreign currency on the transaction date.

Translations

Transactions in foreign currencies are translated into the 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 generally recognised in the Statement of Profit and Loss. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

2.11. Financial instruments

Initial Recognition

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

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

Classification and subsequent measurement Financial assets

On initial recognition, a financial asset is classified as - measured at:

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL.

The financial assets held with the objective to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of interest on the principal amount outstanding are measured at amortised cost on the reporting date. Interest income and impairment, if any, are recognised in the Statement of Profit and Loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to the Statement of Profit and Loss on disposal of the investments.

These investments in equity are not held for trading. Instead, they are held for medium or long- term strategic purpose. Dividend income, if any, received on such equity investments are recognised in the Statement of

Notes forming part of the Financial Statements for the year ended March 31, 2026

Profit and Loss.

Equity investments that are not designated to be measured at FVTOCI are designated to be measured at FVTPL. Subsequent changes in fair value are recognised in the Statement of Profit and Loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, any interest or dividend income, are recognized in Statement of profit and loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised. Interest expenses are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its Balance Sheet but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not de-recognised, and the proceeds received are recognised as a collateralised borrowing.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation in respect of the liability is discharged, cancelled, or expires. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the Statement of Profit and Loss.

Impairment of financial assets

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Profit and Loss.

Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is

any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier. The reversal of an impairment loss is recognised in Statement of Profit and Loss.

2.12. Employee Benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and these are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Leave encashment / compensated absences / sick leave

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation.

2.13. Finance Costs

Finance costs include interest expense accrued on a time basis, by reference to the principal outstanding. Interest expense on lease liabilities computed by applying the Company's weighted average incremental borrowing rate has been included under finance costs.

2.14. Income taxes

Income tax expense comprises of current tax and deferred tax. It is recognized in Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises amount of tax payable in respect of the taxable income for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

The 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.

Notes forming part of the Financial Statements for the year ended March 31, 2026

Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled, or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is recognized in statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the deferred tax is also recognized in other comprehensive income or directly in equity respectively.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities on a net basis or simultaneously. Current and deferred tax for the year

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.15. Securities issue expenses

Expenses incurred in connection with the fresh issue of share capital are adjusted against Securities premium.

2.16. Accounting for provisions, contingent liabilities, contingent assets and commitments

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognised in the financial statements. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The Company does not recognise contingent asset.

Commitments include the amount of purchase order (net of advance) issued to counterparties for supplying/ development of assets and amounts pertaining to Investments which have been committed but not called for.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

2.17. Leases

Where the Company is the lessee

As a lessee, the Company's lease asset class primarily consist of buildings or part thereof taken on lease for office premises and certain IT equipment used for operating activities. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost which comprises of initial amount of lease liability adjusted for any lease payments made at or prior to the commencement date of the lease less any lease incentives. These are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term.

The lease liability is initially measured at amortized cost at the present value of the future lease payments that are not paid at the commencement date, discounted using the Company's incremental average borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

The Company has used a single discount rate to a portfolio of leases with similar characteristics.

Where the Company is the lessor

At the inception of the lease, the Company classifies each of its leases as either a finance lease or an operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, contract is classified as a finance lease. All other leases are classified as operating leases.

In accordance with Ind AS 116, Leases, the financial information has been presented in the following manner:

- a) ROU assets and lease liabilities have been included within the line items 'Property, plant and equipment' and 'Other financial liabilities' respectively in the Balance sheet,

Notes to the Financial Statements for the year ended 31 March 2026

- b) Interest expenses on the lease liability and depreciation charge for the right-to-use asset have been included within the line items "Finance costs" and "Depreciation, amortization and impairment" respectively in the statement of profit or loss.
- c) Short-term lease payments and payments for leases of low-value assets, where exemption as permitted under this standard is availed, have been recognized as expense on a straight-line basis over the lease term in the statement of Profit and Loss.
- d) Cash payments for the principal and interest of the lease liability have been presented within "financing activities" in the statement of cash flows.

2.18. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit/ loss for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares, etc that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3. PROPERTY, PLANT AND EQUIPMENT

(Rs. in lakhs)			
Description of Assets	Computers	Right of Use asset	Total
I. Gross Carrying Amount			
Balance as at 01 April 2025	0.66	–	0.66
Additions during the year	–	26.71	26.71
Disposals during the year	–	–	–
Balance as at 31 March 2026	0.66	26.71	27.37
II. Accumulated depreciation and impairment			
Balance as at 01 April 2025	0.66	–	0.66
Depreciation/Amortization expense for the year	–	1.55	1.55
Eliminated on disposal of assets	–	–	–
Balance as at 31 March 2026	0.66	1.55	2.21
III. Net carrying amount (I-II)	–	25.16	25.16

(Rs. in lakhs)			
Description of Assets	Computers	Right of Use asset	Total
I. Gross Carrying Amount			
Balance as at 01 April 2024	0.66	–	0.66
Additions during the year	–	–	–
Disposals during the year	–	–	–
Balance as at 31 March 2025	0.66	–	0.66

(Rs. in lakhs)

Description of Assets	Computers	Right of Use asset	Total
II. Accumulated depreciation and impairment			
Balance as at 01 April 2024	0.65	–	0.65
Depreciation/Amortization expense for the year	0.01	–	0.01
Eliminated on disposal of assets	–	–	–
Balance as at 31 March 2025	0.66	–	0.66
III. Net carrying amount (I-II)	–	–	–

There is no immovable property where title deed of such immovable property is not held in name of the Company or jointly held with others.

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets)

4. INVESTMENTS

(Rs. in lakhs)			
Particulars	As at 31 March 2026		As at 31 March 2025
	Current	Non Current	Current Non Current
Investments Carried at Fair Value			
Unquoted			
Mahindra Manulife Liquid Fund	242.71	–	226.13 –
13,523.631 units in Current Year (13,387.901 units in Previous Year)			
Total	242.71	–	226.13 –

5. TRADE RECEIVABLES

(Rs. in lakhs)			
Particulars	As at 31 March 2026		As at 31 March 2025
	Current	Non Current	Current Non Current
Trade receivables			
(a) Unsecured, considered good	5.92	–	4.97 –
(b) Doubtful	–	–	– –
Less: Allowance for Credit Losses	–	–	– –
Total	5.92	–	4.97 –
Of the above, trade receivables from:			
– Related Parties	–	–	– –
– Others	5.92	–	4.97 –
Total	5.92	–	4.97 –

No trade or other receivable is due from directors or other officers of the company either severally or jointly with any other person nor any trade or other receivable is due from firms, limited liability partnerships or private companies in which any director is a partner, a director or a member.

Trade receivable is due within 30 days from the date of the invoice.

Notes to the Financial Statements for the year ended 31 March 2026

Trade Receivable Ageing schedule

Trade Receivables - Undisputed Trade receivables – considered good

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
Less than 6 months	5.92	4.97
6 months - 1 year	–	–
1-2 years	–	–
2-3 years	–	–
More than 3 years	–	–
Total	5.92	4.97

6. CASH AND CASH EQUIVALENTS

Particulars	(Rs. in lakhs)	
	As at 31 March 2026	As at 31 March 2025
(a) Balances with banks	1.68	1.70
(b) Cash on hand	–	–
Total	1.68	1.70

7. CURRENT TAX ASSETS (NET)

Particulars	(Rs. in lakhs)			
	As at 31 March 2026		As at 31 March 2025	
	Current	Non Current	Current	Non Current
Tax deducted at source net of provision for tax				
(i) Advance Tax / TDS (Net of provision for tax)	2.08	–	0.01	–
Total	2.08	–	0.01	–

8. OTHER CURRENT ASSETS

Particulars	(Rs. in lakhs)			
	As at 31 March 2026		As at 31 March 2025	
	Current	Non Current	Current	Non Current
(a) Advances other than capital advances				
(i) Other assets	0.15	–	0.06	–
Total	0.15	–	0.06	–

9. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	Rs. in lakhs	No. of shares	Rs. in lakhs
Authorised:				
Equity shares of Rs. 10/- each with voting rights	10,00,000	100.00	10,00,000	100.00
Issued, Subscribed and Fully Paid:				
Equity shares of Rs. 10/- each with voting rights	9,80,400	98.04	9,80,400	98.04
Total	9,80,400	98.04	9,80,400	98.04

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars	(Rs. in lakhs)			
	Opening Balance	Fresh Issue	Other Changes	Closing Balance
(a) Equity Shares with Voting rights*				
Year ended 31 March 2026				
No. of Shares	9,80,400	–	–	9,80,400
Amount (Rs. in Lakhs)	98.04	–	–	98.04
Year Ended 31 March 2025				
No. of Shares	9,80,400	–	–	9,80,400
Amount (Rs. in Lakhs)	98.04	–	–	98.04

*Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation, the shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholdings.

(ii) Details of shares held by the holding company, the ultimate holding company, their associates and subsidiaries:

Particulars	No. of Shares		
	Equity Shares with Voting rights	Equity Shares with Differential Voting rights	Others
As at 31 March 2026			
Mahindra and Mahindra Financial Services Limited Percentage of holding (51%)	5,00,000	–	–
As at 31 March 2025			
Mahindra and Mahindra Financial Services Limited Percentage of holding (51%)	5,00,000	–	–

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<u>Equity shares with voting rights</u>				
Mahindra and Mahindra Financial Services Limited	5,00,000	51%	5,00,000	51%
Manulife Investment Management (Singapore) Pte Limited	4,80,400	49%	4,80,400	49%

10. OTHER EQUITY

Description of the Nature and Purpose of Other Equity

Securities Premium: The securities premium is used to record the premium on issue of shares. The reserve can be utilized in accordance with the provisions of Companies Act, 2013

Retained earning or Profit and loss account: Retained Earnings represents the undistributed earnings.

Particulars	(Rs. in lakhs)		
	Reserves and Surplus	Retained earnings or Profit & loss account	Total
Balance as at 01 April 2024	27.63	52.54	80.17
Profit / (Loss) for the year	–	48.02	48.02
Other Comprehensive Income	–	–	–
Total Comprehensive Income for the year	–	48.02	48.02

Notes to the Financial Statements for the year ended 31 March 2026

	(Rs. in lakhs)				(Rs. in lakhs)			
	Reserves and Surplus				As at 31 March 2026		As at 31 March 2025	
		Retained earnings or Profit & loss account		Particulars	Current	Non Current	Current	Non Current
Particulars	Securities premium		Total	Total outstanding dues of Micro and small enterprises				
Securities premium on fresh issue of equity share capital	–	–	–	a) Dues remaining unpaid to any supplier at the year end				
Share issue expenses	–	–	–	- Principal	0.24	–	0.12	–
				- Interest on the above				
Balance as at 31 March 2025	27.63	100.56	128.19	b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year	–	–	–	–
Balance as at 01 April 2025	27.63	100.56	128.19	- Principal paid beyond the appointed date	–	–	–	–
Profit / (Loss) for the year	–	18.93	18.93	- Interest paid in terms of section 16 of the MSMED Act	–	–	–	–
Other Comprehensive Income	–	–	–	c) Amount of interest due and payable for the year of delay on payments made beyond the appointed day during the year	–	–	–	–
Total Comprehensive Income for the year	–	18.93	18.93	d) Amount of interest accrued and remaining unpaid at the year end	–	–	–	–
Securities premium on fresh issue of equity share capital	–	–	–	e) Further interest due and payable				
Share issue expenses	–	–	–					
Balance as at 31 March 2026	27.63	119.49	147.12					

11. OTHER NON-CURRENT LIABILITIES & PROVISIONS

					(Rs. in lakhs)		as above are actually paid to the small enterprises		-	-	-	-
Particulars		As at 31 March 2026		As at 31 March 2025		Total outstanding dues of creditors other than micro and small enterprises		0.81	-	0.42	-	
		Current	Non Current	Current	Non Current	Total trade payables		1.05	-	0.54	-	
(a)	Lease Liability	-	25.66	-	-	Terms and Conditions of financials liabilities:						
(b)	Other non-current liabilities	-	1.00	-	1.00	- Trade Payables are non-interest bearing and are normally settled on 30 days terms.						
(c)	Other Current Liabilities & Provisions	Trade Payables Ageing Schedule as at 31 March 2026										
Other Current Liabilities		Trade Payables - Undisputed										
		(Rs. in lakhs)										
i Employee benefits payables		3.45	-	4.05	-	Outstanding for following periods						
ii Statutory dues						Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
- Taxes payable (other than income taxes)		1.00	-	0.83	-	(i) MSME	0.24	-	-	-	0.24	
						(ii) Others	0.81	-	-	-	0.81	
- TDS payable		0.14	-	0.05	-	Total	1.05	-	-	-	1.05	
- Professional tax payable		0.03	-	-	-	Trade Payables Ageing Schedule as at 31 March 2026						
Provisions		Trade Payables - Undisputed										
- Provision for leave encashment		0.01	0.20	0.01	0.16	(Rs. in lakhs)						
						Outstanding for following periods						
Total Other liabilities		4.63	26.86	4.94	1.16	Less than		More than				

12. TRADE PAYABLES

Based on and to the extent of the information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the total outstanding dues of Micro and Small enterprise and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below:

Particulars	(Rs. in lakhs)				
	Outstanding for following periods				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.12	–	–	–	0.12
(ii) Others	0.42	–	–	–	0.42
Total	0.54	–	–	–	0.54

Notes to the Financial Statements for the year ended 31 March 2026

13. REVENUE FROM OPERATIONS

	(Rs. in lakhs)			(Rs. in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Trusteeship Fees	63.66	99.14	- Audit fees	0.50	0.50
			- Other services	-	-
Total	63.66	99.14	Other Expenses	2.81	2.68
			Total	33.49	35.71

14. OTHER INCOME

	(Rs. in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Profit on sale/redemption of Investment	8.19	7.58
Unrealised gain/(loss) on Mutual Fund Investment	6.05	7.04
Total	14.24	14.62

15. EMPLOYEE BENEFIT EXPENSES

	(Rs. in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Salaries and wages	19.03	16.22
Total	19.03	16.22

16. FINANCE COSTS

	(Rs. in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
On Lease Liability		
Interest on lease liability	0.67	-
Total	0.67	-

17. DEPRECIATION AND AMORTISATION

	(Rs. in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation on Property, Plant and Equipment	-	0.01
Amortization on lease assets	1.55	-
Total	1.55	0.01

18. OTHER EXPENSES

	(Rs. in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Rent, Rates & Taxes	0.03	-
Legal and professional fees	0.89	0.89
Directors' Sitting Fees	26.30	29.40
Travelling & Conveyance	1.96	1.24
Marketing Expenses	1.00	1.00
Auditors remuneration and out-of-pocket expenses		

19. INCOME TAX EXPENSE

	(Rs. in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Current Tax:		
In respect of current year	4.44	13.80
In respect of prior years	(0.21)	-
	4.23	13.80
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	-	-
	-	-
Total income tax expense on continuing operations	4.23	13.80

Reconciliation of tax expense and the accounting profit multiplied by Company's tax rate:

	(Rs. in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Profit before tax	23.16	61.82
Income tax expense calculated at 25.168%	5.83	15.56
Changes in recognised deductible temporary differences	(1.39)	(1.76)
	4.44	13.80
Adjustments recognised in the current year in relation to the current tax of prior years	(0.21)	-
Total Tax expense	4.23	13.80

The Company has exercised the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly the rate of income tax applicable to the company is (Base rate-22%, plus 10% surcharge and 4% cess = 25.168%)

20. EARNINGS PER SHARE

	(Rs. in lakhs)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Profit / (loss) for the year (Rs. in Lakhs)	18.93	48.02
Weighted average number of equity shares	9,80,400	9,80,400
Earnings per share – Basic (in Rs.)	1.93	4.90
Earnings per share – Diluted (in Rs.)	1.93	4.90

Notes to the Financial Statements for the year ended 31 March 2026

21. ADDITIONAL REGULATORY INFORMATION

i) Financials Ratios

Ratio	Numerator	Denominator	Ratio as on 31 March 2026	Ratio as on 31 March 2025	% Variance	Reason for variance
Current Ratio (in times)	Total Current Assets	Total Current Liabilities	44.46	42.49	5%	NA
Return on Equity (in %)	Profit for the year less Preference dividend (if any)	Total Equity	8%	21%	-14%	NA
Trade Receivable Turnover Ratio (in times)	Revenue from operations	Average Trade Receivable	11.69	11.29	4%	NA
Trade Payable Turnover Ratio (in times)	Total Purchases (excluding capital goods)	Average Trade Payable	27.79	38.61	-28%	NA
Net (working) Capital Turnover Ratio (in times)	Revenue from operations	Average Working Capital	0.27	0.49	-45%	Decrease in Trusteeship Fees led to fall in the ratio
Net Profit Ratio (in %)	Profit for the year	Revenue from operations	30%	48%	-19%	NA
Return on Capital employed Ratio (in %)	Profit before tax and interest	Total Assets less Total Current Liabilities	9%	27%	-19%	NA
Return on investment (in %)	Income from invested funds	Average invested funds	7%	8%	-1%	NA

ii) During the financial years ended 31 March 2026 and 31 March 2025, the Company has not granted any loans or advances in the nature of loans to promoters, directors, Key Management Personnel and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person (a) repayable on demand or (b) without specifying any terms or period of repayment.

iii) There is no Benami Property held by the Company and 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 rules made thereunder.

iv) The Company does not have any transactions with companies stuck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

v) There are no charges or satisfaction in relation to any debt / borrowings yet to be registered with ROC beyond the statutory period.

vi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

vii) Utilisation of borrowed funds and share premium:

A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall –

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries;

B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall –

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

viii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

ix) There are no transactions which have not been recorded in the books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.

x) There was no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

xi) The Company has not been declared as wilful defaulter by any bank or financial Institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

22. EMPLOYEE BENEFITS

Details of defined benefit plans as per actuarial valuation are as follows:

Particulars	(Rs. in lakhs)	
	Unfunded Plans	
	Exigency and Earned leave	
	Year ended	
	31 March 2026	31 March 2025
I. Amounts recognised in the Statement of Profit & Loss		
Current service cost	0.04	0.10
Past Service Cost	–	–
Net Interest cost	–	–
Actuarial (gain)/loss	–	–
Total expenses included in employee benefits expense	0.04	0.10
II. Amount recognised in Other Comprehensive income	–	–
III. Changes in the defined benefit obligation		
Opening defined benefit obligation	0.17	0.07
Current service cost	0.04	0.10
Past service cost	–	–
Interest expense	–	–
Remeasurement (gains)/losses arising from changes in –		
– demographic changes	–	–
– financial assumptions	–	–
– experience adjustments	–	–
Benefits paid/extinguished	–	–
Closing defined benefit obligation	0.21	0.17
IV. Change in the fair value of plan assets during the year		
Opening Fair value of plan assets	–	–
Interest income	–	–
Closing Fair value of plan assets	–	–
V. Net defined benefit obligation		
Defined benefit obligation	0.21	0.17
Fair value of plan assets	–	–
Surplus/(Deficit)	(0.21)	(0.17)

Notes to the Financial Statements for the year ended 31 March 2026

Particulars	(Rs. in lakhs)	
	Unfunded Plans	
	Exigency and Earned leave	
	Year ended	
	31 March 2026	31 March 2025
Current portion of the above	(0.01)	(0.01)
Non current portion of the above	(0.20)	(0.16)

Actuarial assumptions and Sensitivity

VI. Actuarial assumptions

Discount Rate (p.a.)	7.81%	6.94%
Attrition rate	1-3%	1-3%
Expected rate of return on plan assets (p.a.)	-	-
Rate of Salary increase (p.a.)	7.00%	7.00%

In-service Mortality

Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
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VII. Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as follows:

One percentage point increase in discount rate	(0.03)	(0.02)
One percentage point decrease in discount rate	0.03	0.03
One percentage point increase in Salary growth rate	0.03	0.03
One percentage point decrease in Salary growth rate	(0.03)	(0.02)

VIII. Maturity profile of defined benefit obligation

Within 1 year	0.21	0.17
Between 1 and 5 years	-	-

23. FINANCIAL INSTRUMENTS

i) Financial Instruments regularly measured using Fair Value – recurring items

Financial assets/ financial liabilities	Financial assets / financial liabilities	Category	Fair Value			
			(Rs. in lakhs)			
			As at 31 March 2026	As at 31 March 2025	Fair value hierarchy	Valuation technique(s)
1) Investment in Mutual Funds	Financial Assets	Financial instrument measured at FVTPL	242.71	226.13	Level 1	NAV

ii) Financial Instruments measured at amortised cost

Particulars	Fair Value				
	Carrying Value	Fair value	Level 1	Level 2	Level 3
As at 31 March 2026					
Financial assets					
a) Cash and cash equivalent	1.68	1.68	1.68	-	-
b) Trade Receivables	5.92	5.92	-	5.92	-
Total	7.60	7.60	1.68	5.92	-
Financial liabilities					
a) Trade Payables	1.05	1.05	-	1.05	-
b) Lease liabilities	25.66	25.66	-	25.66	-
c) Other non-current liabilities	1.00	1.00	-	1.00	-
d) Employee benefits payables	3.45	3.45	-	3.45	-
Total	31.16	31.16	-	31.16	-

As at 31 March 2025

Financial assets

a) Cash and cash equivalent	1.70	1.70	1.70	-	-
b) Trade Receivables	4.97	4.97	-	4.97	-
Total	6.67	6.67	1.70	4.97	-

Financial liabilities

a) Trade Payables	0.54	0.54	-	0.54	-
b) Lease liabilities	-	-	-	-	-
c) Other non-current liabilities	1.00	1.00	-	1.00	-
d) Employee benefits payables	4.05	4.05	-	4.05	-
Total	5.59	5.59	-	5.59	-

There were no transfers between Level 1 and Level 2 during the year.

24. FINANCIAL RISK MANAGEMENT

In the course of its business, the Company is exposed to certain financial risks: liquidity risk and market risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Liquidity Risk Management

The Company manages liquidity risk by maintaining by continuously monitoring forecast and actual cash flows.

Maturity profile of non-derivative financial liabilities

Particulars	(Rs. in lakhs)			
	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above

Non-derivative financial liabilities

As at 31 March 2026

a) Trade Payables	1.05	-	-	-
b) Lease liabilities	-	-	25.66	-
c) Other non-current liabilities	1.00	-	-	-
d) Employee benefits payables	3.45	-	-	-
Total	5.50	-	25.66	-

As at 31 March 2025

a) Trade Payables	0.54	-	-	-
b) Lease liabilities	-	-	-	-
c) Other non-current liabilities	1.00	-	-	-
d) Employee benefits payables	4.05	-	-	-
Total	5.59	-	-	-

Market Risk Management

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company invests in fixed rate instruments, units of mutual fund taking into account the current liquidity requirements. There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Notes to the Financial Statements for the year ended 31 March 2026

25. RELATED PARTY DISCLOSURES:

i) As per Ind AS 24 on 'Related party disclosures', the related parties of the Company are as follows:

(a) Holding Company

Mahindra & Mahindra Financial Services Ltd

(b) Ultimate Holding Company

Mahindra & Mahindra Ltd

(c) Fellow Subsidiaries / Associate Companies / Joint Ventures

Manulife Investment Management Singapore Pte Ltd

Mahindra Manulife Investment Management Private Ltd

Mahindra Integrated Business Solutions Private Ltd

(d) Key Management Personnel

(i) Mr. Manohar G. Bhide - Director (till 30th June 2024)

(ii) Mr. Gautam G. Parekh - Director (till 20th September 2025)

(iii) Mr. Suneet K. Maheshwari - Independent Director

(iv) Mr. Nilesh Sathe - Independent Director

(v) Mr. Krishnaswamy Arabadi Sridhar - Independent Director

(vi) Mr. Michael Fitzgerald - Director

(vii) Mr. Amarjyoti Barua - Director (w.e.f. 1st July 2024)

(viii) Mr. Uday Bhansali - Independent Director (w.e.f. 21st September 2025)

ii) The nature and volume of transactions of the Company during the year with above related parties were as follows:

Particulars	(Rs. in lakhs)					
	Holding Company /Ultimate Holding Company		Fellow Subsidiaries / Associate Companies/ Joint Ventures		Key Managerial Personnel	
	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025
Expenses						
Mahindra & Mahindra Financial Services Ltd	—	—	—	—	—	—
Mahindra & Mahindra Ltd	1.33	1.00	—	—	—	—
Mahindra Manulife Investment Management Private Ltd	—	—	1.72	—	—	—
Mahindra Integrated Business Solutions Private Ltd	—	—	0.12	0.12	—	—
Directors' Sitting Fees	—	—	—	—	26.30	29.40

iii) Balances as at the end of the year:

Particulars	(Rs. in lakhs)			
	Holding Company		Fellow Subsidiaries / Associate Companies / Joint Ventures	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Other Non-current Liabilities				
Mahindra & Mahindra Financial Services Ltd	—	—	—	—
Trade Payables				
Mahindra & Mahindra Ltd	0.33	—	—	—
Mahindra Integrated Business Solutions Private Limited	—	—	0.01	0.01

Notes to the Financial Statements for the year ended 31 March 2026

26. OPERATING SEGMENTS

- a) The Company is in the business of providing Trusteeship services to the Mahindra Manulife Mutual Fund. The primary segment is identified as Trusteeship services. As such the Company's financial statements are largely reflective of the Trusteeship services and there is no separate reportable segment as per Ind AS 108 on "Operating Segments" in respect of the Company.
- b) Entire Amount of revenue is from customer within India and the trusteeship services are rendered over a time period for the year ended March 31, 2026 and March 31, 2025.
- c) There is only one customer contributing in excess of 10% of the total revenue of the Company. The amounts for the same are as follows:

Particulars	(Rs. in lakhs)	
	Year ended	
	31 March 2026	31 March 2025
Revenue from Mahindra Manulife Mutual Fund	63.66	99.14

27. SOCIAL SECURITY CODE

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Company continues to monitor development on the Rules to be notified by regulatory authorities, including clarifications/guidance from the authorities and will continue to assess the accounting implications, basis such developments/guidance.

28. EVENTS AFTER THE REPORTING DATE

There have been no other events after the reporting date that require disclosure in these financial statements.

29. Previous year figures have been regrouped /reclassified wherever necessary to conform to current year presentation.

As per our report of even date

For B. K. Khare & Co.

Chartered Accountants
Firm Regn No. 105102W

sd/-
Chaitanya Joshi
Partner
Membership No. 131403

Place: Mumbai
Date: April 23, 2026

For and on behalf of the Board of Directors of
Mahindra Manulife Trustee Private Limited

sd/- Nilesh Sathe Chairman [DIN: 02372576]	sd/- Krishnaswamy Arabadi Sridhar Director [DIN: 00046719]
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sd/- Suneet Maheshwari Director [DIN: 00420952]	sd/- Uday Bhansali Director [DIN: 00363902]
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sd/- Tejas Agrawal Company Secretary [ACS No – 55747]

Place: Mumbai
Date: April 23, 2026

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF MAHINDRA IDEAL FINANCE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Mahindra Ideal Finance Limited (the "Company"), which comprise the statement of financial position as at 31st March 2026 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Financial Statements including a summary of material accounting policy information as set out on pages herein.

In our opinion, the accompanying Financial Statements give a true and fair view of the financial position of the Company as at 31st March 2026 and of its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). 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 for Professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report. The Annual Report is expected to be made available to us after the date of this Auditor's Report.

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 identified above, when it becomes available, and in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or whether it 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary, to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern,

disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs 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 the Financial Statements.

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

- identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- 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 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, actions taken to eliminate threats, or safeguards applied.

Report on Other Legal and Regulatory Requirements

As required by Section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were

required for the audit, and as far as it appears from our examination, proper accounting records have been kept by the Company.

BDO Partners
CHARTERED ACCOUNTANTS
Colombo 02

17th April 2026
CW/dm

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST MARCH 2026

	Notes	2026 LKR '000	2025 LKR '000
Income	3	4,261,863	2,740,870
Interest Income	4.1	3,878,129	2,444,566
Interest Expenses	4.2	(1,725,739)	(1,109,246)
Net Interest Income		2,152,390	1,335,320
Fees and Commission Income	5	35,432	16,498
Net Fee and Commission Income		35,432	16,498
Other Operating Income	6	348,302	279,806
Total Operating Income		2,536,124	1,631,623
Impairment Charges for Loans and other Losses	7	(162,978)	(73,914)
Net Operating Income		2,373,146	1,557,710
Operating Expenses			
Personnel Expenses	8	(656,101)	(560,529)
Depreciation of Property Plant & Equipment	22.2	(161,661)	(140,151)
Amortisation of Intangible Assets	23	(8,525)	(8,791)
Other Operating Expenses	9	(453,869)	(414,783)
Operating Profit before VAT on Financial Services and Social Security Contribution Levy		1,092,990	433,456
Value Added Tax on Financial Services	10	(239,838)	(135,364)
Social Security Contribution Levy	10	(34,555)	(18,801)
Profit before Taxation		818,597	279,291
Income Tax Expenses	11.1	(340,366)	(133,405)
Profit/ (Loss) for the period		478,231	145,886
Basic and Diluted Earnings per Share	12.2	3.28	1.00
Profit/ (Loss) for the period		478,231	145,886
Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods			
Actuarial Gain/(Loss) on Defined Benefit Obligations	29.3	(421)	7,033
Deferred Tax (Charge)/Reversal on Other Comprehensive Income	29	126	(2,110)
Other Comprehensive Income for the period, Net of Tax		(295)	4,923
Total Comprehensive Income for the period, Net of Tax		477,936	150,809

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages herein form an integral part of these Financial Statements.

Colombo

17th April 2026

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2026

	Notes	2026 LKR '000	2025 LKR '000
ASSETS			
Cash and Bank Balances	13	423,093	178,134
Investment in Government Securities at Amortised cost	14	2,294,257	1,248,944
Placements with Banks and Other Financial Institutions	15	401,207	151,076
Gold Advances	16	9,184,231	6,422,978
Lease Rental Receivables	17	2,480,946	2,656,513
Loans and Advances	18	15,281,083	5,723,480
Other Financial Assets	19	29,826	21,012
Other Non-Financial Assets	20	139,783	73,410
Financial Investments - Measured at Fair Value through OCI	21	458	458
Property, Plant and Equipment	22.3	654,923	584,938
Intangible Assets	23	29,517	34,498
Deferred Tax Assets	30	60,430	35,978
TOTAL ASSETS		30,979,754	17,131,418
LIABILITIES			
Interest Bearing Borrowings	24	17,176,069	6,949,677
Due to the Customers	25	7,530,175	6,254,214
Subordinate Liabilities	26	1,000,626	—
Other Financial Liabilities	27	1,374,610	669,737
Other Non-Financial Liabilities	28	81,005	74,280
Post Employment Benefit Liability	29	47,021	37,738
Current Tax Liabilities		209,263	62,722
TOTAL LIABILITIES		27,418,769	14,048,367
EQUITY			
Stated Capital	31	1,908,247	1,908,247
Retained Earnings		1,568,243	1,114,205
Reserves	32	84,495	60,599
TOTAL EQUITY		3,560,985	3,083,051
TOTAL LIABILITIES AND EQUITY		30,979,754	17,131,418

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages herein form an integral part of these Financial Statements.

These Financial Statements are in compliance with the requirements of the Companies Act No.07 of 2007..

Rohit Kumar Agarwalla
Chief Financial Officer

The Board of Directors is responsible for these Financial Statements, signed for and on behalf of the Board.

Thilan Wijesinghe
Chairman

Mufaddal Choonia
Managing Director and CEO

Colombo
17th April 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026

Description	Stated Capital LKR '000	Retained Earnings LKR '000	Statutory Reserve Fund LKR '000	Total LKR '000
Balance as at 01st April 2024	1,908,247	970,936	53,059	2,932,242
Total Income / (Loss) for the Period	–	145,887	–	145,887
Other Comprehensive Income (Net of Tax).....	–	4,921	–	4,921
Transfer to Statutory Reserve Fund	–	(7,540)	7,540	–
Balance as at 31st March 2025	1,908,247	1,114,204	60,598	3,083,050
Balance as at 1st April 2025	1,908,247	1,114,204	60,598	3,083,049
Total Income / (Loss) for the Period	–	478,231	–	478,231
Other Comprehensive Income (Net of Tax).....	–	(295)	–	(295)
Transfer to Statutory Reserve Fund	–	(23,897)	23,897	–
Balance as at 31st March 2026	1,908,247	1,568,243	84,495	3,560,985

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages herein form an integral part of these Financial Statements

Colombo

17th April 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026

	Note	2026 LKR '000	2025 LKR '000
Cash Flows From / (Used in) Operating Activities			
Profit before Income Tax Expense		818,597	279,291
Adjustment for Other Non-Cash Items Included in Profit Before Tax			
Depreciation of Property, Plant and Equipment & ROU Assets.....	22.3	161,661	140,151
Amortisation of Intangible Assets.....	23	8,525	8,791
Provision for Impairment.....	7	162,978	73,914
Interest expenses on Borrowings.....	4.2	1,005,247	403,685
Defined Benefit Obligation.....	8	12,133	14,271
Dividend Income.....	6	(476)	—
Disposal (Gain)/Loss on Fixed Assets.....		(6,133)	(21,772)
Operating Profit before Working Capital Changes		2,162,532	898,331
(Increase)/Decrease in Lease Rental Receivables.....		191,760	214,289
(Increase)/Decrease in Loans and Advances.....		(9,717,319)	(4,610,148)
(Increase)/Decrease in Gold Advance.....		(2,780,708)	(1,938,102)
(Increase)/Decrease in Other Financial Assets.....		(8,813)	8,483
(Increase)/Decrease in Other Non-Financial Assets.....		(90,699)	91,756
Increase/(Decrease) in Amounts Due to Customers.....		1,275,961	1,049,990
Increase/(Decrease) in Other Financial Liabilities.....		791,963	171,098
Increase/(Decrease) in Other Non-Financial Liabilities.....		6,725	36,860
Increase/(Decrease) in Current Tax liabilities.....		24,326	13,971
Cash Generated from Operations		(8,144,272)	(4,063,472)
Retirement Benefit Liabilities Paid.....	28.2	(3,272)	(18,537)
Income Tax Paid.....		(218,151)	(90,596)
Net Cash Flows from/(Used in) Operating Activities		(8,365,695)	(4,172,605)
Cash Flows from / (Used in) Investing Activities			
Purchase of Property, Plant and Equipment.....	22.1	(142,633)	(117,080)
Purchase of Right-of-Use Assets.....	22.1	(94,998)	(81,360)
Purchase of Intangible Assets.....	23	(3,545)	(195)
Disposal of Property, Plant and Equipment.....		12,117	38,843
Dividend Received.....	6	476	—
Investment in Treasury Bills.....	14	97,870	424,192
Investment in Fixed Deposits.....	15	49,869	104,772
Net Cash Flows from/(Used in) Investment Activities		(80,844)	369,172
Cash Flows from / (Used in) Financing Activities			
Proceeds from Bank Borrowings.....		22,605,000	10,559,108
Repayment of Bank Borrowings.....		(13,357,974)	(7,979,560)
Rental Paid for Lease Obligation.....		(87,090)	(78,687)
Proceeds from Subordinate Liabilities.....		1,000,626	—
Net Cash Flows from/(Used in) Financing Activities		10,160,562	2,500,861
Net Increase/(Decrease) in Cash & Cash Equivalents		1,714,023	(1,302,572)
Cash and Cash Equivalents at the Beginning of the Year		10,172	1,312,744
Cash and Cash Equivalents at the End of the Year	32	1,724,195	10,172

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages herein form an integral part of these Financial Statements.

Colombo

17th April 2026

MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 General

Ideal Investment Limited is a limited liability company, incorporated on 24th January 2012 under companies Act No.7 of 2007 and then changed the name to Ideal Finance Limited on 12th March 2012 and is domiciled in Sri Lanka. The registered office of the Company is situated at No.299, Dr. Colvin R De. Silva Mawatha (Union Place), Colombo 02. On 28th January 2022, the Company changed its name to Mahindra Ideal Finance Limited.

Mahindra Ideal Finance Limited is licensed by the Monetary Board of the Central Bank of Sri Lanka under the Finance Business Act No. 42 of 2011 and is also registered under the Finance Leasing Act No.56 of 2000.

1.2 Principal Activities and Nature of Operations

During the year, the principal activities of the Company were Acceptance of Deposits, Granting Lease, Loan Facilities and Gold Advances.

1.3 Parent Entity and Ultimate Parent Entity

Mahindra and Mahindra Financial Services Limited, India is the parent of Mahindra Ideal Finance Limited. The liability of the parent entity is limited to either its equity or fund-based commitment to Mahindra Ideal Finance Limited. Further the Company does not have any investments in the form of subsidiary, joint venture or associate.

1.4 Date of Authorization for Issue

The Financial Statements of Mahindra Ideal Finance Limited for the period ended 31st March 2026 were authorised for issue in accordance with a resolution of the Board of Directors on 17th April 2026.

2. ACCOUNTING POLICIES

2.1 Basis of Preparation

2.1.1 Statement of Compliance

The Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows, together with Accounting Policies and Notes, ('Financial Statements'), as at 31 March 2026 and for the period then ended, have been prepared in accordance with Sri Lanka Accounting Standards (hereafter referred to as "SLFRS"), laid down by the Institute of Chartered Accountants of Sri Lanka and are in compliance with the requirements of the Companies Act No. 07 of 2007 and amendments thereto.

2.1.2 Responsibility for Financial Statements

The Board of Directors of the Company is responsible for these Financial Statements of the Company as per Sri Lanka Accounting Standards (SLFRSs and LKASs) and the provisions of the Companies Act No. 07 of 2007.

2.1.3 Basis of measurement

The financial statements have been prepared on a historical cost basis except retirement benefits obligation, which was ascertained by an actuarial valuation.

2.1.4 Presentation of Financial Statements

In compliance with LKAS 01 on Presentation of Financial Statements, each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or functions are presented separately, unless they are immaterial.

The Company presents its Statements of Financial Position broadly in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 36.

2.1.5 Functional and presentation currency

The financial statements are presented in Sri Lankan Rupees, except when otherwise is indicated. No adjustments have been made for inflationary factors.

2.1.6 Materiality, Aggregation, Offsetting and Rounding Off

In compliance with LKAS 01 on Presentation of Financial Statements, each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or

function too are presented separately, unless they are immaterial.

Financial Assets and Financial Liabilities are offset and the net amount reported in the Statement of Financial Position only when legally there is enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in the Statement of Profit or Loss unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies.

The amounts in the financial statements have been rounded off to the nearest Sri Lankan Rupee, except where otherwise indicated as permitted by the Sri Lanka Accounting Standard (LKAS 1) – 'Presentation of Financial Statements'.

2.1.7 Comparative Information

The accounting policies have been consistently applied by the Company, and are consistent with those used in the previous financial year. Further comparative information is reclassified whenever necessary to comply with the current presentation in the Financial Statements. However, the Company has not restated comparative information for 2025.

2.1.8 Statement of Cash Flows

The cash flow statement has been prepared by using the indirect method in accordance with the Sri Lanka Accounting Standard - LKAS 7 (Statement of Cash Flows), whereby operating, investing and financial activities have been separately recognised. Cash and cash equivalents comprise of short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Cash and cash equivalents include cash in hand, balances with banks, placements with banks (less than 3 months), net of unfavourable bank balances and securities purchased under repurchase agreements (less than three months).

2.1.9 Events After the Reporting Date

Events after the Reporting Date are those events, favourable and unfavourable, that occur between the reporting date and the date when the Financial Statements are authorised for issue. In this regard, all material and important events that occurred after the reporting period have been considered and appropriate disclosures are made in Note 38 to the Financial Statements.

2.2 Significant Accounting Judgments, Estimates and Assumptions

The preparation of Financial Statements of the Company in conformity with Sri Lanka Accounting Standards requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

i. Going Concern

The Board has assessed the Company's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the Board is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern and they do not intend either to liquidate or to cease operations of the Company. Further, the Directors have considered the potential downsides that the recent economic stress could bring to the business operations of the Company, in making this assessment. Therefore, the Financial Statements continue to be prepared on the going concern basis.

ii. Impairment losses on loans and receivables

The measurement of impairment losses under SLFRS 9 across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the

MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS (contd.)

assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which, can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgments and estimates include:

- Number of days past due and the Guidelines issued by the Central Bank of Sri Lanka
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

iii. Fair Value of Financial Instruments

The determination of fair values of financial assets and financial liabilities recorded in the Statement of Financial Position for which there is no observable market price is based on using a variety of valuation techniques that include the use of mathematical models. The valuation of financial instruments is described in Note 35 to the Financial Statements. The Company measures fair value using the fair value hierarchy that reflects the significance of input used in making measurements. The fair value hierarchy is given in Note 35 to the Financial Statements.

iv. Financial Assets and Financial Liabilities Classification

The Company's accounting policies provide scope for assets and liabilities to be classified, at inception in to different accounting categories. The classification of financial instruments is given in Note 34, "Analysis of Financial Instruments by Measurement Basis".

v. Defined Benefit Plan

The cost of the defined benefit pension plan is determined using an actuarial valuation. The actuarial valuation involves making assumptions about discount rates, future salary increases, and mortality rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Assumptions used are disclosed in Note 29.

vi. Useful Life-time of the Property, Plant, Equipment and Intangible Assets

The Company reviews the residual values, useful lives and methods of depreciation and amortization of property, plant, equipment and intangible assets at each reporting date. The judgement of the management is exercised in the estimation of these values, rates, methods and hence they are subject to uncertainty.

2.3 Summary of Significant Accounting Policies

The significant accounting policies applied by the Company in preparation of its Financial Statements are included in below.

2.3.1 SLFRS 09 Financial Instruments

SLFRS 9 – Financial Instruments replaces LKAS 39 for annual periods on or after 01 January 2018. The company has adopted SLFRS-09 Financial Instruments with an initial application date of 01st April 2018.

2.3.1.1 Classification and Measurement of Financial Assets and Liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised Cost,
- Fair Value through Other Comprehensive Income (FVOCI),
- Fair Value through Profit or Loss.

Financial liabilities, other than loan commitments and financial guarantees, are measured at amortised cost or at FVPL or the fair value designation is applied.

2.3.1.2 Financial Assets and liabilities

2.3.1.2.1 Lease Rental Receivables, Loans and Receivables to Other Customers, Financial Investments at Amortised Cost

The company measures Lease, Loans and advances to customers and other financial investments only at amortised cost if both of the following conditions are met.

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely the Payments of Principal and Interest (SPPI) on the principal amount outstanding.

The classification of financial liabilities under SLFRS 9 does not follow the approach for the classification on financial assets. Financial liabilities are measured at amortised cost or fair value through profit or loss.

The details of conditions of business model assessment and the SPPI test are outlined below.

(a) Business Model Assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel
- The risks that affect the performance of the business model (and the financial assets held within that business model), and in particular, the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)

MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS (contd.)

- The expected frequency, value and timing of sales are also important aspects of the Company's assessment

(b) The SPPI Test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

An entity has a business model to hold the financial asset to collect the contractual cash flows. The characteristics of the contractual cash flows are that of solely payments of the principal amount and interest (referred to as "SPPI").

Principal for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

2.3.1.2.2 Reclassification of Financial Assets and Liabilities

The company does not reclassify its financial assets or liability subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. The Company did not reclassify any of its financial assets or liabilities in the year 2024/25.

2.3.1.3 De-recognition of Financial Instruments

2.3.1.3.1 Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when the rights to receive cash flows from the financial asset have expired.

2.3.1.3.2 Financial Liabilities

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

2.3.1.4 Impairment of Financial Assets

Overview of the Expected Credit Loss (ECL) Principles

The Company's loan loss impairment method by using forward-looking Expected Credit Loss (ECL) approach. From 1 April 2018, the Company has been recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVPL, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under SLFRS 9.

The ECL allowance is based on the credit losses expected to arise over the life of the asset. The 12 months ECL is the portion of Life time ECLs that

represents the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Life time ECLs and 12 months ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company groups its loans into Stage 1, Stage 2 and Stage 3.

Stage 1

When loans are first recognised, the Company recognises an allowance based on 12 months ECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the Life time ECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3

These loans considered credit-impaired. The Company records an allowance for the Life time ECLs.

2.3.1.4.1 The Calculation of Expected Credit Loss (ECL)

The Company calculates ECLs under three staging approaches to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. The mechanics of the ECL calculations are outlined below and the key elements are as follows:

Definition of default

The Company considers a financial asset to be in "default" and therefore Stage 3 (credit impaired) for ECL calculations when the borrower account becomes 90 days past due on its contractual payments.

Probability of Default (PD)

The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously recognised and is still in the portfolio.

However, for placements with Banks and other financial investments classified as amortised cost and fair value through other Comprehensive Income the Company relies on external credit rating in determining their respective PDs.

EAD

The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure

MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS (contd.)

after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD

The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive.

2.3.1.4.2 The mechanics of the ECL method are summarised below:

Stage 1

The 12 months ECL is calculated as the portion of LTECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR. This calculation is made for each of the three scenarios, as explained above.

Stage 2

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3

For loans considered credit-impaired, the Company recognises the LTECL for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%. The Company recognises the interest income on loans classified under stage 3 at the effective interest rate on amortised cost.

Assessment of significant increase in credit risk

When determining whether the credit risk has increased significantly since initial recognition, the Company considers both quantitative and qualitative information and analysis based on the Company's historical experience, including forward-looking information. The Company considers reasonable and supportable information that is relevant and available without undue cost and effort. The Company's accounting policy is not to use the practical expedient that the financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result the Company monitors all financial assets and loan commitments that are subject to impairment for significant increase in credit risk.

As a part of the qualitative assessment of whether a customer is in default, the Company

also considers a variety of instances that may indicate unlikelihood to pay. In such instances, the Company treats the customer with an increased credit risk level, following are such instances.

- Stage 1 and Stage 2 facilities of a Stage 3 customer are also classified as Stage 3.
- Stage 1 facilities of a Stage 2 customer are classified as Stage 2.
- Rescheduled facilities are categorized based on their aggregate days past due, ie, the aggregate of the present age of the facility and the age prior to reschedule.
- Originated credit impaired assets :-These are financial assets that are credit impaired on initial recognition.

They are recorded at fair value at initial recognition and interest income is subsequently recognized based on credit adjusted EIR. ECLs are recognized or released to the extent that there is subsequent change in expected credit losses.

Forward Looking Information

In its ECL models, the Company relies on a broad range of forward looking information as economic inputs, such as:

Quantitative	Qualitative
GDP Growth	Government Policies
Inflation	Status of the Industry Business
Unemployment	Regulatory Impact
Interest Rates	Global Economic Environment
Exchange Rates	

The inputs and models used for calculating ECLs may not always capture all the characteristics of the market at the date of the financial statements.

To reflect the uncertainties in the calculation of expected credit losses, the Company has not changed the weightages assigned for multiple economic scenarios during the year. Weightages assigned for each scenario is given below along with the weightages used in 2023/24.

	2025/26	2024/25
Base case	60%	55%
Best case	10%	10%
Worst case	35%	40%

The inputs and models used for calculating ECLs may not always capture all characteristics of the market as at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

To ensure completeness and accuracy, the company obtains necessary data primarily from publications of Central Bank of Sri Lanka.

MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS (contd.)

2.3.1.5 Determination of Fair Value

The 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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are 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.

The disclosure of fair value of financial instruments is disclosed in Note 34 to the Financial Statements.

2.3.2 Lease

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

2.3.2.1 Finance Lease

Company as a lessor

Assets leased to customers which transfer substantially all the risks and rewards associated with ownership other than legal title, are classified as 'Finance Lease'. Amounts receivable under finance lease are included under 'Lease Rental Receivables' in the Statement of Financial Position after deduction of unearned lease income and accumulated impairment losses. When assets are held

subject to a finance lease, the present value of the lease payments, discounted at the rate of interest implicit in the lease, is recognized as a receivable. The difference between the total payments receivable under the lease and the present value of the receivable is recognized as unearned finance income, which is allocated to accounting periods reflect a constant periodic rate of return.

2.3.2.2 SLFRS 16 – Leases

Company as a lessee

SLFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. lessee and lessor. SLFRS 16 supersedes Sri Lanka Accounting Standard - LKAS 17 (Leases) and related interpretations. SLFRS 16 introduces a single accounting model for the lessee, eliminating the present classification of leases in LKAS 17 as either operating leases or finance leases.

The Company has adopted SLFRS 16 using modified retrospective method from 01st April 2019, without restating comparatives for the 2018/19 reporting period, as permitted under the specific transitional provisions in the standard. At the date of adoption, right of use was recognised as the amount equal to the lease liability, adjusted by the amount of prepaid lease rentals.

Under this method, the standard is applied retrospectively and the cumulative effect, as at the initial date of application of the standard i.e 01st April 2019, has been duly adjusted. The company elected to use the transitional practical expedient to not reassess whether an existing contract forms a lease as at 01st April 2019, under the definitions provided in the standard. Instead, the company applied the standard only to contracts that were previously identified as leases applying LKAS 17 at the date of initial application.

The contracts which were previously classified as "operating leases" under the principles of LKAS 17 -Leases, have been recognize as "right of- use assets" with the adoption of SLFRS 16 -Leases.

2.3.3 Cash and cash equivalents

Cash and cash equivalents as referred to in the cash flow statement comprise cash in hand, and amounts due from banks on demand or with an original maturity of three months or less.

2.3.4 Property, Plant and Equipment

Property, plant and equipment is stated at cost excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates.

Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives. The estimated useful lives are as follows:

Category	Years
Furniture and Fittings	05
Office Equipment	05
Motor Vehicles	05
Computer Equipment	05

The depreciation method and residual values of assets are reviewed at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method shall be changed to reflect the changed pattern.

Property plant & Equipment is derecognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the assets (calculated as the

MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS (contd.)

difference between the net disposal proceeds and carrying amount of the assets) is recognized in 'Other Operating Income' in the Statement of Comprehensive Income (Profit or Loss) in the year the asset is recognized.

2.3.5 Right-Of-Use Assets

2.3.5.1 Basis of recognition

The Company applies Sri Lanka Accounting Standard SLFRS 16 "Leases" in accounting for all lease hold rights except for leases due to expire during the financial year and leases on which implications to the financial statements are not considered to be material. The company uses its judgment to determine whether an operating lease contract qualifies for recognition of right-of-use assets. The company applies judgements in evaluating the level of certainty whether the option of renewing the lease exists or otherwise. That is, it considers all relevant factors that create an economic benefit for it to exercise either the renewal or termination.

Basis of measurement

The company recognises right-of-use assets at the date of commencement of the lease, which is the present value of lease payments to be made over the lease term. Right-of-Use assets are measured at cost less any accumulated amortization and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of the right-of-use assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are amortised on the straight line basis over the lease term.

When measuring lease liabilities for leases that were classified previously as operating leases, the company discounted future lease payments due as of 01st April 2019 using the incremental borrowing rate as at 01st April 2019. The rate applicable was 14%.

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.3.6 Intangible assets

The company's other intangible assets include the value of computer software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the company. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and they are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of comprehensive income.

Computer System software is amortised over the licensed period. And where the license is perpetual, it is amortised over 3 years.

2.3.7 Other Assets

All other assets are stated at amortised cost less accumulated impairment losses.

2.3.8 Inventories

Inventories include stationery and this is valued at the lower of cost and net realizable value.

2.3.9 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's or cash generating unit's fair value less costs to sell and its value in use. Where the carrying amount of an asset or cash generating unit 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 fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash generating unit's recoverable amount. A previously recognized 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 exceeds 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 comprehensive income.

2.3.10 Employee Retirement Benefits

Defined Contribution Plan Costs

Defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to a defined contribution plan are recognized as a Personnel Expenses in the Statement of comprehensive income in the periods during which services are rendered by employees. Employees are eligible for employees' Provident Fund and Employees Trust Fund Contributions in line with the respective Statutes and regulations. Accordingly, the company contributes 12% and 3% of gross emoluments of employees to Employees' Provident Fund and Employee Trust Fund respectively and is recognized as an expense under "Personnel Expenses".

Defined Benefit Plan Costs

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability recognized in the Statement of Financial Position in respect of defined benefit plan is the present value of the defined benefit obligation at the reporting date. The defined benefit obligation is calculated using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates that are denominated in the currency in which the benefit will be paid, and that have terms of maturity approximating to the terms of the liability.

Provision has been made in the Financial Statements for retiring gratuities from the first year of service for all employees, in conformity with LKAS 19-"Employee Benefits".

However, according to the payment of Gratuity Act No.12 of 1983, the liability for payment to an employee arises only after the completion of 5 years continued services. The liability is not externally funded.

2.3.11 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, and it is

MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS (contd.)

probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

2.3.12 Other Liabilities

Other liabilities are recorded at the cash value to be realized when settled.

2.3.13 Foreign currency translation

Transactions in foreign currencies are initially recorded at the functional currency rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange at the statement of financial position date. All differences arising on non-trading activities are taken to 'Other operating income' in the income statement.

2.3.14 Recognition of income and expenses

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(i) Interest income and interest expense

For all financial instruments measured at amortised cost, interest bearing financial assets classified as available-for-sale and financial instruments designated at fair value through profit or loss, interest income or expense is recorded using the Effective Interest Rate. Effective Interest Rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the Effective Interest Rate, but not future credit losses.

The carrying amount of the financial asset or financial liability is adjusted if the company revises its estimates of payments or receipts. The adjusted carrying amount is calculated based on the original Effective Interest Rate and the change in carrying amount is recorded as 'Interest Income' for financial assets and Interest Expense for financial liabilities. However, for a reclassified financial asset for which the company subsequently increases its estimates of future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognised as an adjustment to the Effective Interest Rate from the date of the change in estimate.

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(ii) Fee and commission income

The company earns fee and commission income from a diverse range of services it provides to its customers. Fee income can be divided into the following two categories:

- Fee income earned from services that are provided over a certain period of time
- Fees earned for the provision of services over a period of time accrued over that period. These fees include commission income and service charges

Fee income from providing transaction services

Fees arising from negotiating or participating in the negotiation of a transaction for a third party are recognised on completion of the underlying transaction. Fees or components of fees that are linked to a certain performance are recognised after fulfilling the corresponding criteria.

(iii) Dividend income

Dividend income is recognised when the company's right to receive the payment is established.

(iv) Expenditure Recognition

Expenses are recognized in profit or loss in the statement of comprehensive Income on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the statement of Comprehensive Income (Profit or loss). For the purpose of presenting of the statement of comprehensive Income, the "function of expenses" method has been adopted, on the basis that it presents fairly the element of the company's performance.

2.3.15 Taxes

a. Current Tax

The provision for the income tax is based on the elements of the income and expenditure as reported in the Financial Statements and computed in accordance with the provisions of the Inland Revenue Act, No. 24 of 2017.

Current income tax assets and liabilities for the current and prior years 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 by the reporting date.

b. Deferred Tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credit and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

MATERIAL ACCOUNTING POLICY INFORMATION TO THE FINANCIAL STATEMENTS (contd.)

c. Value Added Tax on Financial Services and Social Security Contribution Levy

Value Added Tax on Financial Services is calculated at the rate of 18% in accordance with the provisions of the Value Added Tax Act No. 14 of 2002 and amendments thereto. The Social Security Contribution Levy is calculated at the rate of 2.5% on the turnover applicable for Value Added Tax on Financial Services with effect from 01st October 2022.

2.3.16 Regulatory provisions

a) Deposit Insurance and Liquidity Support Scheme

In terms of the Finance Companies Direction No.2 of 2010 "Insurance of Deposit Liabilities" issued on 27 September 2010 and subsequent amendments thereto, all Finance Companies are required to insure their deposit liabilities in the Deposit Insurance Scheme operated by the Monetary Board in terms of Sri Lanka Deposit Insurance Scheme Regulations No.01 of 2010 issued under Sections 32A to 32E of the Monetary Law Act with effect from 01st October 2010. The said Scheme was renamed as the "Sri Lanka Deposit Insurance and Liquidity Support Scheme" as per the Sri Lanka Deposit Insurance and Liquidity Support Scheme Regulation No. 01 of 2013.

The deposits to be insured shall include demand, time and savings deposit liabilities and exclude the following.

- Deposit liabilities to member institutions
- Deposit liabilities to the Government of Sri Lanka
- Deposit liabilities to shareholders, directors, key management personnel and other related parties as defined in Finance Companies Act (Corporate Governance) Direction No.3 of 2008 for Registered Finance Companies
- Deposit liabilities held as collateral against any accommodation granted
- Deposits falling within the meaning of abandoned property in terms of the Banking Act and dormant deposits in terms of the Finance Companies Act, funds of which have been transferred to the Central Bank of Sri Lanka in terms of the relevant Directions issued by the Monetary Board.

Registered Finance Companies are required to pay a premium of 0.15% on the total amount of eligible deposits as at end of the month within a period of 15 days from the end of the respective month.

b) Crop Insurance Levy (CIL)

As per the provisions of Section 14 of the Finance Act No.12 of 2013, the CIL was introduced with effect from 01st April 2013 and is payable to the National Insurance Trust Fund. Currently, the CIL is payable at 1% of the profit after tax.

2.3.17 Related Party Transactions

Disclosure has been made in respect of the transactions in which one party has the liability to control or exercise significant influence over the financial and operating policies/decisions of the other, irrespective of whether a price is being charged.

2.3.18 Segment Reporting

The Company's segmental reporting is based on the following operating segments identified based on products and services;

- Finance Leases
- Term Loans
- Gold Loans
- Others

A segment is a distinguishable component of a company that is engaged in providing products and services. (Business segment, is subject to risks and rewards that are different from those of other segments).

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The accounting policies adopted for segment reporting are those accounting policies adopted for preparing the financial statements of the Company.

2.3.19 The following amendments are effective for the period beginning 01st January 2026

- i) Amendments to SLFRS 9 (Financial Instruments) and SLFRS 7 (Financial Instruments: Disclosures). Amendments to Sri Lanka Accounting Standards SLFRS 9 – Financial Instruments and SLFRS 7 – Financial Instruments: Disclosures, will be effective for annual reporting periods beginning on or after 01st January 2026. Early application is permitted.

These amendments introduce important enhancements to the classification and measurement, derecognition, and disclosure requirements applicable to financial instruments. The amendments are aimed at strengthening transparency, improving consistency in financial reporting, and addressing emerging market developments, including sustainability-linked features and nature-dependent electricity contracts.

- ii) SLFRS 17: Insurance Contracts - Effective for annual reporting periods beginning on or after 1st January 2026

2.3.20 Sri Lanka Accounting Standards Not Yet Effective as at 31st March 2026

The Finance Company intends to adopt the new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Bank's Financial Statements, if applicable, when they become effective.

- i) IFRS 18 Presentation and Disclosure in Financial Statements - The objective of this standard is to give investors more transparent and comparable information about companies' financial performance, thereby enabling better investment decisions. IFRS 18 introduces three sets of new requirements to improve companies reporting of financial performance and give investors a better basis for analysing and comparing companies.
 1. Improved comparability in the statement of profit or loss (income statement)
 2. Enhanced transparency of management-defined performance measures
 3. More useful grouping of information in the Financial Statements
- ii) IFRS 19 Subsidiaries without Public Accountability: Disclosures - The objective of this standard is to specify that the disclosure requirements the Group is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards. An eligible subsidiary that applies to IFRS 19 is required to apply the requirements in other IFRS Accounting Standards for recognition, measurement and presentation requirements. For disclosure requirements, IFRS 19 instead of the disclosure requirements in other IFRS Accounting Standards, except in specified circumstances. In accordance with IFRS 18 Presentation and Disclosure in Financial Statements, an entity applying IFRS 19 is not required to provide a specific disclosure required by IFRS 19 if the information resulting from that disclosure would not be material.

NOTES TO THE FINANCIAL STATEMENTS

3. INCOME

	2026 LKR '000	2025 LKR '000
Interest Income (4.1)	3,878,129	2,444,566
Fee and Commission Income (5)	35,432	16,498
Other Operating Income (6)	348,302	279,806
Total Income	4,261,863	2,740,870

4. NET INTEREST INCOME

4.1 Interest Income

	2026 LKR '000	2025 LKR '000
From Placements with Banks and Other Financial Institutions	9,794	16,098
From Government Securities	54,161	82,319
From Lease Rental Receivables	574,547	646,765
From Loans and Advances	1,568,472	559,799
From Gold Advances	1,669,771	1,138,128
From Refundable Deposits	1,384	1,458
Total Interest Income	3,878,129	2,444,566

4.2 Interest Expense

	2026 LKR '000	2025 LKR '000
Due to Banks	1,005,247	403,685
Due to Customers	671,550	657,916
On Obligation to Make the Lease Payment for Right-of-Use Assets	48,942	47,645
Total Interest Expenses	1,725,739	1,109,246
Net Interest Income	2,152,390	1,335,320

5. FEE AND COMMISSION INCOME

	2026 LKR '000	2025 LKR '000
Commission Income	35,432	16,498
Fee and Commission	35,432	16,498

6. OTHER OPERATING INCOME

	2026 LKR '000	2025 LKR '000
Dividend Income	476	–
Service Charges	321,329	169,390
Fair Value Gain on Investments	9,361	66,720
Other Operating Income	17,136	43,695
Total Other Operating Income	348,302	279,806

7. IMPAIRMENT CHARGES FOR LOANS AND OTHER LOSSES

	2026 LKR '000	2025 LKR '000
Charge/(written back) to the statement of comprehensive income		
– Impairment on Individually Significant Loans	33,155	3,529
– Impairment on Collective Loan Portfolio	138,400	59,922
– Net of recoveries written off	(8,577)	10,462
Total Impairment Charge	162,978	73,914

Lease Rental Receivables (Note 17.2.a)

Stage 1	(6,553)	(8,914)
Stage 2	(2,701)	(7,501)
Stage 3	1,639	(698)
	(7,615)	(17,113)

Loans and Advances (Note 18.2.a)

Stage 1	80,186	40,181
Stage 2	19,873	5,478
Stage 3	59,656	14,641
	159,715	60,300

Gold Advances

Stage 1	9,320	15,136
Stage 2	10,607	5,600
Stage 3	(472)	(450)
	19,455	20,286

8. PERSONNEL EXPENSES

	2026 LKR '000	2025 LKR '000
Salaries	505,463	426,930
Employers' Contribution to Employee's Provident Fund	46,017	40,726
Employers' Contribution to Employee's Trust Fund	11,504	10,181
Gratuity Charge for the year	12,133	14,271
Other Staff Related Expenses	80,984	68,421
Total Personnel expenses	656,101	560,529

9. OTHER OPERATING EXPENSES

	2025 LKR '000	2024 LKR '000
Directors' Emoluments	3,300	4,266
Auditor's Remuneration	1,723	1,834
Professional and Legal	22,761	18,165
Office Administration and Establishment	250,530	207,803
Advertising and Promotional	41,747	69,276
Disallowable Input VAT	11,781	18,770
License and Renewal Fees	1,798	2,665
Other	120,229	92,004
Total Other Operating expenses	453,869	414,783

NOTES TO THE FINANCIAL STATEMENTS (contd.)

10. VALUE ADDED TAX ON FINANCIAL SERVICES AND SSCL

	2026 LKR '000	2025 LKR '000
VAT on Financial Services	239,838	135,364
Social Security Contribution Levy (SSCL)	34,555	18,801
	<u>274,393</u>	<u>154,165</u>

11. INCOME TAX EXPENSES

11.1 The major component of income tax for the period ended 31st March is as follows;

	2026 LKR '000	2025 LKR '000
Income Statement		
Current Income Tax		
Income Tax for the Period	363,086	147,376
Due to Rate Reduction	—	—
Tax Adjustment with Final Payment	1,606	—
Deferred Tax (Note 30)		
Due to Change in Temporary Differences	(24,326)	(13,971)
Due to Rate Change	—	—
Income Tax Expenses reported in the Income Statement	<u>340,366</u>	<u>133,405</u>

Statement of Other Comprehensive Income

Differed Tax Related to Items Recognised in OCI During the Year

Net Gain/(Loss) on Actuarial Gains/Losses During the Year	(126)	2,110
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Income Tax Expenses reported in the Other Comprehensive Income	<u>(126)</u>	<u>2,110</u>
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Total Income Tax Expense for the year	<u>340,240</u>	<u>135,515</u>
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Income Tax Rate Applicable	30%	30%
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11.2 Reconciliation of Accounting Profit and Taxable Income

A reconciliation between the tax expense and the accounting profit multiplied by Income tax rate for the year ended 31st March 2026 was as follows.

	2026 LKR '000	2025 LKR '000
Accounting Profit / (Loss) Before Income Taxation	818,597	279,291
Aggregate Allowable Expenditure	(255,522)	(218,957)
Tax loss Utilised	—	—
Aggregate Disallowable Expenditure	647,211	430,919
	<u>1,210,286</u>	<u>491,253</u>
Tax at Statutory Rates	363,086	147,376
Less : Due to Rate Reduction	—	—
Less : Tax Adjustment with Final Payment	1,606	—
	<u>364,692</u>	<u>147,376</u>
Deferred Taxation Charged/(Reversal)	(24,326)	(13,971)
Less : Due to Rate Change	—	—
	<u>340,366</u>	<u>133,405</u>
Effective Tax Rate	42%	47.77%

12. BASIC AND DILUTED EARNINGS PER ORDINARY SHARES

12.1 Basic and Diluted Earnings Per Share is calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period, as per LKAS-33-Earnings Per Share.

12.2 The following reflect the income and share details used in the Basic and Diluted Earning Per Share computation;

	2026 LKR '000	2025 LKR '000
Amount Used as Numerators		
Profit attributable to Ordinary Share Holders	478,231	145,886
Number of Ordinary shares used as Denominator		
Weighted Average Number of Ordinary Shares	145,639	145,639
Basic and Diluted Earning Per Ordinary Shares	3.28	1.00

13. CASH AND BANK BALANCES

	2026 LKR '000	2025 LKR '000
Cash in Hand	81,426	106,885
Bank Balances	341,667	71,249
	<u>423,093</u>	<u>178,134</u>

14. INVESTMENT IN GOVERNMENT SECURITIES

	2026 LKR '000	2025 LKR '000
Investment in Government Securities original maturity less than 3 months	2,000,289	857,106
Investment in Government Securities original maturity more than 3 months	293,968	391,838
	<u>2,294,257</u>	<u>1,248,944</u>

15. PLACEMENT WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	2026 LKR '000	2025 LKR '000
Fixed Deposits Placed with Banks Original Maturity less than 3 months	300,000	—
Fixed Deposits Placed with Banks Original Maturity more than 3 months	101,207	151,076
	<u>401,207</u>	<u>151,076</u>

16. GOLD ADVANCES

	2026 LKR '000	2025 LKR '000
Gold Advances	9,248,974	6,468,266
Less : Allowance for Impairment Losses	(64,743)	(45,288)
Net Gold Advances	<u>9,184,231</u>	<u>6,422,978</u>

16.1 Collective Impairment

	2026 LKR '000	2025 LKR '000
As at 1 st April	45,288	25,002
Charges/(reversals) for the year	19,455	20,286
As at 31 st March	<u>64,743</u>	<u>45,288</u>

NOTES TO THE FINANCIAL STATEMENTS (contd.)**16.2 Stage wise allowance for impairment**

	As at 31 st March 2026			As at 31 st March 2025		
	Gross Loan Receivables	Allowance for Impairment Losses	Net Loan Receivables	Gross Loan Receivables	Allowance for Impairment Losses	Net Loan Receivables
Stage - 1	8,153,363	41,995	8,111,369	5,741,373	32,675	5,708,698
Stage - 2	1,084,049	22,203	1,061,846	686,714	11,596	675,118
Stage - 3	11,563	545	11,018	40,179	1,017	39,162
	9,248,975	64,743	9,184,233	6,468,266	45,288	6,422,978

17. LEASE RENTALS RECEIVABLE

	2026 LKR '000	2025 LKR '000
Rental Receivable on Lease	3,256,399	3,527,466
Gross Rentals Receivables	3,256,399	3,527,466
Less: Unearned Income	(707,283)	(779,423)
	2,549,116	2,748,043
Less : Rentals Received in Advance	—	(15,744)
Net Rentals Receivables before charging Allowance for Impairment Losses	2,549,116	2,732,299
Less : Allowance for Impairment Losses (Note 17.2)	(68,170)	(75,786)
Total Net Rentals Receivable	2,480,946	2,656,513

17.1 Net Rentals Receivable on Leases 'LKR

	As at 31 st March 2026			As at 31 st March 2025		
	Gross Rentals Receivable	Allowance for Impairment Losses	Net Rentals Receivable	Gross Rentals Receivable	Allowance for Impairment Losses	Net Rentals Receivable
Stage - 1	2,039,408	8,770	2,030,638	2,161,190	15,323	2,145,867
Stage - 2	372,742	3,331	369,411	440,691	5,754	434,937
Stage - 3	136,966	56,069	80,897	130,418	54,709	75,709
	2,549,116	68,170	2,480,946	2,732,299	75,786	2,656,513

17.2 Allowance for Impairment Losses LKR**(a) Allowance for Impairment stage wise**

	Collective			Individual	Total
	Stage -1	Stage -2	Stage -3	All Stages	
Balance as at 01 st April 2025	15,323	5,754	54,709	—	75,786
Charges/(Reversals) for the year	(6,553)	(2,701)	1,360	279	(7,615)
Balance as at 31 st March 2026	8,770	3,053	56,069	279	68,171

(b) Movement in allowance for impairment

	2026 LKR '000	2025 LKR '000
As at 01 st April	75,786	92,920
Charges/(reversals) for the year	(7,615)	(8,388)
Amounts written off	—	(8,746)
As at 31 st March	68,171	75,786
Individual impairment	279	—
Collective impairment	67,892	75,786
Total	68,171	75,786

NOTES TO THE FINANCIAL STATEMENTS (contd.)

(c) Movements in Individual and Collective impairment allowance for Leasing & Hire Purchase Rentals Receivables during the year

	2026 LKR '000	2025 LKR '000
Individual Impairment		
As at 1 st April	–	154
Charges/(reversals) for the year	279	(154)
Amounts written off	–	–
As at 31 st March	279	–
Collective Impairment		
As at 1 st April	75,786	92,766
Charges/(reversals) for the year	(7,894)	(8,234)
Amounts written off	–	(8,746)
As at 31 st March	67,892	75,786
Total	68,171	75,786

17.3 Credit Exposure and ECL Stage wise movement

An analysis of changes in the gross carrying amount and the corresponding ECL of Lease Rental Receivable is as follows :

Gross exposure reconciliation

As at 31st March 2026

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at 01st April 2025	2,161,190	440,691	130,418	2,732,299
Changes due to loans recognised in the opening balances that have:	–	–	–	–
- Transfers to Stage 1	92,763	(88,726)	(4,037)	–
- Transfers to Stage 2	(239,833)	241,181	(1,348)	–
- Transfers to Stage 3	(37,452)	(43,091)	80,544	–
- Loans that have been derecognised during the period	(604,904)	(201,422)	(56,468)	(862,794)
New loans originated during the year	1,087,391	107,617	11,968	1,206,976
Written off	–	–	–	–
Remeasurement of net exposure	(419,747)	(83,508)	(24,111)	(527,366)
Gross carrying amount balance as at 31st March 2026	2,039,408	372,742	136,966	2,549,115

As at 31st March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at 1st April 2024	2,114,556	584,202	258,291	2,957,049
Changes due to loans recognised in the opening balances that have been,	–	–	–	–
- Transfers to Stage 1	128,632	(117,959)	(10,673)	–
- Transfers to Stage 2	(193,430)	214,685	(21,255)	–
- Transfers to Stage 3	(21,260)	(31,088)	52,347	–
- Loans that have been derecognised during the period	(784,056)	(288,692)	(101,972)	(1,174,720)
New loans originated during the year	1,306,755	184,237	11,418	1,502,409
Written off	(1,848)	–	(33,656)	(35,503)
Remeasurement of net exposure	(388,160)	(104,695)	(24,083)	(516,937)
Gross carrying amount balance as at 31st March 2025	2,161,188	440,689	130,416	2,732,298

NOTES TO THE FINANCIAL STATEMENTS (contd.)**Reconciliation of ECL balance****As at 31st March 2026**

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at 1st April 2025				
Changes due to loans recognised in the opening balances that have been,	15,323	5,754	54,709	75,786
- Transfers to Stage 1	2,852	(1,158)	(1,694)	–
- Transfers to Stage 2	(1,702)	2,268	(566)	–
- Transfers to Stage 3	(266)	(563)	828	(1)
- Loans that have been derecognised during the period	(4,293)	(2,630)	(23,687)	(30,610)
New loans originated during the year	4,682	962	4,899	10,543
Written off	–	–	–	–
Net remeasurement of loss allowance	(7,825)	(1,301)	21,578	12,452
ECL allowance balance as at 31st March 2026	8,771	3,332	56,067	68,170

As at 31st March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at 1st April 2024	24,258	13,255	55,407	92,920
Changes due to loans recognised in the opening balances that have been,				
- Transfers to Stage 1	4,966	(2,676)	(2,290)	–
- Transfers to Stage 2	(2,219)	6,779	(4,559)	–
- Transfers to Stage 3	(244)	(705)	949	–
- Loans that have been derecognised during the period	(8,995)	(6,550)	(20,369)	(35,914)
New loans originated during the year	9,273	2,405	4,790	16,468
Written off	(21)	–	(8,725)	(8,746)
Net remeasurement of loss allowance	(11,695)	(6,753)	29,506	11,057
ECL allowance balance as at 31st March 2025	15,323	5,755	54,709	75,785

The Company has not written off any contractual amount outstanding on financial assets during the year ended 31 March 2026.

The decrease in ECL of the portfolio was driven by improvement in economic conditions during the year leading to higher overall collections. The Stage 3 provision includes management overlay of Rs 13,273,780.

17.4 Sensitivity Analysis of Accumulated Impairment for Lease Rentals Receivable as at 31st March

Changed Criteria	Changed Factor	2026 Sensitivity effect on Impairment Allowance Increase	2025 Sensitivity effect on Impairment Allowance Increase
Loss Given Default (LGD)	Increase by 1%	1,718	2,319
Probability of Default (PD)	Increase by 1%	1,535	2,154
Economic Factor Adjustment (EFA)	Increase by 5%	488	891

17.5 Rental Receivable on Lease

	Within One Year	1 to 5 Years	Over 5 Years	Total
	LKR '000	LKR '000	LKR '000	LKR '000
Gross Rentals Receivables	1,420,243	1,836,156	–	3,256,399
Less: Unearned Income	358,511	348,771	–	707,282
Net Rentals Receivable before charging Allowance for Impairment Losses	1,061,732	1,487,385	–	2,549,117

NOTES TO THE FINANCIAL STATEMENTS (contd.)

18. LOANS AND ADVANCES

	2026 LKR '000	2025 LKR '000
Loan Receivable	18,040,858	6,618,918
Less : Unearned Interest Income	(2,496,075)	(773,871)
Net Receivable	15,544,783	5,845,046.61
Less : Repayments in advance	-	(17,582)
Net Loan Receivables before charging Allowance for Impairment Losses	15,544,783	5,827,465
Less : Allowance for Impairment Losses (Note 18.2)	(263,700)	(103,985)
Total Net Loan Receivable	15,281,083	5,723,480.41

18.1 Net Receivable on Loans

	As at 31 st March 2026			As at 31 st March 2025		
	Gross Loan Receivable	Allowance for Impairment Losses	Net Loan Receivable	Gross Loan Receivable	Allowance for Impairment Losses	Net Loan Receivable
Stage - 1	13,847,644	133,008	13,714,636	5,250,812	52,821	5,197,991
Stage - 2	1,372,271	27,491	1,344,780	467,951	8,879	459,072
Stage - 3	324,867	103,201	221,666	108,701	42,284	66,417
	15,544,782	263,700	15,281,082	5,827,464	103,985	5,723,480

18.2 Allowance for Impairment Losses 'LKR

(a) Allowance for Impairment with stage wise

	Collective				
	Stage -1	Stage -2	Stage -3	Individual	Total
Balance as at 01 st April 2025	52,821	7,068	38,920	5,176	103,985
Charges/(Reversals) for the year	80,186	19,873	26,780	32,876	159,715
Balance as at 31 st March 2026	133,007	26,941	65,700	38,052	263,700

(b) Movement in allowance for impairment

	2026 LKR '000	2025 LKR '000
As at 01 st April	103,985	43,685
Charges/(reversals) for the year	159,715	60,300
Amounts written off	-	-
As at 31 st March	263,700	103,984.59
Individual impairment	38,052	5,176
Collective impairment	225,648	98,809
Total	263,700	103,984.59

(c) Movements in Individual and Collective impairment allowance for Loans and Advances during the year.

	2026 LKR '000	2025 LKR '000
Individual Impairment		
As at 1 st April	5,176	1,492
Charges/(reversals) for the year	32,876	3,684
Amounts written off	-	-
As at 31 st March	38,052	5,176
Collective Impairment		
As at 1 st April	98,809	42,193
Charges/(reversals) for the year	126,839	56,616
Amounts written off	-	-
As at 31 st March	225,648	98,809
Total	263,700	103,985

NOTES TO THE FINANCIAL STATEMENTS (contd.)**18.3 Credit Exposure and ECL Stage wise movement**

An analysis of changes in the gross carrying amount and the corresponding ECLs of Loan Receivable is as follows :

Gross exposure reconciliation**As at 31st March 2026**

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at 1st April 2025	5,250,812	467,951	108,701	5,827,464
Changes due to loans recognised in the opening balance that have:				
- Transferred to Stage 1	93,486	(69,005)	(24,480)	—
- Transferred to Stage 2	(391,824)	391,824	—	—
- Transferred to Stage 3	(169,172)	(29,898)	199,071	—
- Loans that have been derecognised during the period	(2,693,243)	(323,210)	(18,595)	(3,035,049)
New loans originated during the year	12,193,686	989,871	76,111	13,259,668
Written off	—	—	—	—
Remeasurement of net exposure	(436,100)	(55,261)	(15,941)	(507,302)
Gross carrying amount balance as at 31st March 2026	13,847,644	1,372,271	324,867	15,544,782

As at 31st March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount balance as at 1st April 2024	1,084,098	59,656	73,563	1,217,317
Changes due to loans recognised in the opening balance that have:				
- Transferred to Stage 1	15,209	(13,158)	(2,051)	—
- Transferred to Stage 2	(54,008)	55,061	(1,053)	—
- Transferred to Stage 3	(5,057)	(5,034)	10,091	—
- Loans that have been derecognised during the period	(800,180)	(25,403)	(20,004)	(845,587)
New loans originated during the year	5,063,671	409,120	54,837	5,527,627
Write-offs	—	—	—	—
Remeasurement of net exposure	(52,920)	(12,290)	(6,682)	(71,892)
Gross carrying amount balance as at 31st March 2025	5,250,813	467,952	108,701	5,827,465

Reconciliation of ECL balance**As at 31st March 2026**

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at 1st April 2025	52,821	8,879	42,285	103,985
Changes due to loans recognised in the opening balance that have:				
- Transferred to Stage 1	10,796	(1,323)	(9,473)	—
- Transferred to Stage 2	(4,021)	4,021	—	—
- Transferred to Stage 3	(1,736)	(573)	2,309	—
- Loans that have been derecognised during the period	(26,578)	(6,104)	(7,416)	(40,098)
New loans originated during the year	116,983	19,830	24,178	160,991
Write-offs	—	—	—	—
Net remeasurement of loss allowance	(15,257)	2,761	51,318	38,822
ECL allowance balance as at 31st March 2026	133,008	27,491	103,201	263,700

NOTES TO THE FINANCIAL STATEMENTS (contd.)As at 31st March 2025

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance balance as at 1st April 2024	12,641	1,590	29,454	43,685
Changes due to loans recognized in the opening balance that have:				
- Transferred to Stage 1	1,172	(351)	(821)	—
- Transferred to Stage 2	(785)	1,207	(421)	—
- Transferred to Stage 3	(74)	(134)	208	—
- Loans that have been derecognised during the period	(8,505)	(677)	(8,009)	(17,191)
New loans originated during the year	50,898	7,751	21,440	80,090
Write-offs	—	—	—	—
Net remeasurement of loss allowance	(2,526)	(507)	434	(2,599)
ECL allowance balance as at 31st March 2025	52,821	8,879	42,285	103,985

The contractual amount outstanding on financial assets that have been written off by the Company during the year ended 31st March 2025 and that were still subject to enforcement activity was nil.

The increase in ECL of the portfolio was driven by increase in overall disbursements during the year with the opening up of vehicle imports. The Stage 3 provision includes management overlay of Rs 13,947,049.

18.4 Sensitivity Analysis of Accumulated Impairment for Loans Receivable as at 31st March

Changed Criteria	Changed Factor	2026 Sensitivity effect on Impairment Allowance Increase	2025 Sensitivity effect on Impairment Allowance Increase
Loss Given Default (LGD)	Increase by 1%	15,237	6,170
Probability of Default (PD)	Increase by 1%	13,511	4,406
Economic Factor Adjustment (EFA)	Increase by 5%	6,565	2,356

18.5 Receivable on Loans and Advances

	Within One Year LKR	1 to 5 Years LKR	Over 5 Years LKR	Total LKR
Gross Receivables	7,366,348	10,637,506	37,003	18,040,857
Less: Unearned Income	1,023,287	1,470,596	2,192	2,496,075
Net Receivable before charging Allowance for Impairment Losses	6,343,061	9,166,910	34,811	15,544,782

19. OTHER FINANCIAL ASSETS

	2026 LKR '000	2025 LKR '000
Refundable Deposit	22,668	19,925
Sundry Debtors	7,148	1,088
Other Receivables	10	—
	29,826	21,013

20. OTHER NON-FINANCIAL ASSETS

	2026 LKR '000	2025 LKR '000
Advances and Prepayment	137,864	72,885
Other Receivables	1,919	524
	139,783	73,410

21. FINANCIAL INVESTMENT- MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2026 LKR	No. of Shares	2024 LKR	No. of Shares
Equities - Unquoted				
Credit Information Bureau of Sri Lanka	458	100	458	100
	458	100	458	100

All unquoted equities shares are recorded at cost since its fair value cannot be reliably estimated. There is no market for these investments and company intend to hold these for long-term.

NOTES TO THE FINANCIAL STATEMENTS (contd.)

22. PROPERTY, PLANT AND EQUIPMENT

22.1 Gross Carrying Amounts

	Balance As at 31.03.2025 LKR '000	Additions LKR '000	Disposals LKR '000	Balance As at 31.03.2026 LKR '000
At Cost				
Freehold Assets				
Furniture & Fittings	291,990	21,915	(10)	313,895
Office Equipment	180,422	18,223	(2,460)	196,185
Computer Equipment	65,587	22,620	(1,685)	86,522
Motor Vehicles	56,084	79,875	(9,590)	126,369
	594,083	142,633	(13,745)	722,971
Assets on Leases				
Right-of-Use Assets	526,460	94,998	—	621,458
Total Value of Depreciable Assets	1,120,543	237,631	(13,745)	1,344,429

22.2 Depreciation

	Balance As at 31.03.2025 LKR '000	Charge for the year LKR '000	Disposals LKR '000	Balance As at 31.03.2026 LKR '000
At Cost				
Freehold Assets				
Furniture & Fittings	165,865	46,229	(10)	212,084
Office Equipment	98,854	30,296	(1,196)	127,954
Computer Equipment	37,815	10,827	(823)	47,819
Motor Vehicles	15,034	13,148	(5,732)	22,450
	317,568	100,500	(7,761)	410,307
Assets On Leases				
Right-of-Use Assets	218,038	61,161	—	279,199
Total Depreciation	535,606	161,661	(7,761)	689,506

22.3 Net Book Values

	2026 LKR '000	2025 LKR '000
At Cost		
Furniture & Fittings	101,811	126,125
Office Equipment	68,231	81,568
Computer Equipment	38,703	27,773
Motor Vehicles	103,919	41,050
	312,664	276,516
Assets on Leases		
Right-of-Use Assets	342,259	308,422
Total Carrying Amount of Property, Plant & Equipment	654,923	584,938

22.4 Fully Depreciated Property, Plant and Equipment

The initial cost of fully-depreciated property, plant and equipment as at 31st March 2026, which are still in use as at the reporting date is as follows;

	2026 LKR '000	2025 LKR '000
Furniture and Fittings	65,455	65,455
Office Equipment	34,180	34,180
Computer Equipment	18,420	18,420
Motor Vehicles	3,257	3,257
Computer Software	41,891	41,891
	163,203	163,203

NOTES TO THE FINANCIAL STATEMENTS (contd.)

23. INTANGIBLE ASSETS

	2026 LKR '000	2025 LKR '000
Computer System Software		
Cost:		
Opening Balance	98,984	98,789
Addition	3,543	195
Disposal	—	—
Closing Balance	102,527	98,984
Less: Amortisation		
Opening Balance	64,485	55,694
Amortisation Charge for the Period	8,525	8,791
Closing Balance	73,010	64,485
Net Book Value as at 31st March	29,517	34,499

24. INTEREST BEARING BORROWINGS

	2026 LKR '000	2025 LKR '000
Bank Overdraft	999,187	1,025,067
Bank Borrowings	11,370,275	3,840,335
Securitisation Borrowings	4,806,607	2,084,274
	17,176,069	6,949,676

24.1 Bank Borrowings

	2026 LKR '000	2025 LKR '000
Gross liability	11,850,701	4,093,376
Less: Finance Charge Allocated to Future Period	(480,425)	(253,041)
Net Liability	11,370,276	3,840,335
Repayable Within one year		
Gross Liability	7,641,573	3,434,921
Less: Finance Charge Allocated to Future Period	(344,824)	(211,252)
Net Liability	7,296,749	3,223,669
Repayable After one year (1 to 5 Year)		
Gross Liability	4,209,128	658,456
Less: Finance Charge Allocated to Future Period	(135,601)	(41,789)
Net Liability	4,073,527	616,667
Total Net Liability	11,370,276	3,840,336

24.2 Securitisation Borrowings

	2026 LKR '000	2025 LKR '000
Gross liability	6,016,204	2,523,023
Less: Finance Charge Allocated to Future Period	(1,209,597)	(438,749)
Net Liability	4,806,607	2,084,274
Repayable Within one year		
Gross Liability	2,129,052	839,557
Less: Finance Charge Allocated to Future Period	(296,945)	(113,813)
Net Liability	1,832,107	725,744
Repayable After one year (1 to 5 Year)		
Gross Liability	3,887,152	1,683,466
Less: Finance Charge Allocated to Future Period	(912,652)	(324,936)
Net Liability	2,974,500	1,358,530
Total Net Liability	4,806,607	2,084,274

24.2.1 Institutionwise Loan Facilities

	As at 31.03.2026 LKR '000	As at 31.03.2025 LKR '000	Security
Short Term			
Bank of Ceylon	1,000,000	1,000,000	Mortgage over Lease Receivable
Deutsche Bank	1,099,187	979,062	Mortgage over Lease and Gold Loan Receivable
HSBC	1,700,000	750,000	Mortgage over Lease and Gold Loan Receivable
Hatton National Bank PLC	700,000	700,000	Mortgage over Gold Loan Receivable
People's Bank PLC	1,000,000	—	Mortgage over Lease and Gold Loan Receivable
Seylan Bank PLC	—	65,483	Mortgage over Lease and Gold Loan Receivable
	5,499,187	3,494,545	
Long Term			
HSBC	1,604,167	1,208,333	Mortgage over Lease and Gold Loan Receivable
Bank of Ceylon	2,229,150	13,903	Mortgage over Lease and Gold Loan Receivable
State Bank of India	1,500,000	—	Mortgage over Lease and Gold Loan Receivable
Sampath Bank PLC	989,583	—	Mortgage over Lease and Gold Loan Receivable
Hatton National Bank PLC	520,760	141,920	Mortgage over Lease Receivable
Securitisation of loans	4,498,530	1,975,530	Mortgage over Lease and Gold Loan Receivable
	11,342,190	3,339,686	
	16,841,377	6,834,232	

25. DUE TO CUSTOMERS

	2026 LKR '000	2025 LKR '000
Fixed Deposits accepted from public	7,530,175	6,254,214
	7,530,175	6,254,214

NOTES TO THE FINANCIAL STATEMENTS (contd.)

26. BORROWING ON LISTED DEBENTURES

The Company issued One Billion (1,000,000,000) Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable 5 Year Debenture (2026-2031), at the par value of Sri Lanka Rupees one hundred (LKR 100/-) each and raised Sri Lanka Rupees One Billion (LKR 1,000,000,000/-). The debentures have been listed on Colombo Stock Exchange wef 07th April 2026. This has been recorded as Subordinate Liabilities in Statement of Financial Position as at 31st March 2026.

Type	Amount Raised (LKR '000)	Type of Interest	Tenure	Interest Rate (Coupon Rate)	Annual Effective Rate (EIR)	Interest Payment Frequency
A	592,900	Fixed	5 Years	12.00%	12.00%	Annual
B	407,100	Floating	5 Years	11.82%	N/A	Semi Annual

	2026 LKR '000	2025 LKR '000
As at 31 March		
Balance at the beginning of the year	-	-
Issuance during the year	1,000,000	-
Accrual of Interest	1,231	-
Amortisation of issuance costs	(605)	-
	1,000,626	-
Less: Settlement of Interest (coupon)	-	-
Balance at the end of the year	1,000,626	-

27. OTHER FINANCIAL LIABILITIES

	2026 LKR '000	2025 LKR '000
Trade Payable	562,346	101,755
Accrued Expense	96,988	78,949
Obligation to Make the Lease Payment (Note 27.1)	408,065	356,921
Sundry Creditors	252,574	101,947
Other Liabilities	54,637	30,165
	1,374,610	669,737

27.1 Obligation to Make the Lease Payment

	2026 LKR '000	2025 LKR '000
As at 01 st April	356,920	303,757
Additions and improvements during the year	89,292	93,780
Disposals during the year	-	(9,575)
Accretion of interest during the year	48,942	47,645
Payments to lease creditors	(87,090)	(78,687)
As at 31 st March	408,064	356,920

28. OTHER NON-FINANCIAL LIABILITIES

	2026 LKR '000	2025 LKR '000
WHT Payable	7,629	5,239
Stamp Duty Payable	5,997	4,142
VAT Payable	67,379	64,899
	81,005	74,280

29. RETIREMENT BENEFIT LIABILITY

29.1 Defined Benefit Liability

	2026 LKR '000	2025 LKR '000
Defined Benefit Liability	47,021	37,738
	47,021	37,738

29.2 Changes in the Defined benefit obligation are as follows.

Opening Liability	37,738	49,037
Net Benefit expense	12,555	7,238
Benefit paid	(3,272)	(18,537)
Closing Liability	47,021	37,738

	2026 LKR '000	2025 LKR '000
Interest Cost	3,610	6,032
Current Service Cost	8,523	8,240
Actuarial Gain on Obligations	421	(7,033)
	12,554	7,239

29.3 Net Benefit expense

29.4 The principal financial assumptions used are as follows.

Messrs. Piyal S Goonetilleke Actuaries, carried out an actuarial valuation of the defined benefit plan gratuity on 31st March 2024. Appropriate and compatible assumptions were used in determining the cost of retirement benefits. The principal assumptions used are as follows:

	2026	2025
Discount Rate*	10.00%	10.00%
Future Salary Increment Rate	9.00%	10.00%
Retirement Age	60 Years	60 Years
The weighted average duration of the defined benefit obligation	5.2 Years	5.0 Years
Mortality - GA 1983 Mortality Table issued by the Institute of Actuaries London		

* Discount rate used for the actuarial valuation changed during the year due to changes in market interest rates. Future salary increment rate too was revised to fall in line with the decrease in inflation rates.

29.5 Sensitivity Analysis

+/- 1% change on Discount Rate and Salary Increase- present value of defined benefit obligation as at 31 March 2026.

	Present Value of Defined Benefit Obligation (PVDBO)		
	31-Mar-26	31-Mar-26	31-Mar-26
Discount Rate	9.00%	10.0%	11.00%
Basic Salary Scale	9.0%	9.0%	9.0%
Census at:	31-Mar-26	31-Mar-26	31-Mar-26
Total PVDBO	49,484	47,021	44,803

NOTES TO THE FINANCIAL STATEMENTS (contd.)

	Present Value of Defined Benefit Obligation (PVDBO)				Present Value of Defined Benefit Obligation (PVDBO)		
	31-Mar-26	31-Mar-26	31-Mar-26		31-Mar-25	31-Mar-25	31-Mar-25
Discount Rate	10.00%	10.0%	10.00%	Discount Rate	10.00%	10.00%	10.00%
Basic Salary Scale	8.0%	9.0%	10.0%	Basic Salary Scale	9.0%	10.0%	11.0%
Census at:	31-Mar-26	31-Mar-26	31-Mar-26	Census at	31-Mar-25	31-Mar-25	31-Mar-25
Total PVDBO	44,885	47,021	49,352	Total PVDBO	35,831	37,381	39,064

Sensitivity Analysis

+/- 1% change on Discount Rate and Salary Increase- present value of defined benefit obligation as at 31 March 2025.

29.6 Maturity Profile of Undiscounted Cash Flows of Defined Benefit Obligation

	Present Value of Defined Benefit Obligation (PVDBO)				2026	2025
	31-Mar-25	31-Mar-25	31-Mar-25			
Discount Rate	9.00%	10.00%	11.00%	Within 1 year	6,191	6,038
Basic Salary Scale	10.0%	10.0%	10.0%	Between 1 and 5 years	26,091	21,854
Census at	31-Mar-25	31-Mar-25	31-Mar-25	More than 5 years	14,739	9,490
Total PVDBO	52,757	49,037	45,933		47,021	37,382

30. DEFERRED TAX (ASSET)/ LIABILITY

As at 31st March 2026

Accelerated Depreciation for Tax Purposes

Description	Property, Plant and Equipment	Intangible Assets	Right-of-Use Assets	Lease Rentals	Impairment of Loans and Receivables	Defined Benefit Plan Obligation	Others	Total
Balance as at 1st April 2025	26,207	2,105	(14,549)	–	(38,419)	(11,321)	–	(35,978)
Profit or loss (Note no. 11.1)								
Due to change in temporary differences	15,889	420	(5,193)	–	(32,784)	(2,658)		(24,326)
Other comprehensive income								
Due to change in temporary differences	–	–	–	–	–	(126)	–	(126)
Balance as at 31st March 2026	42,096	2,525	(19,742)	–	(71,203)	(14,106)	–	(60,430)

As at 31st March 2025

Accelerated Depreciation for Tax Purposes

Description	Property, Plant and Equipment	Intangible Assets	Right of Use Assets	Lease Rentals	Impairment of Loans and Receivables	Defined Benefit Plan Obligation	Others	Total
Balance as at 1st April 2024	19,986	2,517	(8,885)	–	(23,024)	(14,711)	–	(24,117)
Profit or loss (Note no. 11.1)								
Due to change in temporary differences	6,221	(412)	(5,664)	–	(15,396)	1,280		(13,971)
Other comprehensive income								
Due to change in temporary differences	–	–	–	–	–	2,110	–	2,110
Balance as at 31st March 2025	26,207	2,105	(14,549)	–	(38,420)	(11,321)	–	(35,978)

NOTES TO THE FINANCIAL STATEMENTS (contd.)**31. STATED CAPITAL**

Issued and Fully Paid - Ordinary Shares	No. of Shares	LKR '000
Balance as of 1 st April 2024	145,639,098	145,639
Issued during the Period	—	—
Balance as of 31 st March 2025	145,639,098	145,639
Balance as of 1 st April 2025	145,639,098	145,639
Issued during the Period	—	—
Balance as of 31 st March 2026	145,639,098	145,639

31. RESERVES

	2026 LKR '000	2025 LKR '000
Statutory Reserve Fund		
Opening Balance as at 1 st April	60,599	53,059
Addition during the year	23,897	7,540
Closing Balance as at 31 st March	84,496	60,599

The company's reserve fund is maintained in accordance with Direction No. 1 of 2003 issued by the Central Bank of Sri Lanka under the Finance Business Act No. 42 of 2011.

33. CASH AND CASH EQUIVALENTS FOR THE PURPOSE OF CASH FLOW STATEMENT

Components of Cash and Cash Equivalents	2026 LKR '000	2025 LKR '000
Favourable Cash and Cash Equivalents Balance		
Cash and Bank Balance (Note 13)	423,093	178,134
Investment in Government Securities (Note 14)	2,000,289	857,106
Investment in FD with short-Term Maturities (Note 15)	300,000	—
	2,723,382	1,035,240
Unfavourable Cash and Cash Equivalents Balance		
Bank Overdraft (Note 24)	999,187	1,025,067
	999,187	1,025,067
Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement	1,724,195	10,173

NOTES TO THE FINANCIAL STATEMENTS (contd.)

34. ANALYSIS OF FINANCIAL ASSETS AND LIABILITIES ON MEASUREMENT BASIS

	Financial Assets at Fair Value Income Statement LKR '000	Financial Assets at Fair Value Other Comprehensive Income LKR '000	Financial Assets and Liabilities at Amortized Cost LKR '000	Total LKR '000
As at 31st March 2025				
Financial Assets				
Cash and Bank Balances	-	-	423,093	423,093
Investment in Government Securities	-	-	2,294,257	2,294,257
Placements with Other Banks and Financial Institutions	-	-	401,207	401,207
Lease Rental Receivables	-	-	2,480,946	2,480,946
Loans and Advances	-	-	15,281,083	15,281,083
Gold Advances	-	-	9,184,231	9,184,231
Financial Investments measured at Fair Value through OCI	-	458	-	458
Other Financial Assets	-	-	29,826	29,826
Total Financial Assets	-	458	30,094,644	30,095,102
Financial Liabilities				
Interest Bearing Borrowings	-	-	17,176,069	17,176,069
Due to the Customers	-	-	7,530,175	7,530,175
Subordinate Liabilities	-	-	1,000,626	1,000,626
Other Financial Liabilities	-	-	1,374,610	1,374,610
Total Financial Liabilities	-	-	27,081,480	27,081,480
As at 31st March 2025				
Financial Assets				
Cash and Bank Balances	-	-	178,134	178,134
Investment in Government Securities	-	-	1,248,944	1,248,944
Placements with Other Banks and Financial Institutions	-	-	151,076	151,076
Lease Rental Receivables	-	-	2,656,513	2,656,513
Loans and Advances	-	-	5,723,480	5,723,480
Gold Advances	-	-	6,422,978	6,422,978
Financial Investments measured at Fair Value through OCI	-	458	-	458
Other Financial Assets	-	-	21,012	21,012
Total Financial Assets	-	458	16,402,137	16,402,595
Financial Liabilities				
Interest Bearing Borrowings	-	-	6,949,676	6,949,676
Due to the Customers	-	-	6,254,214	6,254,214
Other Financial Liabilities	-	-	639,572	639,572
Total Financial Liabilities	-	-	13,843,462	13,843,462

NOTES TO THE FINANCIAL STATEMENTS (contd.)

35. FAIR VALUE OF FINANCIAL INSTRUMENTS

34.1 Determination of Fair Value and Fair Value Hierarchy

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

- Level 1 : Quoted prices in active markets for identical assets and liabilities.
- Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

35.2 Financial Instruments regularly measured using Fair Value - recurring items

a) Financial Investments - Measured at Fair Value through other comprehensive income

Investment in Equity Instruments	Unquoted Fair Value Hierarchy	Carrying Amount LKR '000	Fair Value LKR '000
As at 31 st March 2026	Level 3	458	458
As at 31 st March 2025	Level 3	458	458

Equity instruments at fair value through OCI primarily consist of unquoted equity securities. Unquoted equity securities are carried at cost since it is the most reasonable value available to represent the price of such securities and hence, classified as Level 3 hierarchy.

35.3 Fair Value of the Financial Instrument Carried at Amortised Cost

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the Financial Statements. This table does not include the fair values of assets and liabilities.

As at 31 st March 2026	Level	Carrying Amount LKR '000	Fair Value LKR '000
Financial Assets			
Investment in Government Securities	Level 01	2,294,257	2,293,387
Lease Rental Receivables	Level 02	2,480,946	2,491,761
Loans and Advances	Level 02	15,281,083	15,169,817
Financial Liabilities			
Interest Bearing Borrowings	Level 02	16,176,882	16,389,213
Subordinate Liabilities	Level 02	1,000,626	1,000,626

As at 31 March 2025	Level	Carrying Amount LKR '000	Fair Value LKR '000
Financial Assets			
Investment in Government Securities	Level 01	1,248,944	1,249,434
Lease Rentals Receivable	Level 02	2,656,513	2,621,618
Loans and Advances	Level 02	5,723,480	5,734,188
Financial Liabilities			
Interest Bearing Borrowings	Level 02	5,924,609	5,977,930

For the following list of Financial Instrument whose carrying amount is a reasonable approximation of fair value because, for example, they are short-term in nature or reprice to current market rates frequently.

Assets

Cash and Bank Balances
Placements with Banks and Other Financial Institutions
Gold Advances
Other Financial Assets

Financial Liabilities

Bank Overdraft
Due to the Customers
Other Financial Liabilities

36. CURRENT AND NON-CURRENT ANALYSIS OF ASSETS AND LIABILITIES

Table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

As at 31 st March 2026	Within 12 Months LKR '000	After 12 Months LKR '000	Total LKR '000
ASSETS			
Cash and Bank Balances	423,093	–	423,093
Investment in Government Securities	2,294,257	–	2,294,257
Placements with Banks and Other Financial Institutions	301,207	100,000	401,207
Gold Advances	9,184,231	–	9,184,232
Lease Rentals Receivable and Loans and Advances	7,062,638	10,699,391	17,762,029
Other Financial Assets	17,606	12,220	29,826
Other Non-Financial Assets	91,521	48,262	139,783
Financial Investments-Measured at FVOCI	–	458	458
Property, Plant and Equipment	–	654,923	654,923
Intangible Assets	–	29,517	29,517
Deferred Tax Assets	–	60,430	60,430
Total Assets	19,374,554	11,605,200	30,979,754
LIABILITIES			
Interest Bearing Borrowings	10,128,043	7,048,027	17,176,070
Due to the Customers	6,742,200	787,975	7,530,175
Subordinate Liabilities	–	1,000,626	1,000,626
Other Financial Liabilities	1,016,908	357,702	1,374,610
Other Non-Financial Liabilities	81,005	–	81,005
Current Tax Liabilities	209,263	–	209,263
Retirement Benefit Liability	–	47,021	47,021
Total Liabilities	18,177,419	9,241,351	27,418,770
Net Assets	1,197,135	2,363,849	3,560,984

NOTES TO THE FINANCIAL STATEMENTS (contd.)

As at 31 st March 2025	Within 12-Months LKR '000	After 12-Months LKR '000	Total LKR '000
ASSETS			
Cash and Bank Balances	178,134	–	178,134
Investment in Government Securities	1,248,944	–	1,248,944
Financial Investments Measured at Fair Value Through PL	–	–	–
Placements with Banks and Other Financial Institutions	101,076	50,000	151,076
Gold Advances	6,422,978	–	6,422,978
Lease Rental Receivables and Loans and Advances	2,961,415	5,418,578	8,379,992
Other Financial Assets	2,614	18,399	21,012
Other Non-Financial Assets	47,786	25,624	73,410
Financial Investments Measured at Fair Value through OCI	–	458	458
Inventories	–	–	–
Property, Plant and Equipment	–	584,939	584,939
Intangible Assets	–	34,498	34,498
Deferred Tax Assets	–	35,978	35,978
Total Assets	10,962,947	6,168,474	17,131,419
LIABILITIES			
Interest Bearing Borrowings	4,974,480	547,494	5,521,974
Due to the Customers	5,416,825	268,533	5,685,358
Other Financial Liabilities	317,371	275,210	592,581
Other Non-Financial Liabilities	104,445	–	104,445
Current Tax Liabilities	62,723	–	62,723
Retirement Benefit Liability	–	49,037	49,037
Total Liabilities	10,875,844	1,140,274	12,016,118
Net Assets	87,103	5,028,200	5,115,301

37. COMMITMENT AND CONTINGENCIES

There were no significant capital commitment and contingencies as of the reporting date.

37.1 Litigation Against Company

The Company does not have contingent liabilities in respect of legal claims arising in the ordinary course of business.

37.2 Assets Pledged

The following assets have been pledged as security for liabilities.

Nature of Assets	Nature of Liability	Carrying Amount Pledged		
		2026 LKR '000	2025 LKR '000	Included Under
Lease Rentals Receivable *	Bank Loans and Overdrafts	1,922,495	2,038,422	Lease Rentals Receivable
Loan Receivable*	Bank Loans and Overdrafts	13,030,394	5,666,850	Loans and Advances
Gold Advances*	Bank Loans and Overdrafts	9,002,424	6,260,145	Gold Advances
		23,955,313	13,965,417	

* The receivables and cash flows that have been included in securitisation transactions are only available for payment of the debt and other obligations issued or arising in the securitisation transactions. However, the Company holds the right to the excess cash flows not needed to pay the debt and other obligations issued or arising in each of the securitisation transactions.

38. EVENTS OCCURRING AFTER THE REPORTING DATE

Subsequent to the reporting date, no circumstances have arisen which would require adjustments to, or disclosure in Financial Statement.

39. RELATED PARTY TRANSACTIONS

The Company carries out transactions in the ordinary course of business with the parties who are defined as "Related Parties" in LKAS-24-Related Party Disclosures.

Terms and Conditions

All such transactions entered into with the related parties are on an arms' length basis and are comparable with what is applied to the transactions with unrelated customers with similar credit standing.

Details of related party transactions which the Company had during the year are as follows:

39.1 Transactions with Key Managerial Personnel (KMPs)

The Company has identified and disclosed those personnel having the authority and responsibility for planning, directing and controlling the activities of the company as "Key Management Personnel" in accordance with LKAS 24-"Related Party Disclosures". Accordingly, Board of Directors, Chief Executive Officer, Members of Corporate Management team have been identified as "Key Management Personnel".

39.1.1 Compensation to KMP

	2026 LKR '000	2025 LKR '000
Short-Term Employment Benefits	133,218	88,770
Post Employment Benefits	–	14,850
	133,218	103,620

In addition to the above, the Company has also paid non-cash benefits such as vehicles and fuel to key management personnel in line with the approved employment benefits of the Company.

NOTES TO THE FINANCIAL STATEMENTS (contd.)

39.1.2 Transaction with KMP and their Close Family Members

Aggregate value of transactions with KMP and their CFM are disclosed below. These transactions are carried out at Arm's length prices.

	2026 LKR '000	2025 LKR '000
Fixed Deposits accepted during the year	11,933	10
Fixed Deposits held at the end of the year	5,933	110
Interest paid during the year	50	—

39.2 Transaction, arrangements and agreements involving Entities which are controlled, and/or jointly controlled by the KMP's and their CFMs or shareholders

	Nature of Relationship	Amount of the Transactions during the year LKR '000	Outstanding Receivable/ (Payable) Balance as at 31/03/2026 LKR '000	Outstanding Receivable/ (Payable) Balance as at 31/03/2025 LKR '000
Ideal Motors (Pvt) Ltd	Affiliate Company			
Vehicle Repair Services		318	—	(78)
Vehicle Purchases		40,445	—	—
Other Purchases and Services		21,842	(4,749)	—
Ideal Premier (Pvt) Ltd	Affiliate Company			
Vehicle Repair Services		74	—	—
Ideal First Choice (Pvt) Ltd	Affiliate Company			
Vehicle Repair Services		127	—	—
Prompt Express Private Limited	Affiliate Company			
Lease and Loan Receivables		—	438	2,836
Courier Service Charges		3,530	(288)	(655)
Mahindra & Mahindra	Ultimate Parent Company			
Trade Mark Fee and Other services		450	(90)	—
Ideal Automotive Parts Private Limited	Affiliate Company			
Lease and Loan Receivables		—	—	5,006
Ideal Automobile Private Limited	Affiliate Company			
Fixed Deposits placed with the Company		—	750	750
Fixed Deposits placed with the Company		71	4	4

40. CAPITAL

The Company maintains capital in order to cover the risks inherent in the business and meet the capital adequacy requirements of the Central Bank of Sri Lanka. The adequacy of the Company's capital is monitored based on these measures, rules and ratios adopted by Central Bank of Sri Lanka.

40.1 Capital Management

The primary objective of Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and healthy capital ratios in order to support its business and to maximise the shareholders' value.

Regulatory Capital

The Company manages its capital considering the regulatory capital requirements. The Central Bank of Sri Lanka (CBSL) sets and monitors capital requirements for licensed finance companies. Accordingly, finance companies in Sri Lanka need to maintain a minimum total capital adequacy ratio of 12.5% and a minimum core capital adequacy ratio (Tier I) of 8.5%. The Company has always maintained the Capital Adequacy Ratio above the minimum regulatory requirements. The Company's Tier I and Tier II capital adequacy ratios as at the end of the financial year stood at 14.93% and 15.05% respectively.

41. RISK MANAGEMENT

41.1 Introduction

Risk is inherent in the Company's activities, but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities.

RISK MANAGEMENT FRAMEWORK

The Board of Directors holds ultimate responsibility for the establishment and oversight of the Company's risk management framework and has delegated this responsibility to the Board Integrated Risk Management Committee (BIRMC), which is responsible for developing and monitoring risk management policies and practices. The BIRMC is chaired by an Independent Director and comprises only Non-Executive Directors, with a majority being Independent Directors, while the MD/CEO and key Executive Officers attend meetings as permanent invitees. The Committee meets on a bi-monthly basis, and the Board is regularly updated on its activities and key outcomes.

RISK MANAGEMENT AND REPORTING

Monitoring and controlling risks are primarily performed based on policies, limits and thresholds established by the Company. These limits reflect the business strategy and market environment of the Company as well as the level of risk that the Company is willing to accept.

NOTES TO THE FINANCIAL STATEMENTS (contd.)

41.2 Credit Risk

Credit risk is the risk that arises due to the uncertainty in counterparty's ability to meet its obligations. The risk of loss of principal or loss of a financial reward stemming from a borrower's failure to repay a loan or otherwise meet a contractual obligation. The Company considers a financial instrument defaulted for impairment calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

41.2.1 Credit Quality of Financial Assets :

The following table sets out information about credit quality of leases and loans measured at amortised cost primarily based on days past due information. The amount represents gross carrying amount.

Particulars	31 st March 2026	31 st March 2025
Gross carrying value of Lease Rental Receivables		
Neither Past due nor impaired	1,260,964	1,412,791
Past Due but not impaired		
30 days past due	778,444	748,399
31-90 days past due	372,742	440,691
Impaired (more than 90 days)	136,966	130,418
Total Gross carrying value as at reporting date	2,549,116	2,732,299

Particulars	31 st March 2026	31 st March 2025
Gross carrying value of Loans and Advances		
Neither Past due nor impaired	17,390,380	3,347,849
Past Due but not impaired		
30 days past due	4,610,629	1,902,964
31-90 days past due	2,456,320	467,951
Impaired (more than 90 days)	336,430	108,701
Total Gross carrying value as at reporting date	24,793,759	5,827,464

41.2.2 Analysis of Risk Concentration

41.2.2.1 Industry Analysis

The following table shows the risk concentration by industry for the components of the Statement of Financial Position.

Sector wise Break Down as at 31 st March 2026	Cash & Bank Balances	Investment in Government Securities at Amortized cost	Placement with Bank & Other Financial Institutions	Lease Rental Receivables and Loans and Advances	Financial Investments- Measured at Fair Value through OCI	Gold Advances	Other Financial Assets	Total Financial Assets
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
Agriculture	—	—	—	493,111	—	—	—	493,111
Manufacturing	—	—	—	553,587	—	—	—	553,587
Construction	—	—	—	796,962	—	—	—	796,962
Financial Services	423,093	2,295,099	401,207	268,933	—	—	—	3,388,332
Trading	—	—	—	1,777,921	—	—	—	1,777,921
Hotels	—	—	—	508,385	—	—	—	508,385
Services	—	—	—	352,934	458	—	—	353,392
Transport	—	—	—	7,059,884	—	—	—	7,059,884
Consumer	—	—	—	5,950,311	—	9,184,233	29,826	15,164,370
Total	423,093	2,295,099	401,207	17,762,028	458	9,184,233	29,826	30,095,944

NOTES TO THE FINANCIAL STATEMENTS (contd.)

Provincial break down for lease and loan receivables within Sri Lanka as follows.

Province	Lease Rental Receivables	Loans & Advances	Gold Advances
Central	174,675	544,108	1,421,612
North Central	149,943	859,666	231,841
North Western	197,969	706,011	400,878
Northern	108,985	267,890	1,824,177
Sabaragamuwa	253,782	1,531,126	553,110
Southern	197,983	712,760	658,962
Uva	426,121	598,813	1,328,463
Western	1,039,658	10,324,409	2,829,932
Total	2,549,116	15,544,783	9,248,975

Sector wise Break Down as at 31 st March 2025	Cash & Bank Balances	Investment in Government Securities at Amortised cost LKR '000	Placement with Bank and Other Financial Institutions LKR '000	Lease Rentals Receivable and Loans and Advances LKR '000	Financial Investments- Measured at Fair Value through OCI LKR '000	Gold Advances LKR '000	Other Financial Assets LKR '000	Total Financial Assets LKR '000
Agriculture	—	—	—	306,721	—	—	—	306,721
Manufacturing	—	—	—	337,613	—	—	—	337,613
Construction	—	—	—	179,356	—	—	—	179,356
Financial Services	178,134	1,248,944	151,076	130,559	—	—	—	1,708,713
Trading	—	—	—	684,636	—	—	—	684,636
Hotels	—	—	—	131,928	—	—	—	131,928
Services	—	—	—	6,505,579	458	—	—	6,506,037
Transport	—	—	—	—	—	—	—	—
Consumer	—	—	—	103,599	—	6,422,978	21,012	6,547,589
Total	178,134	1,248,944	151,076	8,379,991	458	6,422,978	21,012	16,402,593

Provincial break down for lease rental receivable within Sri Lanka is as follows.

Province	Lease Rental Receivables	Loans & Advances	Gold Advances
Central	138,403	195,524	824,756
North Central	145,980	684,024	188,560
North Western	310,834	639,854	322,992
Northern	173,693	81,794	1,517,556
Sabaragamuwa	123,706	199,334	361,588
Southern	318,483	249,679	465,406
Uva	504,960	193,004	880,552
Western	1,016,238	3,584,252	1,906,857
Total	2,732,297	5,827,465	6,468,267

NOTES TO THE FINANCIAL STATEMENTS (contd.)

41.2.3 Collaterals and Other Credit Enhancement

Quantitative Information of Collateral

The Company monitors its exposure to loan portfolio using the Loan To Value (LTV) ratio, which is calculated as the ratio of the gross amount of the loan to the value of the collateral. The value of the collateral at origination is considered for this calculation.

Gross value of secured assets to value of collateral:

Loan To Value	31 st March 2026		31 st March 2025	
	Gross Value of Secured assets	Gross Value of Stage 3 assets	Gross Value of Secured assets	Gross Value of Stage 3 assets
	LKR '000	LKR '000	LKR '000	LKR '000
Up to 50%	8,155,891	146,063	3,123,894	122,701
51 - 70%	11,209,841	157,399	8,238,834	103,241
71 - 100%	7,977,142	169,933	3,665,764	52,999
Above 100%	—	—	359	359
	27,342,874	473,395	15,028,851	279,300

The table below provides an analysis of the current fair values of collateral held and credit enhancements for Stage 1 to 3 assets. However, the Stage 3 ECL can be higher than net exposure shown below when the future value of collaterals, measured using the multiple economic scenarios, is expected to decline. Revaluation of immovable properties obtained as collaterals against any accommodation granted are assessed based on the requirements in Direction No 04 of 2018 on 'Valuation of Immovable Properties' and subsequent amendments thereto issued by the Central Bank of Sri Lanka (CBSL). The assessment of immovable properties is carried out by independent professional valuers as required by the said direction issued by CBSL.

As at 31 st March 2026	Fair Value of Collateral under Base case Scenario					
	Maximum Exposure to Credit risk	Immovable Collateral	Movable Collateral	Total Collateral	Net Exposure	Associated ECL
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
Stage 1	24,040,416	9,943	46,422,035	46,431,978	—	183,772
Stage 2	2,829,062	11,900	5,243,996	5,255,896	—	53,025
Stage 3	473,396	81,377	784,798	866,175	—	159,815
	27,342,874	103,220	52,450,829	52,554,049	—	396,612

As at 31 st March 2025	Fair Value of Collateral under Base case Scenario					
	Maximum Exposure to Credit risk	Immovable Collateral	Movable Collateral	Total Collateral	Net Exposure	Associated ECL
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
Stage 1	13,154,197	19,629	24,111,598	24,131,229	—	100,819
Stage 2	1,595,356	28,349	2,996,379	3,024,727	—	26,228
Stage 3	279,297	82,978	458,737	541,716	—	98,011
	15,028,850	130,956	27,566,714	27,697,672	—	225,058

NOTES TO THE FINANCIAL STATEMENTS (contd.)

41.3 Liquidity Risk & Funding Management

Liquidity risk refers to the possibility of Company not having sufficient cash to meet its payment obligations. This arises primarily due to mismatches in the maturity profile of Company's assets and liabilities. Adequate liquidity is critical to meet the Company's financial commitment and to accommodate additional funding needs of the growing business volumes.

The Company's primary objective in liquidity risk management is to ensure adequate funding for its businesses throughout market cycles.

Furthermore, the Company maintains the statutory liquid assets ratio at its required level as a method to measure and control the liquidity risk.

41.3.1 Analysis of Financial Assets and Liabilities by Remaining Contractual Maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities.

	On Demand	Less Than 3 Months	3 to 12 Months	1 to 5 years	Over 5 Years	Total
As at 31 st March 2026	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
Financial Assets						
Cash and Bank Balances	423,093	—	—	—	—	423,093
Placements with Banks and Other Financial Institutions	—	303,422	7,924	109,806	—	421,152
Investment in Government Securities	1,947,977	250,821	100,000	—	—	2,298,798
Gold Advances	1,231,032	8,260,337	25,133	—	—	9,516,502
Lease Rentals Receivable	123,309	352,738	959,060	1,836,156	—	3,271,263
Loans and Advances	250,464	1,438,278	5,642,022	10,646,920	37,986	18,015,670
Financial Investments Measured at Fair Value through OCI	—	—	—	—	458	458
Other Financial Assets	—	17,318	288	3,305	8,915	29,826
Total Financial Assets	3,975,875	10,622,914	6,734,427	12,596,187	47,359	33,976,762
Financial Liabilities						
Interest Bearing Borrowings	999,187	1,281,624	8,154,308	8,096,279	—	18,531,398
Due to the Customers	—	2,476,566	4,597,272	922,971	—	7,996,809
Subordinate Liabilities	—	—	119,267	1,477,069	—	1,596,336
Other Financial Liabilities	—	966,046	—	—	—	966,046
Obligation to Make the Lease Payment	—	24,716	74,999	355,683	156,808	612,206
Total Financial Liabilities	999,187	4,748,952	12,945,846	10,852,002	156,808	29,702,795
Total Net Financial Assets/ (Liabilities)	2,976,688	5,873,962	(6,211,419)	1,744,185	(109,449)	4,273,967

	On Demand	Less Than 3 Months	3 to 12 Months	1 to 5 years	Over 5 Years	Total
As at 31 st March 2025	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
Financial Assets						
Cash and Bank Balances	178,134	—	—	—	—	178,134
Placements with Banks and Other Financial Institutions	—	101,981	4,319	59,223	—	165,523
Investment in Government Securities	857,289	100,000	304,583	—	—	1,261,872
Gold Advances	1,437,759	5,030,512	817	—	—	6,469,088
Lease Rental Receivables	130,946	364,432	1,008,141	2,024,162	—	3,527,681
Loans and Advances	94,302	550,958	1,740,661	4,205,782	4,333	6,596,036
Financial Investments Measured at Fair Value through OCI	—	—	—	—	458	458
Other Financial Assets	—	1,648	966	2,788	15,611	21,013
Total Financial Assets	2,698,430	6,149,531	3,059,487	6,291,955	20,402	18,219,805

NOTES TO THE FINANCIAL STATEMENTS (contd.)

As at 31 st March 2025	On Demand LKR '000	Less Than 3 Months LKR '000	3 to 12 Months LKR '000	1 to 5 years LKR '000	Over 5 Years LKR '000	Total LKR '000
Financial Liabilities						
Interest Bearing Borrowings	1,025,067	420,622	3,738,410	2,341,922	–	7,526,021
Due to the Customers	–	2,045,209	3,688,614	979,508	–	6,713,331
Other Financial Liabilities	140,069	141,982	617	–	–	282,668
Obligation to Make the Lease Payment	–	19,536	59,599	315,070	155,220	549,425
Total Financial Liabilities	1,165,136	2,627,349	7,487,240	3,636,500	155,220	15,071,445
Total Net Financial Assets/ (Liabilities)	1,533,294	3,522,182	(4,427,753)	2,655,455	(134,818)	3,148,360

41.4 Interest Rate Risk

Interest rate risk is a key constitute of the market risk exposure of the Company due to adverse and unanticipated movements in future interest rate which arises from core business activities; granting of credit facilities, accepting deposits and issuing debt instruments.

Due to the nature of operations of the Company, the impact of interest rate risk is mainly on the earnings of the Company rather than the market value of portfolios. Several factors give rise to interest rate risk; among these are term structure risk, which arises due to the mismatches in the maturities of assets and liabilities; basis risk which is the threat to income arises due to differences in the bases of interest rates.

Excessive movements in market interest rate could result in severe volatility to Company's net interest income and net interest margin. Company's exposure to interest rate risk is primarily associated with factors such as;

Interest Rate Risk Exposure on Financial Assets and Liabilities

The table below analyses the Company's interest rate risk exposure on financial assets & liabilities. The Company's assets & liabilities are included at carrying amount and categorised by the earlier of contractual repricing or maturity dates.

	Interest Bearing					Non-Interest Bearing
	Total As at 31-03-2026	Less Than 3 Months	3 to 12 Month	1 to 5 years	Over 5 Years	
As at 31 st March 2026	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
Financial Assets						
Cash and Bank Balances	423,093	–	–	–	–	423,093
Investment in Government Securities and Placements with Banks	2,695,464	2,300,796	294,668	100,000	–	–
Gold Advances	9,248,975	9,225,324	23,651	–	–	–
Lease Rentals Receivable	2,549,117	366,342	695,390	1,487,385	–	–
Loans and Advances	15,544,783	1,456,180	4,876,597	9,176,324	35,682	–
Financial Investments - Measured at Fair Value through OCI	458	–	–	–	–	458
Other Financial Assets	29,826	–	–	–	–	29,826
Total Financial Assets	30,491,716	13,348,642	5,890,306	10,763,709	35,682	453,377
Financial Liabilities						
Interest Bearing Borrowings	17,176,070	2,506,872	7,621,171	7,048,027	–	–
Due to the Customers	7,530,175	2,611,695	4,130,505	787,975	–	–
Subordinate Liabilities	1,000,626	–	–	1,000,626	–	–
Other Financial Liabilities	1,374,610	977,974	38,934	227,612	130,090	–
Total Financial Liabilities	27,081,481	6,096,541	11,790,610	9,064,240	130,090	–
Interest Sensitivity Gap	3,410,235	7,252,101	(5,900,304)	1,699,469	(94,408)	453,377

NOTES TO THE FINANCIAL STATEMENTS (contd.)

As at 31 st March 2025	Interest Bearing						Non Interest Bearing
	Total As at 31-03-2024 LKR '000	Less Than 3 Months LKR '000	3 to 12 Month LKR '000	1 to 5 years LKR '000	Over 5 Years LKR '000		
Financial Assets							
Cash and Bank Balances	178,134	—	—	—	—		178,134
Investment in Government Securities and Placements with Banks	1,248,944	955,091	293,853	—	—		2,497,888
Gold Advances	6,469,088	6,468,271	817	—	—		12,938,176
Lease Rentals Receivable	2,732,299	377,788	719,336	1,635,175	—		5,464,598
Loans and Advances	5,826,343	553,555	1,489,386	3,783,402	—		11,652,686
Financial Investments - Measured at Fair Value through OCI	458	—	—	—	—		458
Other Financial Assets	21,012	—	—	—	—		21,012
Total Financial Assets	16,476,278	8,354,705	2,503,392	5,418,577	—		32,752,952
Financial Liabilities							
Interest Bearing Borrowings	6,949,676	1,362,884	3,544,306	2,042,486	—		13,899,352
Due to the Customers	6,254,214	2,024,335	3,392,490	837,389	—		12,508,428
Other Financial Liabilities	639,589	290,090	27,281	192,158	130,060		1,279,178
Total Financial Liabilities	13,843,479	3,677,309	6,964,077	3,072,033	130,060		27,686,958
Interest Sensitivity Gap	2,632,799	4,677,396	(4,460,685)	2,346,544	(130,060)		5,065,994

42. OPERATING SEGMENTS

As at 31 st March 2026	Finance Lease LKR	Gold Loan LKR	Loans and Advances LKR	Other LKR	Total LKR
Interest Income	574,547	1,669,771	1,568,472	65,339	3,878,129
Commission Income				35,432	35,432
Other Income	7,123	251,572	62,634	26,973	348,302
	581,670	1,921,343	1,631,106	127,744	4,261,863
As at 31 st March 2025	Finance Lease LKR '000	Gold Loan LKR '000	Loans and Advances LKR '000	Other LKR '000	Total LKR '000
Interest Income	646,765	1,138,127	559,799	99,874	2,444,565
Commission Income				16,498	16,498
Other Income	10,617	128,419	30,354	110,416	279,806
	657,382	1,266,546	590,153	226,788	2,740,869

NOTES TO THE FINANCIAL STATEMENTS (contd.)**43. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES**

Sri Lanka Accounting Standards LKAS 7 (Statement of Cash Flows), requires an entity to disclose information that enables the users of Financial Statements to evaluate the changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. Accordingly, changes in liabilities arising from financing activities for the year ended 31 March 2026 are disclosed below.

	Securitization Borrowing LKR '000	Bank Borrowing LKR '000
Balance as at 01 st April 2025	2,084,274	3,840,335
Net cash flows from financing activities	2,387,484	7,530,096
Non-cash changes		
Foreign exchange movements	—	—
Amortisation of loan origination costs	(8,538)	(35,310)
Accrual for interest expense	343,387	35,154
Balance as at 31 st March 2026	4,806,607	11,370,275

INDEPENDENT AUDITORS' REPORT

To the Members of
Mahindra Finance CSR Foundation

OPINION

We have audited the accompanying Financial Statements of Mahindra Finance CSR Foundation ("the Company"), which comprise the Balance sheet as at March 31, 2026, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the 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, its loss and total comprehensive loss, its changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Financial Statements and our auditors' report thereon.

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

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

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

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

We also:

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As, requirements by the Companies (Auditor's Report) Order, 2016/2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, are not applicable to the Company, no comment on report specified in paragraphs 3 and 4 of the Order is made;
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;
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act;
- 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 controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
- g) With respect to other matters to be included in auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.
- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - 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 the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide

any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures 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 and / or paid any dividend during the year.
 - vi. Based on our examination which included test checks, the Company has used an 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. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **B. K. KHARE & CO.**
Chartered Accountants
Firm Registration No. 105102W

Chaitanya Vinay Joshi
Partner
Membership No. 131403
UDIN: 26131403JZXTLN7107

Mumbai, April 9, 2026

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub-section (3) of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Mahindra Finance CSR Foundation ("the Company") as of March 31, 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to financial statements 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 **B. K. KHARE & CO.**
Chartered Accountants
Firm Registration No. 105102W

Chaitanya Vinay Joshi
Partner
Membership No. 131403
UDIN: 26131403JZXTLN7107

Mumbai, April 9, 2026

BALANCE SHEET AS AT 31 MARCH 2026

Particulars	Note	INR Lakhs	
		As at 31 March 2026	As at 31 March 2025
A ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment		—	—
(b) Capital work-in-progress		—	—
(c) Investment Property		—	—
(d) Goodwill		—	—
(e) Other Intangible assets		—	—
(f) Intangible assets under development		—	—
(g) Biological Assets other than bearer plants		—	—
(h) Financial Assets		—	—
(i) Deferred tax assets (net)		—	—
(j) Other non-current assets		—	—
(k) Non Current Tax Assets (net).....		—	—
Total non - Current Assets		—	—
2 Current assets			
(a) Inventories			
(b) Financial Assets			
(i) Investments		—	—
(ii) Trade receivables		—	—
(iii) Cash and cash equivalents.....	1	0.05	0.50
(iv) Bank balances other than (iii) above		—	—
(v) Loans.....		—	—
(viii) Others (to be specified)			
(c) Current Tax Assets (Net).....		—	—
(d) Other current assets.....		—	—
Total Current Assets		0.05	0.50
Total Assets		0.05	0.50

Particulars	Note	INR Lakhs	
		As at 31 March 2026	As at 31 March 2025
B EQUITY AND LIABILITIES			
1 Equity	2		
(a) Equity Share capital		0.10	0.10
(b) Other Equity		(0.88)	(0.30)
(c) Non Controlling Interest		—	—
Total equity		(0.78)	(0.20)
Liabilities			
2 Non-current liabilities			
(a) Financial Liabilities		—	—
(b) Provisions		—	—
(c) Deferred tax liabilities (Net).....		—	—
(d) Other non-current liabilities		—	—
Total Non - Current Liabilities		—	—
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(ii) Trade payables	3	0.48	0.45
(iii) Other financial liabilities (other than those specified in (iv) below)	4	0.20	0.20
(iv) Non Current Lease Liabilities		—	—
(b) Provisions		—	—
(c) Current Tax Liabilities (Net).....	5	0.10	—
(d) Other current liabilities.....	6	0.05	0.05
Total Current Liabilities		0.83	0.70
Total Equity and Liabilities (1+2+3)		0.05	0.50

The accompanying notes form an integral part of the financial statements.

For **B. K. Khare & Co.**
Chartered Accountants
Firm's Registration No: 105102W

For and on behalf of the Board of Directors
Mahindra Finance CSR Foundation

Chaitanya Vinay Joshi
Partner
Membership No: 131403

Raul Rebello
Director
[DIN: 10052487]

Sapna Jain
Director
[DIN: 10819819]

Place: Mumbai
Date: 9th April, 2026

Place: Mumbai
Date: 9th April, 2026

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31 MARCH 2026

		INR Lakhs	
Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
I Revenue receipts (Donations)	7	2.30	1.50
II Other Income		—	—
III Total income (I+II).....		2.30	1.50
Expenses			
i) Finance costs.....	8	—	0.01
ii) Corporate Social Responsibility expenses	9	—	—
iii) Other Expenses	10	2.65	1.89
IV Total expenses (IV).....		2.65	1.90
V Profit before tax (III-IV)		(0.35)	(0.40)
VI Tax expenses	11	0.23	—
VII Profit after tax (V-VI)		(0.58)	(0.40)
VIII Other Comprehensive Income (OCI)			
(A) Items that will not be reclassified to profit or loss		—	—
(B) Items that will be reclassified to profit or loss		—	—
Other Comprehensive Income (A+B)		—	—
IX Total Comprehensive Income for the year (V+VI)		(0.58)	(0.40)
X Earnings per equity share (face value Rs. 10/- per equity share)	12		
Basic (Rupees).....		(58.00)	(40.00)
Diluted (Rupees)		(58.00)	(40.00)

The accompanying notes form an integral part of the financial statements.

For **B. K. Khare & Co.**
Chartered Accountants
Firm's Registration No: 105102W

For and on behalf of the Board of Directors
Mahindra Finance CSR Foundation

Chaitanya Vinay Joshi
Partner
Membership No: 131403

Raul Rebello
Director
[DIN: 10052487]

Sapna Jain
Director
[DIN: 10819819]

Place: Mumbai
Date: 9th April, 2026

Place: Mumbai
Date: 9th April, 2026

STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED 31 MARCH 2026**A. Equity share capital**

Particulars	INR Lakhs Amount
Issued, Subscribed and fully paid up:	
Balance as at 1 April 2024	0.10
Changes during the year:	
i) Fresh allotment of shares	—
ii) Allotment of shares by ESOS Trust to employees.....	—
Balance as at 31 March 2025	<u>0.10</u>
Balance as at 1 April 2025	0.10
Changes during the year:	
i) Fresh allotment of shares	—
ii) Allotment of shares by ESOS Trust to employees.....	—
Balance as at 31 March 2026	<u><u>0.10</u></u>

B. Other Equity

Particulars	Reserves and Surplus									Total
	Statutory reserves as per Section 45-IC of the RBI Act, 1934	Capital redemption reserves	Securities premium reserve	General reserves	Debenture Redemption Reserves (DRR)	Employee stock options outstanding	Retained earnings	Debt instruments through OCI	Equity instruments through OCI	
Balance as at 1 April 2024	—	—	—	—	—	—	0.10	—	—	0.10
Profit/(loss) for the year							—			—
Other Comprehensive Income / (loss)							—	—	—	—
Total Comprehensive Income for the year	—	—	—	—	—	—	—	—	—	—
Excess of income / (expenditure) for the current period			—				(0.40)			(0.40)
Balance as at 31 March 2025	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(0.30)</u>	<u>—</u>	<u>—</u>	<u>(0.30)</u>

STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED 31 MARCH 2026 (Contd.)

Particulars	Reserves and Surplus									Total
	Statutory reserves as per Section 45-IC of the RBI Act, 1934	Capital redemption reserves	Securities premium reserve	General reserves	Debt Redemption Reserves (DRR)	Employee stock options outstanding	Retained earnings	Debt instruments through OCI	Equity instruments through OCI	
Balance as at 1 April 2025	–	–	–	–	–	–	(0.30)	–	–	(0.30)
Profit/(loss) for the year							–			–
Other Comprehensive Income / (loss)							–	–	–	–
Total Comprehensive Income for the year	–	–	–	–	–	–	–	–	–	–
Profit for the year for the current period			–				(0.58)			(0.58)
Balance as at 31 March 2026	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(0.88)</u>	<u>–</u>	<u>–</u>	<u>(0.88)</u>

For **B. K. Khare & Co.**
Chartered Accountants
 Firm's Registration No: 105102W

For and on behalf of the Board of Directors
Mahindra Finance CSR Foundation

Chaitanya Vinay Joshi
Partner
 Membership No: 131403

Raul Rebello
Director
 [DIN: 10052487]

Sapna Jain
Director
 [DIN: 10819819]

Place: Mumbai
 Date: 9th April, 2026

Place: Mumbai
 Date: 9th April, 2026

STATEMENT OF CASH FLOWS FOR PERIOD ENDED 31 MARCH 2026

Particulars	Year ended 31 March 2026	INR Lakhs Year ended 31 March 2025
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(0.35)	(0.40)
Adjustments to reconcile profit before tax to net cash flows:		
Add: Non-cash expenses	-	-
	-	-
Less: Income considered separately	-	-
Income from investing activities	-	-
Operating profit before working capital changes	(0.35)	(0.40)
Changes in -		
Other financial assets	-	-
Other financial liabilities	-	-
Trade and other payables	0.03	-
Trade and other receivables	-	-
Other non-financial assets	-	-
Other non-financial liabilities	-	-
Cash used in operations	0.03	-
Income taxes paid (net of refunds)	(0.13)	-
NET CASH USED IN OPERATING ACTIVITIES (A)	(0.45)	(0.40)
B) CASH FLOW FROM INVESTING ACTIVITIES	-	-
Purchase of investments at amortised cost	-	-
Proceeds from sale of investments measured at amortized cost	-	-
Interest received	-	-
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	-	-
C) CASH FLOW FROM FINANCING ACTIVITIES		
Issue of equity shares	-	-
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C) ...	(0.45)	(0.40)
Cash and Cash Equivalents at the beginning of the year	0.50	0.90
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (refer note 1)	0.05	0.50
Components of Cash and Cash Equivalents		
Balances with banks in current accounts	0.05	0.50
Term deposits with original maturity up to 3 months	-	-
Total	0.05	0.50

Notes :

The above Statement of Cash Flow has been prepared under the 'Indirect method' as set out in Ind AS 7 on 'Statement of Cash Flows'.

For **B. K. Khare & Co.**
Chartered Accountants
Firm's Registration No: 105102W

For and on behalf of the Board of Directors
Mahindra Finance CSR Foundation

Chaitanya Vinay Joshi
Partner
Membership No: 131403

Raul Rebello
Director
[DIN: 10052487]

Sapna Jain
Director
[DIN: 10819819]

Place: Mumbai
Date: 9th April, 2026

Place: Mumbai
Date: 9th April, 2026

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2026

1 COMPANY INFORMATION

Mahindra Finance CSR Foundation ('the Company'), incorporated in India, is a public limited company, headquartered in Mumbai dated April 2, 2019. The Company has received license under Section 8 (1) of the Companies Act, 2013. The Company is established to undertake, by itself or joining, collaborating with, or participating in, projects that, support, promote and enhance: education, including special education, especially among children, women, elderly and the differently abled; employment, vocational skills, and sustainable livelihood; curative and preventive healthcare measures; sanitation and availability of safe drinking water; measures eradicating hunger, poverty and malnutrition; sustainability environmental and ecological balance; protection of flora and fauna, animal welfare, agro forestry; conservation of natural resources; maintenance of quality of soil, air and water; including but not limited to, rehabilitation efforts prior, during and or after natural disasters. The objective of the Company is to work, contribute towards all activities outlined by, but not restricted to, Section 135, Schedule VII of the Companies Act, 2013, the related rules and the amendments thereto from time to time.

Further, the company received its registration under section 12AA of the Income Tax Act 1961 on 29 November, 2019 and certificate under section 80G of the Income Tax Act, 1961 on 24 December, 2019 valid from 3 June, 2019.

None of the objects of the Company will be carried out on commercial basis. The Company is a subsidiary of Mahindra & Mahindra Financial Services Limited.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of accounting

The financial statements have been prepared on a historical cost convention and on an accrual basis.

2.2 Statement of compliance

The accompanying financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

2.3 Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (as amended, Ind AS compliant Schedule III), as applicable to the financial statements.

All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the balance sheet date.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

2.5 Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency. All amounts are rounded-off to the nearest lakh, unless otherwise indicated.

2.6 Revenue recognition

The revenue is measured on actual receipt basis of donations received.

2.7 Provisions

Provisions are recognised when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

2.8 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Statement of Profit and Loss are recognised immediately in Statement of Profit and Loss. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

2.9 Financial liabilities

All the financial liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through Statement of Profit and Loss.

2.10 Taxation - Current and deferred tax:

Income tax expense comprises of current tax and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

a) Current tax :

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Significant judgments are involved in determining the provision for income taxes including judgment on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

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

Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively.

The 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.

b) Deferred tax :

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Notes forming part of the Financial Statements as at 31 March 2026

INR Lakhs

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities on a net basis or simultaneously.

2.11 Earning per share

Basic earnings per share is computed by dividing the profit/ (loss) after tax by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

2.12 New standards or amendments to the existing standards and other pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at the date of authorisation of these financial statements, the Company has not applied the following new amendment to Ind AS that has been issued but is not yet effective:

Amendment to Ind AS 1 Presentation of Financial Statements

Where a covenant breach exists on or before the reporting date and, as a result, the liability becomes payable on demand on that date, the liability must be classified as current, even if the lender subsequently (i.e. after the reporting date but before approval of the financial statements) agrees not to demand payment.

The Company does not expect that the adoption of this amendment to have any impact on the financial statements of the Company in future periods.

Notes forming part of the Financial Statements as at 31 March 2026

INR Lakhs

1 Cash and cash equivalents

	31 March 2026	31 March 2025
Cash on hand	—	—
Balances with banks in current accounts	0.05	0.50
Term deposits with original maturity up to 3 months	—	—
	<u>0.05</u>	<u>0.50</u>

2 Equity Share capital

a) Share capital authorised, issued, subscribed and fully paid up:

	31 March 2026	31 March 2025
Authorised:		
1,000 (31 Mar 2025: 1,000) Equity shares of Rs.10/- each	0.10	0.10
Issued, Subscribed and paid-up:		
1,000 (31 Mar 2025: 1,000) Equity shares of Rs.10/- each fully paid up	0.10	0.10
Issued, Subscribed and paid-up Share capital	<u>0.10</u>	<u>0.10</u>

b) Terms / rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of

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

c) Shareholders holding more than 5% of equity shares at the end of the year:

Name of Shareholder	No. of Shareholding shares	%
As at 31 March 2026		
Mahindra & Mahindra Financial Services Limited	1,000.00	100%
As at 31 March 2025		
Mahindra & Mahindra Financial Services Limited	1,000.00	100%

d) Shareholding of promoters:

Name of Promoter	No. of shares	Shareholding %	% Change during the year
As at 31 March 2026			
Mahindra & Mahindra Financial Services Limited	1000	100%	0%
As at 31 March 2025			
Mahindra & Mahindra Financial Services Limited	1000	100%	0%

e) Reconciliation of the number of equity shares and share capital outstanding at the beginning and at the end of the reporting year:

	As at 31 March 2026		As at 31 March 2025	
	No. of shares	INR Lakhs	No. of shares	INR Lakhs
Issued, Subscribed and paid-up:				
Balance at the beginning of the year	1,000	0.10	1,000	0.10
Add : Fresh allotment of shares:	—	—	—	—
Balance at the end of the year	1,000	0.10	1,000.00	0.10
		31 March 2026	31 March 2025	
Other Equity				
Surplus in Statement of Profit and Loss:				
Balance as at the beginning of the year	(0.30)		0.10	
Add : Excess of income / (expenditure) for the current period transferred from Statement of Income and Expenditure	(0.58)		(0.40)	
Balance Loss carried to Balance Sheet	(0.88)		(0.30)	
Less : Allocations & Appropriations :	—		—	
Balance as at the end of the period	(0.88)		(0.30)	
Total	(0.88)		(0.30)	

Notes forming part of the Financial Statements as at 31 March 2026

INR Lakhs

3 Trade payables

	31 March 2026	31 March 2025
I) Trade Payables		
i) total outstanding dues of micro enterprises and small enterprises	—	—
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.48	0.45
II) Other Payables		
i) total outstanding dues of micro enterprises and small enterprises	—	—
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	—	—
	<u>0.48</u>	<u>0.45</u>

Trade Payables aging schedule**As at March 31, 2026**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	1-2 years	2-3 years	More than 3 years	
Non-derivative financial assets						
i) MSME	—	—	—	—	—	—
ii) Others	0.48	—	—	—	—	0.48
Total	0.48	—	—	—	—	0.48
Disputed dues –						
– MSME	—	—	—	—	—	—
– Others	—	—	—	—	—	—

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	1-2 years	2-3 years	More than 3 years	
Non-derivative financial assets						
i) MSME	—	—	—	—	—	—
ii) Others	0.45	—	—	—	—	0.45
Total	0.45	—	—	—	—	0.45
Disputed dues –						
– MSME	—	—	—	—	—	—
– Others	—	—	—	—	—	—

4 Other financial liabilities

	31 March 2026	31 March 2025
Provision for expenses -		
Legal professional / regulatory exp	0.20	0.20
	<u>0.20</u>	<u>0.20</u>

5 Current Tax Liabilities

	31 March 2026	31 March 2025
Current Tax Liabilities (net)	0.10	—
	<u>0.10</u>	<u>—</u>

Notes forming part of the Financial Statements as at 31 March 2026

INR Lakhs

6 Other current liabilities

	31 March 2026	31 March 2025
Statutory dues and taxes payable	0.05	0.05
	<u>0.05</u>	<u>0.05</u>

7 Revenue receipts

	31 March 2026	31 March 2025
Donation received (from MMFSL)	2.30	1.50
	<u>2.30</u>	<u>1.50</u>

8 Finance costs

	31 March 2026	31 March 2025
Bank charges	–	0.01
	<u>–</u>	<u>0.01</u>

9 Corporate Social Responsibility expenses

	31 March 2026	31 March 2025
	–	–
	<u>–</u>	<u>–</u>

10 Other Expenses

	31 March 2026	31 March 2025
Auditor's fees and expenses	0.50	0.50
Legal and professional charges	1.15	0.39
Trademark expense	1.00	1.00
	<u>2.65</u>	<u>1.89</u>

11 Tax expense

(i) Income tax recognized in Statement of profit and loss

	31 March 2026	31 March 2025
Current tax:		
In respect of current year	0.10	–
In respect of prior years	0.13	–
	<u>0.23</u>	<u>–</u>
Deferred tax:	–	–

(ii) Reconciliation of estimated Income tax expense at tax rate to income tax expense reported in the Statement of profit and loss is as follows:

	31 March 2026	31 March 2025
Profit before tax	(0.35)	(0.40)
Applicable income tax rate	31.20	31.20
Expected income tax expense	0.11	0.12
Adjustments recognised in the current year in relation to the current tax of prior years -	0.12	–
Others	–	(0.12)
Reported income tax expense	<u>0.23</u>	<u>–</u>

12 Earning Per Share (EPS)

	31 March 2026	31 March 2025
Profit / (Loss) for the period	(0.58)	(0.40)
Weighted average number of Equity Shares	1,000	1,000
Basic Earnings per share (Rs.) (Face value of Rs. 10/- per share)	(58.00)	(40.00)
Diluted Earnings per share (Rs.)	(58.00)	(40.00)

13 Financial Instruments

Capital management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary.

The Company uses debt ratio as a capital management index and calculates the ratio as total liabilities divided by total equity. Total liabilities and total equity are based on the amounts stated in the financial statements.

The Company is not subject to externally enforced capital regulation. Debt-to-equity ratio as of 31 March 2026 is as follows:

Particulars	As at 31 March 2026
Debt (A)	–
Equity (B)	0.10
Debt Equity Ratio (A/B)	–

Categories of financial assets and financial liabilities

As at 31 March 2026

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Current Assets				
Cash and cash equivalents	0.05	–	–	0.05
Current Liabilities				
Trade Payables	0.48	–	–	0.48
Other Financial Liabilities	0.20	–	–	0.20

Notes forming part of the Financial Statements as at 31 March 2026

INR Lakhs

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

Credit Risk

(i) Credit risk management

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Liquidity Risk

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the management of the company, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and longterm funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment years. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Maturity of Financial assets

Particulars	Less than 1 year	1-3 years	3 years to 5 years	5 years and above	Total
Non-derivative financial assets					
Cash and cash equivalents	0.05	—	—	—	0.05

Maturity of Financial liabilities

Particulars	Less than 1 year	1-3 years	3 years to 5 years	5 years and above	Total
Non-derivative financial liabilities					
Other Financial Liabilities	0.20	—	—	—	0.20
Borrowings					
Trade Payables	0.48	—	—	—	0.48

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk and commodity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivatives to manage market risks. Derivatives are only used for economic hedging purposes and not as speculative investments. All such transactions are carried out within the guidelines set by the Board of Directors. There has been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

14 Segment Information

Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performances of the operating segments of the Company.

Notes forming part of the Financial Statements as at 31 March 2026

INR Lakhs

15 Key Ratios

Particulars	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025
Current Ratio	Current assets	Current liabilities	0.07	0.77
Debt-Equity Ratio	Borrowings	Shareholder's equity	NA	NA
Debt Service Coverage Ratio	Earnings before interest, taxes, depreciation and amortisation	Interest & principal payment	NA	NA
Return on Equity Ratio	Profit after tax	Average shareholder's equity	NA	NA
Inventory Turnover Ratio	Revenue from operations	Average inventory	NA	NA
Trade Receivables Turnover Ratio	Revenue from operations	Average trade receivables	NA	NA
Trade Payables Turnover Ratio	Net credit purchases	Average trade payables	NA	NA
Net Capital Turnover Ratio	Revenue from operations	Working capital	NA	NA
Net Profit Ratio	Net Profit	Revenue from operations	NA	NA
Return on Capital Employed	Earnings before interest and taxes	Shareholder's equity + Borrowings + DTL	NA	NA
Return on Investment	Time Weighted Rate of Return	Time Weighted Rate of Return (TWRR)	NA	NA

16 Related party disclosure:

i) As per Ind AS 24 on 'Related party disclosures', the related parties of the Company are as follows:

- a) **Ultimate Holding Company** Mahindra & Mahindra Limited
- b) **Holding Company** Mahindra & Mahindra Financial Services Limited
- c) **Fellow Subsidiaries:** Not applicable
(entities with whom the Company has transactions)
- d) **Joint Ventures / Associates** Not applicable
(entities with whom the Company has transactions)
- e) **Key Management Personnel:** Ms. Sapna Jain (Director)
Mr. Manish Sinha (Director)
Mr. Raul Rebello (Director)

ii) The nature and volume of transactions of the Company during the year with above related parties were as follows:

Sr. No.	Particulars	For the year ended	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Joint Ventures / Associates	KMP/Directors of the Company
1	Donations received	31/3/2026	–	2.30	–	–	–
		31/3/2025	–	1.50	–	–	–
2	Other expenses (Trademark expenses)	31/3/2026	1.00	–	–	–	–
		31/3/2025	1.00	–	–	–	–

iii) Balances as at the end of the period:

Sr. No.	Particulars	For the year ended	Ultimate Holding Company	Holding Company	Fellow subsidiaries	Joint Ventures / Associates	KMP/Directors of the Company
1	Payable	31/3/2026	–	–	–	–	–
		31/3/2025	–	–	–	–	–

Notes forming part of the Financial Statements as at 31 March 2026

INR Lakhs

17 Contingent liability and commitments

There are no contingent liabilities and commitments as on the balance sheet date.

18 Other Statutory Informations

- (a) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (b) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial period.
- (c) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (d) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (e) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (f) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (g) The Company is not declared wilful defaulter by and bank or financial institution or lender during the period.
- (h) The Company does not have any borrowings from bank and financial institution.
- (i) The Company does not have transactions with any struck off entity.
- (j) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

19 Unless otherwise stated, all the numbers have been rounded off to nearest rupee.

20 The financial statements have been approved for issue by Company's Board of Directors on 9th April, 2026.

Signatures to Notes 1 to 20

For **B. K. Khare & Co.**
Chartered Accountants
Firm's Registration No: 105102W

For and on behalf of the Board of Directors
Mahindra Finance CSR Foundation

Chaitanya Vinay Joshi
Partner
Membership No: 131403

Raul Rebello
Director
[DIN: 10052487]

Sapna Jain
Director
[DIN: 10819819]

Place: Mumbai
Date: 9th April, 2026

Place: Mumbai
Date: 9th April, 2026

Independent Auditor's Report To The Members of Mahindra Lifespace Developers Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Mahindra Lifespace Developers Limited (the "Company"), which comprise the Balance Sheet as at 31st March, 2026 and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, 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 standalone 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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, its profit and other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Carrying values of Inventories (Construction work in Progress and finished goods) As at 31st March, 2026, the carrying value of the inventory of ongoing and completed real-estate projects is Rs. 3,50,008.23 lakhs. The inventories are held at the lower of the cost and net realisable value ("NRV"). The determination of NRV involves estimates based on prevailing market conditions and taking into account the stage of completion of the inventory, the estimated future selling price, cost to complete projects and selling costs. We identified the assessment of the carrying value of inventory as a key audit matter due to the significance of the balance to the standalone financial statements as a whole and the involvement of estimates and judgement in the assessment. Refer Notes 2.17 and 10 to the Standalone Financial Statements	Principal audit procedures performed included the following: Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: - We assessed the Company's process for the valuation of inventories. - Evaluated the design, implementation and tested the operating effectiveness of the internal controls relating to the valuation of inventories, including the management process for the review and approval of the estimated costs to complete the projects including construction cost incurred, construction budgets and net realizable value. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls. Selected a sample of inventories and performed procedures around: - Construction costs incurred for the inventories by testing the supporting documents and wherever available, corroborated the same with the reports from external supervising engineers. - Estimated total construction cost to be incurred for completing the construction of the project and wherever available, corroborated the same with the reports from external supervising engineers. - We have carried out site visits for a number of projects during the year to verify the construction progress made. The Company's methodology and key assumptions for determining NRV of the inventories. We examined the total projected budgeted cost to the total budgeted sale value from the project. We examined the NRV to recent sales in the project.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Management Discussion and Analysis Report, Corporate Governance Report and Business Responsibility Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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 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 standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from

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

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

- Identify and assess the risks of material misstatement of the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the standalone financial statements.

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

effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Loss, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion

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

- 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 36 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 43(d) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 43(d) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 44 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- 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 31st March, 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.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins and Sells LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Nilesh Shah
Partner

Membership No. 049660
UDIN: 26049660GRCPJC1793

Place: Mumbai
Date: 28th April, 2026

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls with reference to standalone financial statements of Mahindra Litespace Developers Limited (the “Company”) as at 31st March, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s and Board of Director’s Responsibilities for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on

the Company’s internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March, 2026, based on the criteria for internal financial control with reference to standalone financial statements 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 Deloitte Haskins and Sells LLP

Chartered Accountants
(Firm’s Registration No.117366W/W-100018)

Nilesh Shah

Partner

Membership No. 049660

UDIN: 26049660GRCPJC1793

Place: Mumbai

Date: 28th April, 2026

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the members of Mahindra Lifespace Developers Limited on the financial statements of the Company for the year ended 31st March, 2026)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that,

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Capital work-in-progress.

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

- (b) Some of the Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

- (c) With respect to immovable properties of acquired land and buildings, according to the information and explanations given to us and the records examined by us and based on the examination of the title deeds provided to us, we report that, the immovable properties are held in the name of the Company as at the balance sheet date. According to the information and explanation given to us, the Company does not have any other land or building other than administrative block and project facilities, temporarily constructed at the project sites and capitalised as Building, hence reporting under clause 3(i)(c) of the Order is not applicable to such items which does not form part of Property, Plant & Equipment.

- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

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

- (ii) (a) Having regard to the nature of inventory, the physical verification by way of verification of title deeds, site visits by the Management and certification of extent of work completion by competent persons, are at reasonable intervals. In our opinion and according to the information and explanations given to us, the

coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and nature of its operations and no discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3 (ii)(b) of the Order is not applicable.

- (iii) The Company has made investments in and granted unsecured loans to companies, during the year, in respect of which:

- (a) The Company has provided unsecured loans to Companies during the year and details of which are given below:

	(Rs. in lakhs)
Particulars	Loans
A. Aggregate amount granted / provided during the year:	
- Subsidiaries	47,397.30
- Joint Ventures	2,300.00
B. Balance outstanding as at balance sheet date in respect of above cases:	
- Subsidiaries	99,154.85
- Joint Ventures	5,075.00

The Company has not made any investments in and granted any loans, secured or unsecured, to firms, Limited Liability Partnerships or any other parties during the year. The Company has not provided any guarantee or security to any other entity during the year.

- (b) The investments made and the terms and conditions of the grant of all the above-mentioned unsecured loans provided during the year are, in our opinion, not prejudicial to the Company’s interest.
- (c) The Company has granted loans that are payable on demand. During the year the Company has not demanded such loans. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause 3(iii)(f) below)

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of unsecured loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) During the year loans aggregating to Rs. 7,400.00 lakhs fell due from certain parties and were renewed during the year. Details of such loans that fell due and renewed during the year are stated below:

Name of the Party	Aggregate amount of overdues of existing loans renewed or extended or settled by fresh loans. (Rs. in lakhs)	Percentage of the aggregate to the total loans granted during the year.
Knowledge Township Ltd	1,950.00	3.92%
Mahindra Happinest Developers Limited	3,700.00	7.45%
Mahindra Industrial Park Private Limited	1,750.00	3.52%
Total	7,400.00	

(f) The Company has granted unsecured loans which are repayable on demand details of which are given below:

	(Rs. in lakhs)
	Related Parties
Aggregate of loans to related parties.	
- Repayable on demand	200.50
Percentage of loans to the total loans	0.19%

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits. Hence reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Income-tax, cess and other material statutory dues as applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Income-tax, Sales Tax, Service Tax, duty of Customs, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2026 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub clause (a) above which have not been deposited as on 31st March, 2026 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs. in lakhs)
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	AY 2013-14	276.98
		Assessing Officer	AY 2003-04	583.81
			AY 2007-08	561.99
			AY 2009-10	19.20
			AY 2015-16	288.49
		Commissioner of Income tax (Appeals)	AY 2020-21	13.93
Finance Act, 1994	Service Tax*	Appellate Authority- up to Commissioners/ Revisional authorities level	FY 2014 to 2017*	38.90
			FY 2016 to 2018	4.59
		High Court	FY 2009 to 2014	67.70
		Customs, Excise and Service Tax Appellate Tribunal	FY 2005 to 2010**	69.78
Central Goods and Service Tax Act 2017 and State Goods and Service Tax Act 2017	Goods & Service Tax Act	Goods and Services Tax Appellate Tribunal	FY 2017-18***	795.45
			FY 2018-19****	163.08
			FY 2019-20*****	38.13
		High Court	FY 2017-18	278.25
		Commissioner (Appeals)	FY 2017-18^	166.13
			FY 2018-19^^	815.94
			FY 2019-20^^^	604.58
			FY 2020-21^	244.94
			FY 2021-22^	57.49

* net of deposit Rs. 3.15 lakhs

** net of deposit Rs. 7.75 lakhs

*** net of deposit Rs. 293.92 lakhs

**** net of deposit Rs. 128.79 lakhs

***** net of deposit Rs. 41.94 lakhs

^ net of deposit Rs. 24.99 lakhs

^^ net of deposit Rs. 40.72 lakhs

^^^ net of deposit Rs. 21.34 lakhs

^^^^ net of deposit Rs. 9.79 lakhs

^^^^^ net of deposit Rs. 1.96 lakhs

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

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

(x) (a) In our opinion, money raised by way of rights issue of equity shares during the year have been, applied by the Company for the purposes for which they were raised. The Company has not raised money by way of initial public offer/ further public offer through debt instruments during the year and hence reporting under clause 3(x)(a) of Order is not applicable to the Company.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up-to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.

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

(b) We have considered the internal audit reports issued to the Company (during the year), covering the period upto September 2025 and the draft of the internal audit reports were issued after the balance sheet date covering the period (July 2025 to September 2025) for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company, subsidiary company, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

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

(b) The Group has more than one Core Investment Company (CIC) as part of the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). There are 5 CIC forming part of the group.

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

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

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, the provision of sub-section (5) and sub-section (6) of section 135 of the Companies Act, 2013 are not applicable to the Company for the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

For Deloitte Haskins and Sells LLP

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Nilesh Shah

Partner

Membership No. 049660

UDIN: 26049660GRCPJC1793

Place: Mumbai

Date: 28th April, 2026

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2026

		(Rs. in lakhs)	
Particulars	Note No.	As at 31 st March, 2026	As at 31 st March, 2025
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, plant and equipment.....	4.1	953.70	1,741.63
(b) Right of use assets.....	4.2	1,611.56	730.30
(c) Capital work-in-progress.....	4.3	298.61	478.88
(d) Other intangible assets.....	5	90.31	49.32
(e) Financial assets.....			
(i) Investments.....	6	100,728.88	55,534.66
(ii) Loans.....	14	104,229.85	59,904.55
(iii) Other financial assets.....	7	5,175.32	3,126.95
(f) Deferred tax asset (net).....	8	8,538.38	7,871.99
(g) Income tax assets (net).....		9,590.91	8,159.44
TOTAL NON-CURRENT ASSETS.....		231,217.52	137,597.72
2 CURRENT ASSETS			
(a) Inventories.....	10	350,008.23	379,492.68
(b) Financial Assets.....			
(i) Investments.....	6	7,509.89	5,008.23
(ii) Trade receivables.....	11	18,429.61	12,625.57
(iii) Cash and cash equivalents.....	12	3,654.95	23,372.07
(iv) Bank balances other than cash and cash equivalents.....	13	28,578.26	1,516.45
(v) Other financial assets.....	7	3,500.93	2,581.54
(c) Other Current Assets.....	9	49,219.74	20,473.25
TOTAL CURRENT ASSETS.....		460,901.61	445,069.79
TOTAL ASSETS (1+2).....		692,119.13	582,667.51
II EQUITY AND LIABILITIES			
1 EQUITY			
(a) Equity share capital.....	15	21,334.28	15,508.78
(b) Other equity.....	16	284,755.58	140,104.21
TOTAL EQUITY.....		306,089.86	155,612.99
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(a) Financial Liabilities.....			
(i) Borrowings.....	18	—	91,765.60
(ii) Lease liabilities.....	32	596.61	555.67
(b) Provisions.....	17	1,489.40	807.99
TOTAL NON-CURRENT LIABILITIES.....		2,086.01	93,129.26
3 CURRENT LIABILITIES			
(a) Financial liabilities.....			
(i) Borrowings.....	18	62,500.00	51,382.86
(ii) Lease liabilities.....	32	1,106.64	216.38
(iii) Trade payables.....			
(A) Total outstanding dues of micro and small enterprises.....	19	1,919.37	3,021.48
(B) Total outstanding dues of creditors other than micro and small enterprises.....	19	35,940.95	17,624.67
(iv) Other financial liabilities.....	20	7,901.12	25,545.11
(b) Other current liabilities.....	21	273,377.50	235,517.52
(c) Provisions.....	17	1,197.68	617.24
TOTAL CURRENT LIABILITIES.....		383,943.26	333,925.26
TOTAL EQUITY AND LIABILITIES (1+2+3).....		692,119.13	582,667.51

The accompanying notes 1 to 46 are an integral part of these financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration Number:- 117366W/W-100018

Nilesh Shah

Partner

Membership No. 049660

Mumbai: 28th April, 2026

For and on behalf of the Board of Directors of
Mahindra Lifespace Developers Limited

Ameet Hariani

Chairman

DIN: 00087866

Bijal Parmar

Company Secretary

ACS : 32339

Mumbai: 28th April, 2026

Amit Kumar Sinha

Managing Director & CEO

DIN: 09127387

Sriram Kumar

Chief Financial Officer

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

(Rs. in lakhs)

Particulars	Note No.	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
I INCOME			
(a) Revenue from operations	22	86,031.98	34,931.79
(b) Other income	23	31,734.20	28,327.04
TOTAL INCOME (a + b)		117,766.18	63,258.83
II EXPENSES			
(a) Cost of sales			
- Construction expenses incurred.....	24	95,700.17	89,443.07
- Changes in inventories of work-in-progress and finished goods.....	24	(18,253.45)	(59,539.78)
- Operating expenses	24	2,823.34	1,676.55
(b) Employee benefits expense	25	11,870.21	10,349.69
(c) Finance costs	26	2,098.07	2,784.27
(d) Depreciation and amortisation expense	4 to 5	2,363.86	1,758.69
(e) Other expenses	27	12,002.56	10,639.43
TOTAL EXPENSES (a+b+c+d+e)		108,604.76	57,111.92
III PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (I - II).....		9,161.42	6,146.91
IV EXCEPTIONAL ITEMS	40	(360.44)	—
V PROFIT BEFORE TAX (III + IV).....		8,800.98	6,146.91
VI TAX EXPENSE / (CREDIT)			
(a) Current tax.....	28	2,231.70	—
(b) Deferred tax.....	28	(640.69)	1,012.36
TOTAL TAX EXPENSE / (CREDIT) (a+b).....		1,591.01	1,012.36
VII PROFIT / (LOSS) FOR THE YEAR (V - VI)		7,209.97	5,134.55
VIII OTHER COMPREHENSIVE INCOME / (LOSS)			
Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities.....		(102.11)	(56.88)
(b) Income tax relating to Items that will not be reclassified to profit or loss	28	25.70	14.32
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE YEAR (a+b).....		(76.41)	(42.56)
IX TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR (VII + VIII).....		7,133.56	5,091.99
X EARNINGS PER EQUITY SHARE (face value of Rs. 10/- each) (Rs.)			
(a) Basic (in Rs.)	29	3.54	3.04
(b) Diluted (in Rs.).....	29	3.53	3.04

The accompanying notes 1 to 46 are an integral part of these financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Nilesh Shah
Partner
Membership No. 049660
Mumbai: 28th April, 2026

For and on behalf of the Board of Directors of
Mahindra Lifespace Developers Limited

Ameet Hariani
Chairman
DIN: 00087866

Amit Kumar Sinha
Managing Director & CEO
DIN: 09127387

Bijal Parmar
Company Secretary
ACS : 32339

Sriram Kumar
Chief Financial Officer

Mumbai: 28th April, 2026

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2026

(Rs. in lakhs)

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
A. Cash flows from operating activities:		
Profit before exceptional item and tax	9,161.42	6,146.91
Adjustments for:		
Finance costs	2,098.07	2,784.27
Interest income	(9,666.95)	(4,424.02)
Dividend income	(13,145.72)	(19,170.70)
Loss on disposal of property, plant and equipment (net)	26.49	8.43
Gain on disposal of investment property (net)	—	(3,579.88)
Expected credit loss recognised on trade receivables/advances	—	27.20
Provision for inventory (NRV)	382.52	380.50
Gain on sale of undertaking	(8,564.67)	—
Profit on sale of current investments	(333.55)	(777.84)
Depreciation and amortisation expense	2,363.86	1,758.69
Net (gain) / loss arising on financial assets measured at fair value through profit or loss	223.20	(22.87)
Net (gain) / loss arising on current investment measured at fair value through profit and loss	(1.79)	20.43
Expense recognised in respect of equity settled share based payments	761.51	346.98
Operating Loss before working capital changes	(16,695.61)	(16,501.90)
Changes in:		
Increase in trade and other receivables	(40,500.49)	(14,027.49)
Increase in inventories	(16,107.49)	(54,378.67)
Increase in trade payables and other liabilities	51,246.75	78,509.35
Cash used in operations	(22,056.84)	(6,398.71)
Income taxes paid (net of refunds & interest thereon)	(3,663.71)	(3,288.34)
Net cash used in operating activities	(25,720.55)	(9,687.05)
B. Cash flows from investing activities		
Bank deposits (net)	(32,474.71)	(1.33)
Net changes in earmarked balances and margin accounts with banks	(79.37)	(235.37)
Interest received	9,986.45	2,925.69
Dividend received from subsidiaries and joint ventures	13,145.72	19,170.70
Inter-corporate deposits given to subsidiaries and joint ventures	(49,697.30)	(54,750.50)
Inter-corporate deposits refunded from subsidiaries and joint ventures	5,372.00	5,400.00
Payment to acquire property, plant and equipment and other intangible assets	(1,051.78)	(1,451.37)
Proceeds from disposal of property, plant and equipment and other intangible assets	10.11	49.58
Proceeds from disposal of investment property	—	6,127.35
Proceeds from sale of non current investment in joint ventures and subsidiary	12,147.51	5,998.80
(Payment to acquire) / proceeds from current investments (net)	(2,166.32)	4,378.46
Proceeds from disposal of business undertaking, net of cash transferred (*)	53,557.91	—
Investment in subsidiaries, joint ventures and associates	(56,990.21)	(5,156.50)
Net cash used in from investing activities	(48,239.99)	(17,544.49)

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

	(Rs. in lakhs)	
Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
C. Cash flows from financing activities		
Proceeds from issue of equity shares of the Company (including share application money).....	148,552.48	6.06
Proceeds from borrowings	267,300.25	207,707.71
Repayment of borrowings.....	(348,183.10)	(151,393.87)
Dividend paid.....	(5,962.97)	(4,105.04)
Interest paid.....	(6,318.44)	(9,883.15)
Payment of lease liabilities	(1,144.80)	(214.16)
Net Cash generated from financing activities	54,243.42	42,117.55
Net increase / (decrease) in cash and cash equivalents	(19,717.12)	14,886.01
Cash and cash equivalents at the beginning of the year.....	23,372.07	8,486.06
Cash and cash equivalents at the end of the year (refer note 13)	3,654.95	23,372.07

The accompanying notes 1 to 46 are an integral part of these financial statements

(*) net of cash and cash equivalents of Rs 2,322.10 lakhs pertaining to disposal of business undertaking.

Notes:

- (a) The above Cash Flow Statement has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows'.
- (b) Changes in liabilities arising from financing activities are given in note 18.
- (c) Changes in lease liabilities including both changes arising from cash flows and non-cash changes are given in note 32.

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Nilesh Shah
Partner
Membership No. 049660
Mumbai: 28th April, 2026

For and on behalf of the Board of Directors of
Mahindra Lifespace Developers Limited

Ameet Hariani
Chairman
DIN: 00087866

Amit Kumar Sinha
Managing Director & CEO
DIN: 09127387

Bijal Parmar
Company Secretary
ACS : 32339

Sriram Kumar
Chief Financial Officer

Mumbai: 28th April, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2026**A. Equity share capital**

Particulars	Note No.	(Rs. in lakhs)	
		As at 31 st March, 2026	As at 31 st March, 2025
Balance at the Beginning of the year		15,508.78	15,501.00
Add: Rights Issue during the year	16	5,816.35	—
Add: Issue of equity shares under employee share option plan	16	9.15	7.78
Balance at the end of the year		<u>21,334.28</u>	<u>15,508.78</u>

B. Other Equity

	(Rs. in lakhs)					
	Share Application money pending allotment	Securities Premium	General Reserve	Share Option Outstanding Account	Retained Earnings	Total
As at 31 st March, 2024	0.00	95,057.50	7,299.49	396.94	36,021.57	138,775.50
Loss for the year	—	—	—	—	5,134.55	5,134.55
Other Comprehensive Income / (Loss) net of taxes*	—	—	—	—	(42.56)	(42.56)
Total Comprehensive Loss for the year	—	—	—	—	5,091.99	5,091.99
Received on exercise of employee stock options	6.06	—	—	—	—	6.06
Dividend paid on Equity Shares	—	—	—	—	(4,108.53)	(4,108.53)
Allotment of shares to employees	(5.59)	223.18	—	(225.38)	—	(7.79)
Share based payment to employees	—	—	—	346.98	—	346.98
As at 31 st March, 2025	0.47	95,280.68	7,299.49	518.54	37,005.03	140,104.21
Profit for the year	—	—	—	—	7,209.97	7,209.97
Other Comprehensive Income / (Loss) net of taxes*	—	—	—	—	(76.41)	(76.41)
Total Comprehensive Income for the year	—	—	—	—	7,133.56	7,133.56
Received on exercise of employee stock options	7.39	—	—	—	—	7.39
Dividend paid on Equity Shares	—	—	—	—	(5,971.15)	(5,971.15)
Allotment of Shares to Employees	(7.86)	336.49	—	(337.78)	—	(9.15)
Share based payment to employees	—	—	—	761.95	—	761.95
Rights issue	—	143,663.74	—	—	—	143,663.74
Share issue expenses on rights issue	—	(934.97)	—	—	—	(934.97)
As at 31 st March, 2026	<u>0.00</u>	<u>238,345.94</u>	<u>7,299.49</u>	<u>942.71</u>	<u>38,167.44</u>	<u>284,755.58</u>

* Remeasurement gains/ (losses) net of taxes on defined benefit liabilities during the year is recognised as part of retained earnings.

The accompanying notes 1 to 46 are an integral part of these financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

Nilesh Shah
Partner
Membership No. 049660
Mumbai: 28th April, 2026

For and on behalf of the Board of Directors of
Mahindra Lifespace Developers Limited

Ameet Hariani
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DIN: 00087866

Amit Kumar Sinha
Managing Director & CEO
DIN: 09127387

Bijal Parmar
Company Secretary
ACS : 32339

Sriram Kumar
Chief Financial Officer

Mumbai: 28th April, 2026

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

1. General Information

Mahindra Lifespace Developers Limited ('the Company') is a limited company incorporated in India. Its Corporate Identification Number is (CIN) L45200MH1999PLC118949. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Its parent and ultimate holding company is Mahindra & Mahindra Limited.

The addresses of its registered office is disclosed in the introduction to the annual report. The Company along with its subsidiary, associates and joint venture companies is engaged in the development of residential projects and large formats developments such as integrated cities and industrial clusters in India.

2. Material Accounting Policies

2.1 Statement of compliance and basis of preparation and presentation

The Standalone Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provision of the act. The aforesaid financial statements have been approved by the Company's Board of Directors and authorised for issue in the meeting held on 28th April 2026.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

2.2 Basis of measurement

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

Historical Cost: Assets are recorded at the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation, or in some circumstances (for example, income taxes), at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

2.3 Measurement of Fair Values

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, regardless of whether that price is directly observable or estimated using another valuation technique. In measuring the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such basis, except for share-based payment transactions that are within the scope of Ind AS 102 – "Share based Payments", leasing transactions within the scope of Ind AS 116, "Leases" and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – "Inventories" or value in use in Ind AS 36 – "Impairment of Assets".

In addition, for financial reporting purposes, fair value measurements are categorised 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: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

- Level 2: Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.4 Revenue Recognition

2.4.1 Revenue from Projects

- The Company develops and sells residential and commercial properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. An enforceable right to payment does not arise until the development of the property is completed. Therefore, revenue is recognised at a point in time as per IND AS 115 when (a) the seller has transferred to the buyer all significant risks and rewards of ownership and the seller retains no effective control of the real estate unit to a degree usually associated with ownership, (b) The seller has effectively handed over possession of the real estate unit to the buyer forming part of the transaction; (c) No significant uncertainty exists regarding the amount of consideration that will be derived from real estate unit sales; and (d) It is not unreasonable to expect ultimate collection of revenue from buyers. The revenue is measured at the transaction price agreed under the contract.
- The Company invoices the customers based on achieving performance-related milestones.
- For certain contracts involving the sale of property under development, the Company offers deferred payment schemes to its customers. The Company adjusts the transaction price for the effects of the significant financing component.
- Costs to obtain contracts ("Contract costs") relate to fees paid for obtaining property sales contracts. Such costs are recognised as assets when incurred and amortised upon recognition of revenue from the related property sale contract.
- Contract assets is the Company's right to consideration in exchange for goods or services that the Company has transferred to a customer when that right is conditioned on something other than the passage of time.
- The Company recognizes revenue at a point in time in each reporting period considering the estimates like reasonableness of collections from customers, disputes with the customer which may result in the cancellation of the contract, which are re assessed periodically by the management. The effect of these changes to estimates is recognised in the period when changes are determined. Accordingly, any revenues attributable to such changes and the corresponding Cost of Goods Sold ("COGS") previously recognised are reversed and reduced from the current year's Revenue and COGS respectively.

2.4.2 Revenue from Sale of land and other rights

Revenue from Sale of land and other rights is generally a single performance obligation and the Company has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements.

2.4.3 Revenue from Project Management fees and Rental Income

Revenue from Project Management Fees and Rental Income are recognized on accrual basis as per the terms and conditions of relevant agreements.

2.4.4 Dividend and interest income

Dividend income from investments in shares is recognized when right to receive is established, which is generally when shareholders approve the dividend.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Dividend income from investment in mutual funds is recognised when the unit holder's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. 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 through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.5 Current versus non-current classification

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Based on the nature of activity carried out by the company and the period between the procurement and realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 3 to 5 years for the purpose of Current – Non Current classification of assets & liabilities.

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

An asset is classified 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 a liability for at least twelve months after the reporting period

The Company classifies all other assets as non-current.

A liability is classified 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

The Company classifies all other liabilities as non-current.

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

Borrowings are classified as current if they are due to be settled within 12 months after the reporting period.

2.6 Leasing

2.6.1 The Company as a Lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as expense on a straight-line basis over the lease term. The respective leased assets are presented in the balance sheet based on their nature.

2.6.2 The Company as a Lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term and a corresponding lease liability at the lease commencement date i.e. the date at which the leased asset is available for use by the Company. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of right-of-use asset or the end of the lease term. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that, at the commencement date, have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

2.7 Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated using the closing rate prevailing at that date. Non-monetary items measured at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was measured. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise except for:

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- Exchange differences on transactions entered to hedge certain foreign currency risks.

2.8 Employee Benefits

2.8.1 Defined contribution plans

The Company's contribution to provident fund and superannuation fund is considered as defined contribution plan and is charged as an expense in profit and loss based on the amount of contribution required to be made. The Company has no further payment obligations once the contributions have been paid.

2.8.2 Defined benefit plan

Defined benefit gratuity plan is wholly or partly funded by contributions by the Company. The liability or assets recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated by actuaries using an actuarial technique, the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows with 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.

Net interest on the net defined benefit liability (asset) is the change during the period in the net defined benefit liability (asset) that arises from the passage of time.

The net interest cost is calculated applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expenses in the Statement of Profit and Loss.

2.8.3 Remeasurement gains/losses

Remeasurement of defined benefit plans, comprising of actuarial gains or losses, return on plan assets excluding interest income are recognised immediately in balance sheet with corresponding debit or credit to other comprehensive income. They are included in Retained Earnings in the Statement of Changes in Equity and in the Balance Sheet. Remeasurements of the net defined benefit liability (asset) recognised in other comprehensive income shall not be reclassified to profit or loss in subsequent period.

Remeasurement gains or losses on long term compensated absences that are classified as other long term benefits are recognised in profit or loss.

2.8.4 Short-term and other long-term employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

- (b) in case of non-accumulating compensated absences, when the absences occur.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees upto the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

2.8.5 Employee Stock Option Scheme

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period the Company revises its estimate of the No. of equity instruments expected to vest. The impact of revision of the original estimate, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate with the corresponding adjustments to the equity settled.

2.9 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 insignificant risk of changes in value.

2.10 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS - 33 on 'Earnings per Share'. Basic earnings per share is computed by dividing the profit or loss attributable to ordinary equity holders of the Company for the year by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit or loss attributable to ordinary equity holders of the Company for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

2.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until substantially all the activities necessary to prepare the qualifying assets for its intended use or sale are complete.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.12 Income Taxes

Income Tax expense represents the sum of tax currently payable and deferred tax

2.12.1 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

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

substantively enacted, at the reporting date. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in Equity.

2.12.2 Deferred tax

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

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.12.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.13 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Furniture & Fixtures and Office equipment's are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation on tangible fixed assets has been provided on pro-rata basis, on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for certain assets as indicated below:

Lease hold improvements are amortised over the period of lease/ estimated period of lease.

Vehicles used by employees are depreciated over the period of 48 months considering this period as the useful life of the vehicle for the Company.

Sales office and the sample flat/ show unit cost at site is amortised over 5 years or the duration of the project (as estimated by management) whichever is lower.

Computers, computer equipment's and furniture and fixtures are depreciated over the period of 1 year to 10 years.

Plant and equipment's are depreciated over the period of 1 year to 7 years.

Fixed Assets held for disposal are measured at the lower of their carrying value and fair value less costs to sell.

2.14 Intangible Assets

2.14.1 Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.14.2 Derecognition of Intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

2.14.3 Useful lives of Intangible assets

Estimated useful lives of the intangible assets are as follows:

Computer Software	5 years
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2.15 Impairment of tangible and intangible asset

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash generating unit, as the case may be, is estimated and the impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.16 Assets held for sale

Assets or disposal groups are classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. To classify as held for sale, the asset must be available for immediate sale in its present condition, its sale must be highly probable and is marketed for sale at a price that is reasonable in relation to its current fair value. The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

2.17 Inventories

Raw materials are valued at lower of cost and net realisable value. Cost is determined based on a weighted average basis.

Stock of units in completed projects and construction work-in-progress are valued at lower of cost and net realisable value. Cost includes land cost, materials, contract works, direct expenses and allocated interest & manpower costs and expenses incidental to the projects undertaken by the Company.

2.18 Cost of Construction/Development

Cost of Construction/Development (including cost of land) incurred is charged to the statement of profit and loss proportionate to project area sold. Costs incurred for projects which have not received Occupancy/Completion Certificate is carried over as construction work-in-progress. Costs incurred for projects which have received Occupancy/Completion Certificate is carried over as Completed Properties.

2.19 Dividend Distribution

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

2.20 Provisions and contingent liabilities

2.20.1 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

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

Provisions and contingent liabilities are reviewed at each Balance Sheet date.

2.20.2 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.20.3 Contingent liabilities

Contingent liability is disclosed in case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- a present obligation arising from past events, when no reliable estimate is possible.

2.21 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

2.21.1 Classification and subsequent measurement

2.21.1.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as - measured at:

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain and loss on derecognition is recognised in profit or loss.

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

Debt investment at FVTOCI are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in Other Comprehensive Income (OCI). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long term strategic purpose.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in profit or loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

2.21.1.2 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

2.21.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

2.21.3 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.21.4 Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Investment in Subsidiaries and Joint Ventures:

The entire carrying amount of the investment in subsidiaries, associates and joint ventures is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

2.21.5 Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and/or payable is recognised in profit or loss.

2.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The board of directors of the Company assesses the financial performance and position of the Company and makes strategic decisions. The board of directors, which has been identified as being the Chief Operating Decision Maker, consists of the key managerial personnel and the directors who are in charge of the corporate planning. Refer note 34 of standalone financial statements.

3. Use of estimates and judgements

In the application of the Company's accounting policies, which are described in note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

In the process of applying the Company's accounting policies, management has made the following judgements based on estimates and assumptions, which have the significant effect on the amounts recognised in the financial statements:

A. Useful lives of property, plant and equipment and Intangible Asset

The Company reviews the useful life of property, plant and equipment and Intangible Asset at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

B. Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

C. Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

D. Taxes

Deferred tax assets are recognised for temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

E. Determination of the timing of revenue recognition on the sale of completed and under development property

The Company has evaluated and generally concluded that the recognition of revenue over the period of time criteria are not met owing to non-enforceable right to payment for performance completed to date and, therefore, recognises revenue at a point in time. The Company has further evaluated and concluded that based on the analysis of the rights and obligations under the terms of the contracts relating to the sale of property, the revenue is to be recognised at a point in time when control transfers which coincides with receipt of Occupation Certificate.

F. Determination of performance obligations

With respect to the sale of property, the Company has evaluated and concluded that the goods and services transferred in each contract constitute a single performance obligation. In particular, the promised goods and services in contracts for the sale of property is to undertake development of property and obtaining the Occupation Certificate. Generally, the Company is responsible for all these goods and services and the overall management of the project. Although these goods and services are capable of being distinct, the Company accounts for them as a single performance obligation because they are not distinct in the context of the contract.

G. Impairment of investments

The Company assesses impairment of investments in subsidiaries, associates and joint ventures which are recorded at cost. At the time when there are any indications that such investments have suffered a loss, if any, is recognised in the statement of Profit and Loss. The recoverable amount requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate

H. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonable certain to exercise that option and period covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company revises the lease term if there is a change in the non-cancellable period of the lease.

The discount rate is generally based on increment borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

I. Net realisable value of inventories

Inventories comprising of finished goods and construction work- in progress are valued at lower of cost and net realisable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment. NRV in respect of inventory under construction is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and estimate of time value of money till date of completion.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

4.1 - Property, Plant and Equipment

(Rs. in lakhs)

Description of Assets	Building	Leasehold Improvements	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount							
Balance as at 1 st April, 2025.....	2,905.39	588.02	376.94	484.06	93.61	926.14	5,374.16
Additions during the year	—	9.01	18.18	6.45	—	105.31	138.95
Transfer from capital work-in-progress (refer note 4.3)	926.51	—	43.56	49.82	—	1.12	1,021.01
Deductions/Adjustments during the year (refer note 42)	(771.66)	(340.33)	(48.83)	(48.07)	(37.22)	(28.34)	(1,274.45)
Balance as at 31st March, 2026.....	3,060.24	256.70	389.85	492.26	56.39	1,004.23	5,259.67
II. Accumulated depreciation and impairment							
Balance as at 1 st April, 2025.....	1,964.83	447.92	214.53	330.36	59.84	615.05	3,632.53
Depreciation expense for the year	903.45	41.69	80.49	79.39	11.11	182.72	1,298.85
Deductions/Adjustments during the year (refer note 42)	(222.82)	(325.93)	(8.71)	(25.85)	(23.41)	(18.69)	(625.41)
Balance as at 31st March, 2026.....	2,645.46	163.68	286.31	383.90	47.54	779.08	4,305.97
III. Net carrying amount (I-II).....	414.78	93.02	103.54	108.36	8.85	225.15	953.70

(Rs. in lakhs)

Description of Assets	Building	Leasehold Improvements	Office Equipments	Furniture and Fixtures	Vehicles	Computers	Total
I. Gross Carrying Amount							
Balance as at 1 st April, 2024.....	1,871.62	565.57	350.55	507.07	221.44	830.59	4,346.84
Additions during the year	—	123.80	18.22	7.08	—	108.72	257.82
Transfer from capital work-in-progress (refer note 4.3)	1,033.77	—	80.35	94.95	—	—	1,209.07
Deductions/Adjustments during the year	—	(101.35)	(72.18)	(125.04)	(127.83)	(13.17)	(439.57)
Balance as at 31st March, 2025.....	2,905.39	588.02	376.94	484.06	93.61	926.14	5,374.16
II. Accumulated depreciation and impairment							
Balance as at 1 st April, 2024.....	875.36	538.12	204.42	338.18	103.78	406.32	2,466.18
Depreciation expense for the year	1,089.47	11.15	78.85	113.33	33.59	221.52	1,547.91
Deductions/Adjustments during the year	—	(101.35)	(68.74)	(121.15)	(77.53)	(12.79)	(381.56)
Balance as at 31st March, 2025.....	1,964.83	447.92	214.53	330.36	59.84	615.05	3,632.53
III. Net carrying amount (I-II).....	940.56	140.10	162.41	153.70	33.77	311.09	1,741.63

4.2 - Right of Use Assets

(Rs. in lakhs)

Description of Assets	Buildings		Vehicles		Total	
	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025	As at 31 st March, 2026	As at 31 st March, 2025
I. Gross Carrying Amount						
Balance at the beginning of the year	1,282.70	1,282.70	568.15	77.56	1,850.85	1,360.26
Additions during the year	1,593.48	—	395.50	530.92	1,988.98	530.92
Deductions/Adjustments during the year.....	—	—	(82.47)	(40.33)	(82.47)	(40.33)
Balance at the end of the year	2,876.18	1,282.70	881.18	568.15	3,757.36	1,850.85
II. Accumulated depreciation						
Balance at the beginning of the year	1,024.11	927.21	96.44	11.37	1,120.55	938.58
Depreciation expense for the year	849.70	96.90	184.04	89.42	1,033.74	186.32
Deductions/Adjustments during the year.....	—	—	(8.49)	(4.35)	(8.49)	(4.35)
Balance at the end of the year	1,873.81	1,024.11	271.99	96.44	2,145.80	1,120.55
III. Net carrying amount (I-II).....	1,002.37	258.59	609.19	471.71	1,611.56	730.30

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

4.3 - Capital Work-in-Progress

(Rs. in lakhs)		
Buildings		
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Balance at the beginning of the year	478.88	508.07
Additions during the year	840.74	1,179.88
Transfer to Property, plant and equipment (refer note 4.1)	(1,021.01)	(1,209.07)
Balance at the end of the year	298.61	478.88

Ageing of capital Work-in-Progress

(Rs. in lakhs)		
Buildings		
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Project-in-Progress		
Less than 1 year	298.61	478.88
Project temporary suspended	—	—
Total	298.61	478.88

Note : As on date of the balance sheet, there is no capital work in progress projects whose completion is overdue or has exceeded the cost compared to its original plan

5 - Other intangible assets

(Rs. in lakhs)		
Description of Assets	Computer Software	
	As at 31 st March, 2026	As at 31 st March, 2025
I. Gross Carrying Amount		
Balance at the beginning of the year	102.85	91.78
Additions during the year.....	72.28	14.16
Deductions/Adjustments during the year.....	(0.34)	(3.09)
Balance at the end of the year	174.79	102.85
II. Accumulated depreciation and impairment		
Balance at the beginning of the year.....	53.53	32.17
Deductions/Adjustments during the year.....	(0.33)	(3.09)
Amortisation expense for the year	31.28	24.45
Balance at the end of the year	84.48	53.53
III. Net carrying amount (I-II).....	90.31	49.32

6 - Investments

(Rs. in lakhs)								
Particulars	Face Value per share (In Rs)	As at 31 st March, 2026			Face Value per share (In Rs)	As at 31 st March, 2025		
		Number	Amount* (Rs. In lakhs) Current	Amount* (Rs. In lakhs) Non Current		Number	Amount* (Rs. In lakhs) Current	Amount* (Rs. In lakhs) Non Current
A. COST								
Unquoted Investments (all fully paid)								
Investments in Equity Instruments								
- of Subsidiaries								
Mahindra Infrastructure Developers Limited.....	10	18,000,000	—	1,800.00	10	18,000,000	—	1,800.00
Mahindra World City (Maharashtra) Limited	10	25,423,700	—	2,430.37	10	25,423,700	—	2,430.37
Knowledge Township Limited	10	49,071,664	—	5,528.15	10	49,071,664	—	5,528.15
Industrial Township (Maharashtra) Limited	10	5,000,000	—	269.22	10	5,000,000	—	269.22
Mahindra Bloomdale Developers Limited.....	10	50,000	—	403.50	10	50,000	—	403.50
Anthurium Developers Limited.....	10	50,000	—	5.00	10	50,000	—	5.00
Shreyas Stones Private Limited (refer note 'a' below).....	10	10,000	—	18,965.07	—	—	—	—
Mahindra Homes Private Limited.....								
Class A Equity Shares (refer note 'c' below)	10	822,507	—	2,991.89	—	—	—	—
Class B Equity Shares (refer note 'c' below).....	10	11,043	—	5,709.23	—	—	—	—
Class C Equity Shares (refer note 'h' below).....	10	11,043	—	5,494.49	—	—	—	—
Deepmangal Developers Private Limited.....	10	112,847	—	397.28	10	112,847	—	397.28

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

6 - Investments

Particulars	As at 31 st March, 2026				(Rs. in lakhs)			
	Face Value per share (In Rs)	Number	Amount* (Rs. In lakhs) Current	Amount* (Rs. In lakhs) Non Current	As at 31 st March, 2025			
					Face Value per share (In Rs)	Number	Amount* (Rs. In lakhs) Current	Amount* (Rs. In lakhs) Non Current
- of Joint Ventures								
Mahindra World City (Jaipur) Limited.....	10	111,000,000	–	11,115.43	10	111,000,000	–	11,115.43
Mahindra Happinest Developers Limited.....	10	51,000	–	5.10	10	51,000	–	5.10
Mahindra Industrial Park Private Limited.....	10	50,000	–	5.00	10	50,000	–	5.00
Mahindra World City Developers Limited.....	10	17,799,999	–	3,889.43	10	17,799,999	–	3,889.43
Mahindra Homes Private Limited.....								
Class A Equity Shares (refer note 'c' below)	–	–	–	–	10	616,879	–	61.69
Class C Equity Shares	–	–	–	–	10	11,043	–	5,494.49
Mahindra Blossom Developers Limited (refer note 'b' below)	10	118,728,000	–	11,872.80	–	–	–	–
- of Associate								
Mahindra Knowledge Park (Mohali) Limited.....	10	6	–	0.00	10	6	–	0.00
Ample Parks and Logistics Private Limited (refer note 'd' below).....	10	7,673,514	–	767.35	10	4,033,514	–	403.35
Ample Parks Project 1 Private Limited	10	13,437,610	–	1,348.67	10	13,437,610	–	1,348.67
Ample Parks Project 2 Private Limited	10	3,131,700	–	315.06	10	3,131,700	–	315.06
Ample Parks MMR Private Limited (refer note 'e' below)	10	109,200	–	10.99	10	70,200	–	7.09
TOTAL INVESTMENTS CARRIED AT COST [A].....			–	73,324.03			–	33,478.83
B. AMORTISED COST								
Unquoted Investments (all fully paid)								
Investments in Preference Shares								
- of Subsidiaries								
Moonshine Construction Private Limited (7.00% Non-Cumulative Redeemable Participating Preference Shares)	10	5,000	–	0.50	10	5,000	–	0.50
Mahindra Homes Private Limited.....								
Series A 0.01% Optionally Convertible Redeemable Preference Shares.....	10	1	–	0.00	–	–	–	–
Series B 0.01% Compulsorily Convertible Preference Shares (refer note 'c' below)	10	1	–	0.52	–	–	–	–
- of Joint Ventures								
Mahindra Homes Private Limited (Series A 0.01% Optionally Convertible Redeemable Preference Shares)	–	–	–	–	10	1	–	0.00
Mahindra World City Developers Limited (0.01% Non Convertible Redeemable Preference Shares) (refer note 'f' below) ..	–	–	–	–	10	120,250,000	–	11,450.30
Investments in Debentures								
- of Joint Ventures								
Mahindra Blossom Developers Limited - 12% Non Convertible Debentures (refer note 'b' below)	1,000	1,662,600	–	16,626.00	–	–	–	–
TOTAL INVESTMENTS CARRIED AT AMORTISED COST [B]			–	16,627.02			–	11,450.80
C. Designated at Fair Value Through Profit and Loss								
Quoted Investments (all fully paid)								
Investments in Mutual Funds		1,014,459	7,509.89	–		808,820	5,008.23	–
Unquoted Investments (all fully paid)								
Investments in Preference Shares								

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

6 - Investments

Particulars	As at 31 st March, 2026				As at 31 st March, 2025			
	Face Value per share (In Rs)	Number	Amount*	Amount*	Face Value per share (In Rs)	Number	Amount*	Amount*
			(Rs. In lakhs) Current	(Rs. In lakhs) Non Current			(Rs. In lakhs) Current	(Rs. In lakhs) Non Current
- of Joint Ventures								
Mahindra Happinest Developers Limited (0.01% Optionally Convertible Redeemable Preference Shares).....	10	949,661	–	55.25	10	949,661	–	8.00
Investments in Debentures								
- of Joint Ventures								
Mahindra Industrial Park Private Limited - Optionally Convertible Debentures - Series V	100,000	6,686	–	5,965.00	100,000	6,686	–	6,010.00
- of Associates								
Ample Parks Project 1 Private Limited - 10% Compulsory Convertible Debentures (refer note 'g' below)	100	4,427,280	–	4,518.48	100	4,031,280	–	4,321.53
Ample Parks Project 2 Private Limited - 10% Compulsory Convertible Debentures (Refer note 'i' below)	100	214,500	–	183.10	100	214,500	–	214.50
Investments in Equity Instruments								
- of Other Entities								
New Tirupur Area Development Corporation Limited (refer note 'f' below).....	10	500,000	–	56.00	10	500,000	–	51.00
TOTAL INVESTMENTS CARRIED AT FVTPL [C].....			7,509.89	10,777.83			5,008.23	10,605.03
TOTAL INVESTMENTS (A) + (B)+ (C)			7,509.89	100,728.88			5,008.23	55,534.66
Other disclosures								
Aggregate carrying value of quoted investments.....			7,509.89	–			5,008.23	–
Market value of quoted investments.....			7,509.89	–			5,008.23	–
Aggregate carrying value of unquoted investments.....			–	100,728.88			–	55,534.66
Aggregate amount of impairment in value of unquoted investments.....			–	342.77			–	342.77

* Rs. 0.00 lakhs denotes amount less than Rs. 500/-

Notes:

- During the year ended 31st March, 2026, the Company has invested in 10,000 equity shares at its face value of Rs. 10 each of Shreya Stones Private Limited.
- During the year ended 31st March, 2026, the Company has invested in 2,500,000 equity shares at its face value of Rs. 10 each of Mahindra Blossom Developers Limited. Out of the above, the Company sold 1,225,000 equity shares, representing 49% of its equity stake in Mahindra Blossom Developers Limited to Mitsui Fudosan (Asia) Pte Ltd, at its carrying value of Rs 10 each. Further during the year, the Company subscribed to 117,453,000 equity shares at its face value of Rs. 10 each of Mahindra Blossom Developers Limited pursuant to a rights issue. The Company has also invested 1,662,600 12% Non Convertible Debentures of Rs 1,000 each.
- During the year ended 31st March, 2026 the Company acquired 216,671 Equity shares of Rs. 10 each and 1 Compulsory Convertible Preference share of Rs 10 each for Rs 8,639.95 lakhs of Mahindra Homes Private Limited. The Company acquired the remaining 25.65% equity stake (economic interest 50 %), increasing its total shareholding to 100% and thereby obtaining control effective 28th November 2025. Accordingly, the entity has become a wholly owned Subsidiary of the Company.
- During the year ended 31st March, 2026, the Company has invested 3,640,000 equity shares of Ample Parks and Logistics Private Limited at its face value of Rs. 10 each. During the year ended 31st March, 2025, the Company had invested 1,040,000 equity shares of Ample Parks and Logistics Private Limited at its face value of Rs 10 each.
- During the year ended 31st March, 2026, the Company has invested in 39,000 equity shares of Ample Parks MMR Private Limited at its face value of Rs. 10 each. During the year ended 31st March, 2025, the Company had invested in 70,200 equity shares of Ample Parks MMR Private Limited at its face value of Rs 10 each.
- During the year ended 31st March, 2026 Mahindra World City Developers Limited (MWCDL) has redeemed its Redeemable preference Shares (RPS) issued to MLDL.
- During the year ended 31st March, 2026, the Company has invested in 396,000 10% Compulsory Convertible Debentures (CCD) at its face value of Rs. 100 each of Ample Parks Project 1 Private Limited. During the year ended 31st March, 2025, the Company has invested in 7,999,200 equity shares at its face value of Rs 10 each and 4,031,280 10% Compulsory Convertible Debentures (CCD) at its face value of Rs 100 each of Ample Parks Project 1 Private Limited. 407,633 8% Compulsory Convertible Debentures of Rs 100 each were converted into equity shares of Rs 10 each in the ratio 10 equity shares for each CCD.
- During the year ended 31st March, 2025, the Company had received Rs 5,998.80 Lakhs as a consideration for capital reduction of 12,000 Class C equity shares from Joint Venture Company viz Mahindra Homes Private Limited (MHPL). The transaction was completed on November 26, 2024.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

- i. During the year ended 31st March, 2025, the Company had invested in 214,500 10% Compulsory Convertible Debentures (CCD) at its face value of Rs 100 each of Ample Parks Project 2 Private Limited. 234,630 8% Compulsory Convertible Debentures of Rs 100 each were converted into equity shares of Rs 10 each in the ratio 10 equity shares for each CCD.
- j. During the year ended 31st March, 2025, Company had reassessed impairment loss on equity investment held in New Tirupur Area Development Corporation Limited basis recently available financial information resulting in reversal of impairment loss of Rs 51 lakhs.

7 - Other financial assets

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Non Current	Current	Non Current	Current
	(Rs. in lakhs)			
Financial assets at amortised cost				
a) Security Deposit	5,175.32	578.56	3,126.95	382.30
b) Interest Accrued	—	2,922.37	—	2,199.24
Total	5,175.32	3,500.93	3,126.95	2,581.54

8 - Deferred Tax Asset (Net)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
	(Rs. in lakhs)	
Deferred tax liabilities	2.58	54.63
Deferred tax assets	(8,540.96)	(7,926.62)
Total	(8,538.38)	(7,871.99)

(a) Deferred Tax (assets)/liabilities in relation to:

Particulars	Opening Balance as at 1 st April, 2025	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as at 31 st March, 2026
	(Rs. in lakhs)			
Deferred Tax Liabilities:				
Property, plant and equipment, investment property and other intangible assets	54.63	(54.63)	—	—
Other temporary differences	180.70	(178.12)	—	2.58
Deferred Tax Liabilities	235.33	(232.75)	—	2.58
Deferred Tax Assets:				
Expenses allowed on payment basis	(169.66)	(146.37)	—	(316.03)
Leases (net *)	(10.50)	(12.57)	—	(23.07)
Provision for employee benefits	(265.76)	(171.23)	(25.70)	(462.69)
Carry forward of business loss	(7,661.40)	99.42	—	(7,561.98)
Property, plant and equipment, investment property and other intangible assets	—	(177.19)	—	(177.19)
Deferred Tax Assets	(8,107.32)	(407.94)	(25.70)	(8,540.96)
Deferred Tax (Assets) / Liabilities (Net)	(7,871.99)	(640.69)	(25.70)	(8,538.38)

(*) Includes deferred tax liabilities created on ROU assets Rs 405.63 lakhs (Previous year Rs 183.81 lakhs)

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Deferred Tax (assets)/liabilities in relation to:

	(Rs. in lakhs)			
Particulars	Opening Balance as at 1 st April, 2024	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance as at 31 st March, 2025
Deferred Tax Liabilities:				
Property, plant and equipment, investment property and other intangible assets	193.16	(138.53)	–	54.63
Deferred Tax Liabilities	193.16	(138.53)	–	54.63
Deferred Tax Assets:				
Expenses allowed on payment basis	(203.93)	34.27	–	(169.66)
Leases (net *)	(4.98)	(5.52)	–	(10.50)
Provision for employee benefits	(177.03)	(74.41)	(14.32)	(265.76)
Carry forward of business loss	(8,408.29)	746.89	–	(7,661.40)
Other temporary differences	(268.96)	449.66	–	180.70
Deferred Tax Assets	(9,063.19)	1,150.89	(14.32)	(7,926.62)
Deferred Tax (Assets) / Liabilities (Net)	(8,870.03)	1,012.36	(14.32)	(7,871.99)

The Company has recognized Deferred tax asset on carried forward tax losses considering its ongoing projects and future business plans.

(b) Deferred tax assets not recognised

	(Rs. in lakhs)	
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Loss arising on financial assets measured at fair value through profit and loss	225.10	236.99
Total	225.10	236.99

(c) Income tax assets

	(Rs. in lakhs)	
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Income tax assets (net of provision)	9,590.91	8,159.44
Total	9,590.91	8,159.44

9 - Other Assets

	(Rs. in lakhs)	
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
	Current	Current
(a) Advances		
(i) Balances with government authorities (other than income taxes)	1,012.55	979.64
(ii) Prepaid expenses	16,016.30	12,965.48
(iii) Security deposits	1,425.00	1,425.00
(iv) Other advances #	30,765.89	5,103.13
Total	49,219.74	20,473.25

Other advances mainly includes land advances, employees advance and project advances given to vendors.

10 - Inventories (at lower of cost and net realisable value)

	(Rs. in lakhs)	
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(a) Raw materials	8,047.93	5,772.22
(b) Construction Work-in-progress*	336,816.94	365,302.92
(c) Finished Goods	5,143.36	8,417.54
Total	350,008.23	379,492.68

* Construction Work-in-Progress represents materials at site and construction cost incurred for the projects.

Notes:

1. Based on projections and estimates by the Company of the expected revenues and costs to completion, provision for losses to completion and/ or write off of costs carried to inventory are made on projects where the expected revenues are lower than the estimated costs to completion. In the opinion of the management, the net realisable value of the construction work in progress will not be lower than the costs so included therein. The amount of inventories recognised as an expense of Rs. 77,446.71 lakhs for the year ended 31st March, 2026. (31st March, 2025: Rs. 29,903.29 lakhs) include 31st March, 2026: Rs. 382.52 lakhs (31st March, 2025: Rs. 381.36 lakhs) in respect of write down of inventory to net realisable value.

2. During the year ended 31st March 2025, the Company had availed long term loans from banks and financial institution against which identified project inventories were mortgaged. These loans were fully repaid during the year (refer note 18).

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

11 - Trade receivables

Particulars	(Rs. in lakhs)		Particulars	(Rs. in lakhs)	
	As at 31 st March, 2026	As at 31 st March, 2025		As at 31 st March, 2026	As at 31 st March, 2025
Trade receivables			6 months -1 year.....	6.26	0.32
(a) Considered good - unsecured	18,429.61	12,625.57	1-2 Years	0.50	13.17
(b) Credit impaired	208.34	208.34	2-3 years.....	—	0.21
	18,637.95	12,833.91	More than 3 years.....	201.58	194.64
Less: Allowance for expected credit losses	(208.34)	(208.34)	<u>Disputed trade receivables which have significant increase in credit risk</u>	—	—
Total	18,429.61	12,625.57	<u>Disputed Trade Receivable Credit impaired</u>	—	—
			Total	18,637.95	12,833.91

Company has availed cash credit facilities and short term loans, which are secured by hypothecation of trade receivables (refer note 18).

11 a - Movement in the allowance for expected credit losses

Particulars	(Rs. in lakhs)	
	As at 31 st March, 2026	As at 31 st March, 2025
Balance at beginning of the year	208.34	181.62
Additions during the year	—	26.72
Balance at end of the year	208.34	208.34

Refer note 30 for disclosures related to credit risk, impairment of trade receivables under expected credit loss model and related financial instrument disclosures.

11 b - Ageing for trade receivables from the due date of payment for each of the category is as follows:

Particulars	(Rs. in lakhs)	
	As at 31 st March, 2026	As at 31 st March, 2025
<u>Undisputed Trade Receivable - Considered good - unsecured*</u>		
Not Due	10,946.17	9,559.74
Less than 6 months	4,875.02	1,650.04
6 months -1 year.....	1,598.26	812.27
1-2 Years	593.66	291.52
2-3 years.....	115.19	37.73
More than 3 years.....	301.31	274.27
<u>Undisputed Trade Receivable Credit impaired</u>		
Not Due	—	—
Less than 6 months	—	—

14 - Loans

Particulars	(Rs. in lakhs)			
	As at 31 st March, 2026		As at 31 st March, 2025	
	Non Current	Current	Non Current	Current
Measured at amortised cost				
a) Loans to related parties (refer note 35)				
- Unsecured, considered good	104,229.85	—	59,904.55	—
Total	104,229.85	—	59,904.55	—

The loans to related parties (refer note 35) includes repayable on demand or as per the terms of repayment.

There are no loans or advances in the nature of loans to Promoter, Directors, Key Management Person as defined under Companies Act, 2013.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

15 - Equity Share Capital

(Rs. in lakhs)				
	As at 31 st March, 2026		As at 31 st March, 2025	
Particulars	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of Rs. 10 each with voting rights	294,000,000	29,400.00	294,000,000	29,400.00
Unclassified shares of Rs. 10 each	6,000,000	600.00	6,000,000	600.00
Issued:				
Equity shares of Rs. 10 each with voting rights	213,495,904	21,349.59	155,240,949	15,524.09
Subscribed and Fully Paid up:				
Equity shares of Rs. 10 each with voting rights	213,342,715	21,334.28	155,087,760	15,508.78
Total	213,342,715	21,334.28	155,087,760	15,508.78

(i) Reconciliation of the number of shares and outstanding amount

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	No. of Shares	Rs. in lakhs	No. of Shares	Rs. in lakhs
Balance at the Beginning of the year	155,087,760	15,508.78	155,009,966	15,501.00
Add: Right Issue during the year	58,163,456	5,816.35	—	—
Add: Stock options allotted during the year	91,499	9.15	77,794	7.78
Balance at the end of the year.....	213,342,715	21,334.28	155,087,760	15,508.78

Terms/ rights attached to equity shares with voting rights

The Company has issued only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and carry a right to dividends. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

Rights issue of shares

During the year ended 31st March, 2026, the Company successfully completed a rights issue of 58,163,456 equity shares of face value of Rs 10 each for a cash price at Rs 257 per share, aggregating to Rs 149,480.08 lakhs. The funds are being utilised for the repayment of the debt, funding acquisition of land parcels and working capital.

(ii) Details of shares held by the holding company, its subsidiaries and its associates:

Particulars	Equity Shares with Voting rights
As at 31st March, 2026	
Mahindra & Mahindra Limited the Holding Company	111,805,708
As at 31st March, 2025	
Mahindra & Mahindra Limited the Holding Company	79,319,550

Other than the above shares, no shares are held by any subsidiaries or associates of the holding company

(iii) Details of shares held by each shareholder holding more than 5% shares

Class of shares / Name of shareholder	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Mahindra & Mahindra Limited.....	111,805,708	52.41%	79,319,550	51.14%

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

(iv) Shares reserved for issue under options

The Company has 708,540 (previous year 218,370) equity shares of Rs 10/- each reserved for issue under options [refer note 25].

- (v) The allotment of 210,634 (previous year 153,189) equity shares of the Company has been kept in abeyance in accordance with Section 206A of the Companies Act, 1956 (Section 126 of the Companies Act 2013), till such time the title of the bonafide owner of the shares is certified by the concerned Stock Exchange or the Special Court (Trial of Offences relating to Transactions in Securities).

(vi) Details of shareholdings by the Promoter's of the Company

Class of shares / Name of shareholder	As at 31 st March, 2026		As at 31 st March, 2025		% change during the period
	Number of shares held	% holding	Number of shares held	% holding	
Equity shares with voting rights					
Mahindra & Mahindra Limited.....	111,805,708	52.41%	79,319,550	51.14%	1.27%

(vii) Aggregate number of equity shares issued as bonus during the period of five years immediately preceding the reporting date:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Equity share allotted as fully paid bonus shares by capitalisation of Capital Redemption Reserve and Security Premium	102,787,676	102,787,676

16 - Other equity

Particulars	(Rs. in lakhs)	
	As at 31 st March, 2026	As at 31 st March, 2025
General reserve.....	7,299.49	7,299.49
Securities premium (*).....	238,345.94	95,280.68
Share options outstanding account	942.71	518.54
Retained earnings	38,167.44	37,005.03
Share Application money pending allotment	—	0.47
	<u>284,755.58</u>	<u>140,104.21</u>

(*) net of share issue expense of Rs 934.97 lakhs

Description of the nature and purpose of Other Equity:

General Reserve: General reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed / utilised by the Company in accordance with the Companies Act, 2013

Securities Premium: The Securities Premium is created on issue of shares at a premium.

Share Options Outstanding Account: The Share Options Outstanding Account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

Retained Earnings: This reserve represents cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of Companies Act, 2013.

Share Application Money Pending allotment: This represents share application money received from the eligible employees upon exercise of employee stock option. The same will be transferred to equity share capital account after the allotment of shares to the applicants.

18 - Provisions

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Current	Non Current	Current	Non Current
(a) Provision for employee benefits				
-Gratuity.....	—	971.73	—	391.44
-Leave Encashment.....	153.84	517.67	154.94	416.55
(b) Other Provisions				
-Defect Liabilities	1,043.84	—	462.30	—
Total Provisions.....	<u>1,197.68</u>	<u>1,489.40</u>	<u>617.24</u>	<u>807.99</u>

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Details of movement in provisions for Defect Liabilities are as follows:

Particulars	(Rs. in lakhs)	
	As at 31 st March, 2026	As at 31 st March, 2025
Opening Balance	462.30	625.18
Additional provisions recognised	640.39	148.53
Amounts utilised during the year	(58.85)	(311.41)
Closing Balance.....	1,043.84	462.30

Defect Liability Provisions:

Provision for defect liability represents present value of management's best estimate of the future outflow of economic resources that will be required in respect of residential units when control over the property has been transferred to the customer, the estimated cost of which is accrued during the period of construction, upon sale of units and recognition of related revenue. Management estimates the related provision for future defect liability claims based on historical cost of rectifications and is adjusted regularly to reflect new information. The residential units are generally covered under the defect liability period limited to 5 years from the date when control over the property has been transferred to the customer.

18 - Borrowings

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Non Current	Current	Non Current	Current
A. Secured Borrowings at amortised cost				
(a) Term loan from bank	—	—	27,418.31	—
(b) Other: Loan from Financial Institution.....	—	—	64,347.29	—
Total	—	—	91,765.60	—
B. Unsecured Borrowings at amortised cost				
(a) Loans on cash credit account from banks	—	—	—	1,647.61
(b) Commercial Papers	—	—	—	14,735.25
(c) Working capital loans from banks	—	32,500.00	—	12,500.00
(d) Current maturities of long term borrowings	—	—	—	2,500.00
(e) Loans from related party	—	30,000.00	—	20,000.00
Total	—	62,500.00	—	51,382.86
Total (A+B).....	—	62,500.00	91,765.60	51,382.86

Secured Borrowing

- Long term loan from a bank carrying a variable interest rate ranging from 7.30% p.a. to 8.20% p.a. (Previous year : 8.00% p.a. to 9.00% p.a.) linked to Repo Rate. The loan is secured by way of equitable mortgage with first exclusive charge on land and building of an identified residential housing project and hypothecation of the cashflows of under construction residential housing project. The loan is repayable in 12 equal quarterly instalments starting from March 26, after moratorium period of 24 months. The loan is repaid during current financial year.
- Loan from a financial institution carrying an interest rate ranging from 9.00% p.a. to 9.50% p.a. (Previous year : 8.75% p.a. to 9.75% p.a.) linked to SBI 3M MCLR. The loan is secured with exclusive first charge on land and building of an identified residential housing project including receivables from sold and unsold units of a residential housing project. The loan is repayable in 13 equal instalments starting from June 26, after a moratorium period of 24 months. The loan is repaid during current financial year.
- Loan from a financial institution carrying an interest rate ranging from 9.00% p.a. to 9.50% p.a. (Previous year : 8.50% p.a. to 9.50% p.a.) linked to SBI 3M MCLR. The loan is secured with exclusive first charge on land and building of identified residential housing projects including receivables from sold and unsold units of residential housing projects. The loan is repayable in 14 equal instalments starting from August 26, after a moratorium period of 18 months. The loan is repaid during current financial year.

Unsecured Borrowings

- The cash credit facility is carrying interest rate in the range of 8.55% p.a. to 9.40% p.a. (Previous year 9.30% p.a. to 9.65% p.a.)
- Commercial papers is carrying interest rate in the range of 6.00% p.a. to 8.00% p.a. (Previous year 7.32% p.a. to 7.44% p.a.). There is no amount outstanding as on March 31, 2026.
- Working capital loans from banks include carrying interest rate in the range of 6.90% p.a. to 9.50% p.a. (Previous Year 7.45% p.a. to 9.65% p.a.)
- Loans from related party is carrying interest rate in the range of 7.40% p.a. to 8.00% p.a. (Previous year 8.00% p.a.) repayable after 12 months from the date of drawdown.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

(a) Reconciliation of movement in borrowings to cash flows from financing activities

	(Rs. in lakhs)	
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Opening balance		
Long term borrowings	91,765.60	64,796.22
Short term borrowings	51,382.86	21,976.09
Total opening balance	143,148.46	86,772.31
Cash flow movements		
Proceeds from borrowings	267,300.25	207,707.71
Repayment of borrowings	(348,183.10)	(151,393.87)
	(80,882.85)	56,313.84
Non cash movements		
Effect of amortisation of loan origination costs	234.39	62.31
	234.39	62.31
Closing balance		
Long term borrowings	—	91,765.60
Short term borrowings	62,500.00	51,382.86
Total closing balance	62,500.00	143,148.46

(b) During the year ended March 31, 2025 the Company had converted Compulsory Convertible Debentures (CCD) of Rs 100 each into equity shares of Rs 10 each in the ratio 10 equity shares for each CCD of Ample Parks Project 1 Private Limited and Ample Parks Project 2 Private Limited. (Refer note 35)

19 - Trade Payables

	(Rs. in lakhs)	
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Trade payable - Micro and small enterprises*	1,919.37	3,021.48
Trade payable - Other than micro and small enterprises	35,940.95	17,624.67
Total	37,860.32	20,646.15

Trade payables are payables in respect of the amount due on account of goods purchased or services received in the normal course of business.

19 a. Disclosures required under Section 22 of the micro, small and medium Enterprises Development Act, 2006

* This information has been determined to the extent such parties have been identified on the basis of intimation received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

	(Rs. in lakhs)	
Particulars	31 st March, 2026	31 st March, 2025
Dues remaining unpaid		
Principal.....	1,919.37	3,021.48
Interest	—	—

Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year

	(Rs. in lakhs)	
Particulars	31 st March, 2026	31 st March, 2025
- Principal paid beyond the appointed date	—	—
- Interest paid in terms of Section 16 of the MSMED Act.....	—	—
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	—	—
Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	—	—
Amount of interest accrued and remaining unpaid.....	—	—

19 b - Ageing for trade payable from the due date of payment for each of the category is as follows:

	(Rs. in lakhs)	
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
<u>Undisputed dues of micro enterprises and small enterprises</u>		
Unbilled.....	792.18	807.95
Not Due	804.71	2,055.36
Less than 1 year	322.48	158.17
1-2 Years	—	—
2-3 years.....	—	—
More than 3 years.....	—	—
<u>Undisputed dues of Trade Payable other than micro enterprises and small enterprises</u>		
Unbilled.....	23,797.11	7,443.27
Not Due	8,520.29	6,780.03
Less than 1 year	2,971.18	2,686.60
1-2 Years	17.41	135.58
2-3 years.....	129.62	273.59
More than 3 years.....	505.34	305.60
Disputed dues - micro enterprises and small enterprises	—	—
Disputed dues - others	—	—
Total	37,860.32	20,646.15

20 - Other current financial liabilities

	(Rs. in lakhs)	
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Carried at Amortised Cost		
(a) Interest accrued.....	975.47	792.13
(b) Unclaimed dividend*	86.88	78.70
(c) Payable to related parties (Refer Note 35).....	—	10,915.02
(d) Other Liabilities#.....	6,838.77	13,759.26
Total	7,901.12	25,545.11

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

Other liabilities mainly includes Payable towards land dues, Trade Deposits and Society Maintenance deposits.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

21 - Other Current Liabilities

Particulars	(Rs. in lakhs)	
	As at 31 st March, 2026	As at 31 st March, 2025
a. Advances received from customers	271,720.04	234,161.25
b. Statutory dues payable.....	1,657.46	1,356.27
Total	273,377.50	235,517.52

22 - Revenue from Operations

Particulars	(Rs. in lakhs)	
	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
(a) Revenue from Contracts with Customers		
(i) Revenue from Projects.....	85,999.66	34,478.76
(ii) Project Management Fees	31.85	48.60
(b) Income from Operation of Commercial Complexes.....	0.47	404.43
Total	86,031.98	34,931.79

(1) Notes:

- Amounts received before the related performance obligation is satisfied are included in the balance sheet (Contract liability) as "Advances received from Customers" in note no. 21 - Other Current Liabilities. Amounts billed for development milestone achieved but not yet paid by the customer are included in the balance sheet under trade receivables in note no. 11.
- During the year, the Company recognised Revenue of Rs. 73,796.31 lakhs (31st March, 2025: Rs. 30,373.88 lakhs) from opening contract liability included in the balance sheet as "Advances received from Customers" in note no. 21 - Other Current Liabilities of Rs. 234,161.25 lakhs (1st April, 2025 : Rs 146,955.87 lakhs).
- There were no significant changes in the composition of the contract liabilities and Trade receivable during the reporting period other than on account of periodic invoicing and revenue recognition.
- Amounts previously recorded as contract liabilities increased due to further milestone based invoices raised during the year and decreased due to revenue recognised during the year on completion of the construction.
- Amounts previously recorded as Trade receivables increased due to further milestone based invoices raised during the year and decreased due to collections during the year.
- There are no contract assets outstanding at the end of the year.
- The aggregate amount of the transaction price allocated to the performance obligations that are completely or partially unsatisfied as at 31st March, 2026, is Rs. 646,589.76 lakhs (31st March, 2025 : Rs. 555,852 lakhs). Out of this, the Company expects, based on current projections, to recognize revenue of around 14% (31st March, 2025 : 24%). within the next one year and the remaining thereafter. This includes contracts that can be terminated for convenience with a penalty as per the agreement since, based on current assessment, the occurrence of the same is expected to be remote.

(2) Reconciliation of revenue recognised with the contracted price is as follows:

Particulars	(Rs. in lakhs)	
	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Contracted price	85,999.66	34,478.76
Adjustments on account of cash discounts or early payment rebates, etc.....	-	-
Revenue recognised as per Statement of Profit & Loss	85,999.66	34,478.76

(3) Contract costs

Particulars	(Rs. in lakhs)	
	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Contract costs included in prepaid expenses in note no. 9- Other current assets	15,380.67	12,701.83
(a) The Company incurs commissions that are incremental costs of obtaining a contract with a customer. Under Ind AS 115, the Company recognises the incremental costs of obtaining a contract as assets under Prepaid Expenses under note no. 9 - Other Assets and amortises it upon completion of the related property sale contract.		
(b) For the year ended 31 st March 2026 amortisation amounting to Rs. 2,823.34 lakhs (31 st March 2025: Rs. 1,676.55 lakhs) was recognised as Brokerage cost in note no. 24 - Construction Expenses incurred. There were no impairment loss in relation to the costs capitalised.		

23 - Other Income

Particulars	(Rs. in lakhs)	
	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
(a) Interest Income on:		
(1) Inter Corporate Deposits	6,480.81	2,387.84
(2) Bank Deposits	1,974.01	694.91
(3) Redeemable preference shares	855.71	960.09
(4) Non Convertible Debentures	21.86	-
(4) Others*	334.56	381.18
(b) Dividend income from joint ventures and subsidiary	13,145.72	19,170.70
(c) Profit on sale of business undertaking (refer note 42)	8,564.67	-
(d) Profit on sale of non-current investments...	-	28.15
(e) Gain on disposal of asset held for sale.....	-	3,579.88
(f) Net gain arising on financial assets measured at fair value through profit and loss	-	22.87
(g) Net gain arising on current investment measured at fair value through profit and loss	1.79	-
(h) Profit on sale of current investments	333.55	777.84
(i) Miscellaneous income	21.52	323.58
Total	31,734.20	28,327.04

* Other interest income includes interest charged on late payment received from customers, interest on income tax refund.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

24 - Construction Expenses incurred

	(Rs. in lakhs)	
Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Expenses incurred during the year		
Land cost.....	12,198.37	29,987.64
Civil electricals, contracting and other project related expenses	72,803.98	46,988.27
Interest costs allocated (refer note 26)	4,804.61	7,715.77
Employee benefits expense allocated (refer note 25)	5,893.21	4,751.39
Total	95,700.17	89,443.07

Changes in inventories of work-in-progress and finished goods

	(Rs. in lakhs)	
Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Opening Stock:		
Work-in-progress	365,302.92	305,554.40
Finished Goods	8,417.54	8,626.28
	373,720.46	314,180.68
Less: Closing Stock:		
Work-in-progress	336,816.94	365,302.92
Finished Goods	5,143.36	8,417.54
	341,960.30	373,720.46
On account of transfer of undertaking (refer note 42).....	50,013.61	–
Changes in inventories of work-in-progress and finished goods	(18,253.45)	(59,539.78)
Operating Expenses		
Brokerage	2,823.34	1,676.55
Total	2,823.34	1,676.55

The other details of the schemes are summarised below:

Details about Vesting Conditions:

Particulars	Number of Options (Including issue of share options under bonus arrangement)	Grant Date	Expiry Date	Exercise Price	Fair value per Option at Grant Date (Rs.)
ESOS 2006					
1 Series 15 Granted on 30 th Oct 2020	1,200,000	30-Oct-20	30-Oct-29	Rs 246 per share*	108.97
ESOS 2012					
1 Series 8 Granted on 28 th July 2016	34,200	28-Jul-16	28-Jul-25	Rs 10 per share	420.53
2 Series 9 Granted on 25 th July 2017	20,600	25-Jul-17	25-Jul-26	Rs 10 per share	393.45
3 Series 10 Granted on 30 th Jan 2018	3,500	30-Jan-18	30-Jan-27	Rs 10 per share	453.81
4 Series 11 Granted on 30 th July 2018	34,600	30-Jul-18	30-Jul-27	Rs 10 per share	532.67
5 Series 12 Granted on 14 th Feb 2019	11,400	14-Feb-19	14-Feb-28	Rs 10 per share	341.88

25 - Employee Benefits Expense

	(Rs. in lakhs)	
Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
(a) Salaries and wages, including bonus	15,101.26	13,085.02
(b) Contribution to provident and other funds .	850.13	674.79
(c) Share based payment expenses	904.50	555.45
(d) Staff welfare expenses	907.53	785.82
Less : Allocated to projects (refer note 24)	(5,893.21)	(4,751.39)
Total	11,870.21	10,349.69

Share based payment

The Company has granted options to its eligible employees under the Employee Stock Options Scheme 2006 ("ESOS 2006") and the Employee Stock Options Scheme 2012 ("ESOS 2012"). The options granted under both the schemes are equity settled.

ESOS 2006:- Options granted under ESOS 2006 vest in 4 equal instalments of 25% each on expiry of 12 months, 24 months, 36 months and 48 months respectively from the date of grant. The options may be exercised on any day over a period of five years from the date of vesting.

ESOS 2012 (Options granted till 16th March, 2021):- Options granted under ESOS 2012 vest in 4 instalments bifurcated as 20% each on the expiry of 12 months and 24 months, 30% each on the expiry of 36 months and 48 months respectively from the date of grant. The options may be exercised on any day over a period of five years from the date of vesting.

ESOS 2012 (Options granted from 17th March, 2021):- Options granted under ESOS 2012 vest in 3 equal instalments of 33.33% each on expiry of 12 months, 24 months, and 36 months respectively from the date of grant. The options may be exercised within a period of five years from the date of grant.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Particulars	Number of Options (Including issue of share options under bonus arrangement)	Grant Date	Expiry Date	Exercise Price	Fair value per Option at Grant Date (Rs.)
6 Series 13 Granted on 26 th July 2019	140,700	26-Jul-19	26-Jul-28	Rs 10 per share	353.37
7 Series 14 Granted on 29 th July 2020	65,500	29-Jul-20	29-Jul-29	Rs 10 per share	168.56
8 Series 15 Granted on 30 th Oct 2020	25,500	30-Oct-20	30-Oct-29	Rs 10 per share	258.83
9 Series 16 Granted on 17 th March 2021	92,768	17-Mar-21	17-Mar-26	Rs 10 per share	542.32
10 Series 17 Granted on 16 th March 2022	67,867	16-Mar-22	16-Mar-27	Rs 10 per share	286.25
11 Series 18 Granted on 25 th April 2023	68,929	25-Apr-23	25-Apr-28	Rs 10 per share	358.04
12 Series 19 Granted on 27 th October 2023	69,862	27-Oct-23	27-Oct-28	Rs 10 per share	484.24
13 Series 20 Granted on 25 th October 2024	91,471	25-Oct-24	25-Oct-29	Rs 10 per share	489.09
14 Series 21 Granted on 19 th May 2025	401,059	19-May-25	19-May-30	Rs 10 per share	300.42
15 Series 22 Granted on 31 st October 2025	154,732	31-Oct-25	31-Oct-30	Rs 10 per share	366.17
16 Series 23 Granted on 02 nd February 2026	57,716	02-Feb-26	02-Feb-31	Rs 10 per share	345.65

* The Options granted and outstanding stand augmented by number of Bonus Options on account of the 1:2 Bonus Issue made in September, 2021

Movement in Share Options

Particulars	For the year ended 31 st March, 2026		For the year ended 31 st March, 2025	
	Number of Options	Weighted average exercise price (Rs.)	Number of Options	Weighted average exercise price (Rs.)
1 The number and weighted average exercise prices of share options outstanding at the beginning of the year;	218,370	9.07	217,469	8.06
2 Add: Granted during the year	613,507	10.00	91,471	10.00
3 Less: Forfeited during the year.....	31,538	9.56	12,476	10.00
4 Less: Exercised and allotted during the year*	91,499	8.59	77,794	7.18
5 Less: Expired during the year.....	300	10.00	300	10.00
6 Outstanding at the end of the year	708,540	9.92	218,370	9.07
7 Exercisable at the end of the year	10,050	4.03	50,506	5.99

* Excludes share application money pending allotment of NIL options (31st March, 2025 - 4,735 options)

Share Options outstanding at the end of the year

The share options outstanding at the end of the year had a exercise prices of Rs. 10 (as at 31st March, 2025: Rs. 10), and weighted average remaining contractual life of 1,601 days (as at 31st March, 2025: 1,346 days).

The Fair value has been calculated using the Black Scholes option pricing model and the significant inputs used for the valuation are as follows :

Particulars	4 th August 2012	4 th August 2012	24 th July 2013	17 th October 2014	30 th April 2015	28 th January 2016	28 th July 2016
Share price per Option at grant date (Rs.)	324.14	324.14	454.09	516.08	467.60	482.25	420.53
Exercise price per Option (Rs.)	325	10	10	10	10	10	10
Expected volatility.....	44.15% - 59.61%	44.15% - 59.61%	47.63%	26.68% - 43.74%	26.11% - 37.68%	27.17% - 30.20%	26.98% - 28.17%
Expected life / Option Life.....	3.5 - 6.5 Years	3.5 - 6.5 Years	6 - 9 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years
Expected dividends yield.....	1.38%	1.38%	1.31%	2.28%	2.57%	2.49%	1.31%
Risk-free interest rate	8.06% - 8.20%	8.06% - 8.20%	8.31% - 8.39%	8.49% - 8.52%	7.69% - 7.74%	7.43% - 7.73%	6.88% - 7.14%

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Particulars	25 th July 2017	30 th January 2018	30 th July 2018	14 th February 2019	26 th July 2019	29 th July 2020	30 th Oct 2020
Share price per Option at grant date (Rs.)	393.45	453.81	532.67	341.88	353.37	168.56	108.97
Exercise price per Option (Rs.)	10	10	10	10	10	10	82
Expected volatility	27.24% - 28.90%	27.77%-28.98%	27.95%-30.52%	28.39%-30.88%	28.40%-29.58%	30.51%-32.39%	31.48%-33.32%
Expected life / Option Life.....	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years	3.5 - 6.5 Years
Expected dividends yield	1.39%	1.22%	1.05%	1.58%	1.54%	2.95%	–
Risk-free interest rate	6.37%-6.66%	7.11% - 7.56%	7.76% - 8.01%	6.97% - 7.29%	6.25% - 6.55%	4.82% - 5.69%	4.82% - 5.69%

Particulars	30 th Oct 2020	17 th Mar 2021	16 th Mar 2022	25 th Apr 2023	27 th Oct 2023	25 th Oct 2024	19 th May 2025
Share price per Option at grant date (Rs.)	258.83	542.32	286.25	358.04	484.24	489.09	300.42
Exercise price per Option (Rs.)	10	10	10	10	10	10	10
Expected volatility	31.48%-33.32%	34.19%-34.87%	38.47%-36.96%	39.44%-40.84%	39.08%-39.35%	36.52%-37.19%	33.98%-37.81%
Expected life / Option Life.....	3.5 - 6.5 Years	3 - 4 Years	3 - 4 Years	3 - 4 Years	3 - 4 Years	3 - 4 Years	3 - 5 Years
Expected dividends yield	–	–	–	–	–	–	0.83%
Risk-free interest rate	4.82% - 5.69%	5.16% - 5.59%	5.47% - 5.88%	6.84% - 6.90%	7.23% - 7.27%	6.59% - 6.64%	5.82% - 5.93%

Particulars	31 st Oct 2025	02 nd Feb 2026
Share price per Option at grant date (Rs.)	366.17	345.65
Exercise price per Option (Rs.)	10	10
Expected volatility	31.26%-36.14%	31.88%-36.96%
Expected life / Option Life.....	3 - 4 Years	3.5 - 7.5 Years
Expected dividends yield	0.73%	0.76%
Risk-free interest rate	5.93% - 6.08%	6.15% - 6.73%

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102 - 'Share Based Payments' after adjusting for reversals on account of options forfeited.

The risk-free interest rate being considered for the calculation is the interest rate applicable for maturity equal to the expected life of the options based on the zero-yield curve for Government Securities

26 - Finance Costs

Particulars	(Rs. In lakhs)	
	For the year ended 31st March, 2026	For the year ended 31st March, 2025
(a) Interest costs:		
Interest expense for financial liabilities at amortised cost	6,738.37	10,449.67
Less: Allocated to projects (refer note 24).....	(4,804.61)	(7,715.77)
(b) Interest on lease liabilities	164.31	50.37
Total	2,098.07	2,784.27

The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 4.80 % p.a.(31st March, 2025: 8.09% p.a.)

27 - Other Expenses

Particulars	(Rs. In lakhs)	
	For the year ended 31st March, 2026	For the year ended 31st March, 2025
(a) Power & Fuel	72.00	154.30
(b) Rent, rates & taxes	107.08	734.74
(c) Insurance.....	26.50	19.77
(d) Repairs and maintenance	1,065.40	613.93
(e) Advertisement, marketing & business development.....	4,643.01	3,985.63
(f) Travelling and conveyance expenses	716.85	804.04
(g) Payment to auditors #.....	118.87	119.18
(h) Legal and other professional costs.....	3,795.30	3,163.41
(i) Printing & stationery	54.10	38.76
(j) Allowance for credit losses	–	26.72
(k) Net loss arising on Financial Assets measured at Fair value through profit & loss.....	223.20	–
(l) Net loss arising on current investments measured at fair value through profit & loss	–	20.43
(m) Loss on disposal of property plant & equipment.....	26.49	8.43
(n) Miscellaneous expenses	1,153.76	950.09
Total	12,002.56	10,639.43

Payments to Auditors (including taxes)

Particulars	(Rs. In lakhs)	
	For the year ended 31st March, 2026	For the year ended 31st March, 2025
(i) To Statutory auditors		
For Audit	92.38	87.74
Certification	22.44	25.37
Reimbursement of Expenses	4.05	6.07
Total	118.87	119.18

Excluding fees for rights issue certification of Rs 106.20 lakhs which is adjusted against securities premium.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

28 - Tax (Credit)/Expense

(a) Tax (Credit)/Expense recognised in profit or loss

	(Rs. In lakhs)	
Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Current Tax:		
In respect of current year.....	2,231.70	—
Deferred Tax:		
In respect of current year origination and reversal of temporary differences.....	(640.69)	1,012.36
Total	1,591.01	1,012.36

(b) Tax Expense/(Credit) recognised in Other Comprehensive income

	(Rs. In lakhs)	
Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Deferred tax related to items recognised in other comprehensive income during the year:		
Remeasurements of the defined benefit plans...	25.70	14.32
Total	25.70	14.32

(c) Reconciliation of estimated income tax (credit)/expense at tax rate to income tax expense reported in the Statement of Profit and Loss is as follows:

	(Rs. In lakhs)	
Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Profit / (Loss) Before Tax And Exceptional Item	9,161.42	6,146.91
Income tax expense / (credit) calculated at 25.17% on above profit / (loss)	2,305.75	1,547.05
Effect of (income) / expenses that is non deductible in determining taxable profit	(34.48)	5.87
DTA of previous year (recognised) / de recognised (net)	306.09	1,113.66
(Income) / expense taxed at lower rate	(600.60)	(104.34)
Tax impact of dividend income offset by reduction under section 80M	(1,661.09)	(1,549.88)
Current tax provision on long term capital gain	1,275.34	—
Income tax (credit)/expense recognised In Statement of Profit and Loss	1,591.01	1,012.36

29 - Earnings per Share

	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Particulars	Rs.	Rs.
Basic Earnings per share	3.54	3.04
Diluted earnings per share	3.53	3.04

(i) Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	(Rs. In lakhs)	
Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Profit / (Loss) for the year	7,209.97	5,134.55
Weighted average number of equity shares	203,671,253	168,770,889
Basic earnings per share (Rs)	3.54	3.04

(ii) Diluted earnings per share

The diluted earnings per share has been computed by dividing the net Profit / (Loss) after tax available for equity shareholders by the weighted average number of equity shares, after giving dilutive effect of the outstanding stock options for the respective periods.

	(Rs. In lakhs)	
Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Profit / (Loss) for the year used in the calculation of diluted earnings per share	7,209.97	5,134.55
Weighted average number of equity shares used in the calculation of Diluted EPS	204,110,080	155,164,972

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Particulars		
Weighted average number of equity shares used in the calculation of Basic EPS	203,671,253	168,770,889
Add: Options outstanding under employee stock option plan	438,827	106,416
Weighted average number of equity shares used in the calculation of Diluted EPS	204,110,080	168,877,305

(iii) During the year ended 31st March, 2026, the Company successfully completed a rights issue of 58,163,456 equity shares of face value of Rs 10 each for a cash price at Rs 257 per share, aggregating to Rs 149,480.08 lakhs. The funds are being utilised for the repayment of the debt, funding acquisition of land parcels and working capital.

(iv) Earnings per share for the comparative periods have been retrospectively adjusted for effect of rights issue during the year.

30 - Financial Instruments

Capital management

The Company's capital management objectives are:

- safeguard its ability to continue as a going concern, so that it can continue to maximise the returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

The management of the Company monitors the capital structure using debt equity ratio which is determined as the proportion of total debt to total equity.

	(Rs. In lakhs)			
	As at 31 st March, 2026	As at 31 st March, 2025	Amortised Costs	Fair value Through Profit & Loss
Particulars				Total Carrying Value
Debt	62,500.00	143,148.46		
Current Investments	(7,509.89)	(5,008.23)		
Cash and bank balances #	(30,649.29)	(23,383.97)		
Net Debt (A)	24,340.82	114,756.26		
Equity (B)	306,089.86	155,612.99		
Net Debt to Equity Ratio (A / B)	0.080	0.737		
Particulars				
Non-current Liabilities				
Other Financial Liabilities				
Borrowings	91,765.60	—	91,765.60	
Lease Liabilities	555.67	—	555.67	
Current Liabilities				
Borrowings.....	51,382.86	—	51,382.86	
Lease Liabilities	216.38	—	216.38	
Trade Payables	20,646.15	—	20,646.15	
Other Financial Liabilities				
- Non Derivative Financial Liabilities.....	25,545.11	—	25,545.11	

Cash and bank balances excludes earmarked balances with banks and balances with banks on margin accounts

Categories of financial assets and financial liabilities

The following tables shows the carrying amount of financial assets and financial liabilities by category:

As at 31st March, 2026

	(Rs. In lakhs)			
	Amortised Costs	Fair value Through Profit & Loss	Total Carrying Value	
Particulars				
Non-current Assets				
Investments	89,951.05	10,777.83	100,728.88	
Loans.....	104,229.85	—	104,229.85	
Other Financial Assets.....	5,175.32	—	5,175.32	
Current Assets				
Investments	—	7,509.89	7,509.89	
Trade Receivables.....	18,429.61	—	18,429.61	
Cash and Bank Balances	32,233.21	—	32,233.21	
Other Financial Assets				
- Non Derivative Financial Assets.....	3,500.93	—	3,500.93	
Non-current Liabilities				
Lease Liabilities	596.61	—	596.61	
Current Liabilities				
Borrowings.....	62,500.00	—	62,500.00	
Lease Liabilities	1,106.64	—	1,106.64	
Trade Payables	37,860.32	—	37,860.32	
Other Financial Liabilities				
- Non Derivative Financial Liabilities.....	7,901.12	—	7,901.12	

As at 31st March, 2025

	(Rs. In lakhs)			
	Amortised Costs	Fair value Through Profit & Loss	Total Carrying Value	
Particulars				
Non-current Assets				
Investments	44,929.63	10,605.03	55,534.66	
Loans.....	59,904.55	—	59,904.55	
Other Financial Assets.....	3,126.95	—	3,126.95	
Current Assets				
Investments	—	5,008.23	5,008.23	
Trade Receivables.....	12,625.57	—	12,625.57	
Cash and Bank Balances	24,888.52	—	24,888.52	
Loans.....	—	—	—	
Other Financial Assets				
- Non Derivative Financial Assets.....	2,581.54	—	2,581.54	

Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factor.

CREDIT RISK

(i) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises from trade receivables, cash and cash equivalents & other financial assets.

Trade Receivables:

The Company's trade receivables include receivables on sale of residential flats and rent receivable. As per the Company's flat handover policy, a flat is handed over to a customer only upon payment of entire amount of consideration. The rent receivables are secured by security deposits obtained under the lease agreement. Thus, the Company is not exposed to any credit risk on receivables from sale of residential flats and rent receivables.

The concentration of credit risk is limited due to the fact that the customer base is large. The Company determines the allowance for expected credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. Basis this assessment, the allowance for expected credit losses on trade receivables as at 31st March, 2026 is considered adequate.

Cash and Cash Equivalents & Other Financial Assets

For banks and financial institutions, only high rated banks/institutions are accepted. The Company holds cash and cash equivalents with bank and financial institution counterparties, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For Other Financial Assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. Other Financial Assets are considered to be low credit risk exposure assets.

LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

	(Rs. In lakhs)			
Particulars	Less than 1 Year	1 Year to 3 Years	3 Years to 5 Years	5 Years and above
Non-derivative financial liabilities				
As at 31st March 2026				
Non Current				
Borrowings	—	—	—	—
Lease Liabilities	—	596.90	94.05	—
Total Non Current	—	596.90	94.05	—
Current				
Borrowings.....	67,500.00	—	—	—
Lease Liabilities	1,219.73	—	—	—
Trade Payables	37,860.32	—	—	—
Other Financial Liabilities	4,721.12	2,756.00	424.00	—
Total Current	111,301.17	2,756.00	424.00	—
As at 31st March 2025				
Non Current				
Borrowings	—	68,883.47	37,434.51	—
Lease Liabilities	—	489.29	122.83	—
Total Non Current	—	69,372.76	37,557.34	—
Current				
Borrowings.....	59,864.69	—	—	—
Lease Liabilities	269.39	—	—	—
Trade Payables	20,646.15	—	—	—
Other Financial Liabilities	22,921.92	2,756.00	424.00	—
Total Current	103,702.15	2,756.00	424.00	—

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk such as equity price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Board of Directors.

Future specific market movements cannot be normally predicted with reasonable accuracy.

Currency Risk

Foreign currency risk is the risk that the fair value or the future cash flows of an exposure will fluctuate because of changes in the foreign exchange rate. The Company undertakes few transactions denominated in foreign currencies only for availing certain services. Hence Foreign currency risk is not significant in comparison to company's operations

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's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and floating rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	As at 31 st March, 2026 Effect on Profit / (loss) after tax (Rs. In Lakhs)	As at 31 st March, 2025 Effect on Profit / (loss) after tax (Rs. In Lakhs)	As at 31 st March, 2026 Effect on Post tax equity (Rs. In Lakhs)	As at 31 st March, 2025 Effect on Post tax equity (Rs. In Lakhs)
Increase / decrease in basis points				
+100	(467.71)	(1,071.22)	—	—
-100	467.71	1,071.22	—	—

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

31 - Fair Value Measurement

Fair Valuation Techniques and Inputs used - Recurring Items

(Rs. In lakhs)

		Fair value as at				
Financial assets measured at Fair value		31 st March, 2026	31 st March, 2025	Fair value hierarchy	Valuation Technique(s)	Key input(s) Applicable for Level 2 and Level 3 hierarchy
Financial assets						
Investments						
1)	Mutual fund investments	7,509.89	5,008.23	Level 1	Net Asset value	—
2)	Investment in Preference Shares - unquoted	55.25	8.00	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
3)	Investment in Optionally Convertible Debentures.....	5,965.00	6,010.00	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
4)	Investment in Compulsory Convertible Debentures	4,701.58	4,536.03	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
5)	Investment in Equity Shares - unquoted	56.00	51.00	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.
Total financial assets at fair value		18,287.72	15,613.26			

Significant unobservable inputs used in level 3 fair value measurements

(Rs. In lakhs)

Financial assets measured at Fair value	Fair value as at		Fair value hierarchy	Significant unobservable inputs	Relationship of unobservable inputs to fair value and sensitivity
	31 st March, 2026	31 st March, 2025			
1) Investment in Preference Share - unquoted	55.25	8.00	Level 3	Interest Rates to discount future cash flow, Financial Projections	Any change (increase/ decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation
2) Investment in Optionally Convertible Debentures.....	5,965.00	6,010.00	Level 3	Interest Rates to discount future cash flow, Financial Projections	Any change (increase/ decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation
3) Investment in Compulsory Convertible Debentures	4,701.58	4,536.03	Level 3	Interest Rates to discount future cash flow, Financial Projections	Any change (increase/ decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation
4) Investment in Equity Shares - unquoted	56.00	51.00	Level 3	Interest Rates to discount future cash flow, Financial Projections	Any change (increase/ decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation

Financial Instrument not measured using Fair Value i.e. measured using amortized cost

The carrying value of Other financial assets / liabilities represent reasonable estimate of its fair value.

There were no transfers between Level 1 and Level 2 during the year.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Reconciliation of Level 3 fair value measurements of financial instruments measured at fair value

(Rs. In lakhs)					
Particulars	Investment in Preference Shares-unquoted	Investment in Compulsory Convertible Debentures	Investment in Optionally Convertible Debentures	Investment in Equity Shares - unquoted	Total
As at 31st March 2026					
Opening Balance of Fair Value.....	8.00	4,536.03	6,010.00	51.00	10,605.03
Total incomes/gains or (losses) recognised:					
-In Profit or (Loss).....	47.25	(230.45)	(45.00)	5.00	(223.20)
Addition during the year	—	396.00	—	—	396.00
Conversion during the year	—	—	—	—	—
Closing balance of fair value.....	55.25	4,701.58	5,965.00	56.00	10,777.83
As at 31st March 2025					
Opening Balance of Fair Value.....	335.63	642.26	6,008.00	—	6,985.89
Total incomes/gains or (losses) recognised:					
-In Profit or (Loss).....	(327.63)	297.50	2.00	51.00	22.87
Addition during the year.....	—	4,245.78	—	—	4,245.78
Redemption during the year	—	(649.51)	—	—	(649.51)
Closing balance of fair value.....	8.00	4,536.03	6,010.00	51.00	10,605.03

32 - Leases

As lessee

The Company has entered into operating lease arrangements for its registered office at Worli, Mumbai, Bangalore and Pune office. The Company has also entered into lease arrangements for CTC vehicles. The lease is non-cancellable for a period of 1 - 5 years and may be renewed based on mutual agreement between the parties. The leases have varying terms, escalation clauses and renewal rights. The Company has recognised right of use assets for these leases, except for short term leases.

(i) Undiscounted Cash Flow of Lease liabilities

(Rs. In lakhs)		
Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Less than one year	1,219.73	269.39
One to Three years.....	596.90	489.29
Three to five years	94.05	122.83
Total undiscounted lease liabilities at Balance sheet date	1,910.68	881.51
Lease liabilities included in the Balance sheet as at 31 st March.....	1,703.25	772.05
Current.....	1,106.64	216.38
Non-current.....	596.61	555.67

Cash outflow for leases for the year ended 31st March, 2026 is Rs 1,144.80 lakhs (31st March, 2025 is Rs 214.16 lakhs).

Expense relating to leases of low-value assets of Rs 107.07 lakhs for the year ended 31st March, 2026 (Rs 287.16 lakhs for the year ended 31st March, 2025) is included in "Rent, Rates & Taxes" in Note 27 "Other Expenses"

(ii) Movement in lease liabilities

(Rs. In lakhs)		
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Balance as at 1 st April	772.05	441.50
Additions during the year.....	1,988.98	530.92
Finance cost incurred during the year	164.31	50.37
Payment of lease liabilities	(1,144.80)	(214.16)
Adjustment during the year.....	(77.29)	(36.58)
Balance as at 31st March	1,703.25	772.05

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

33 - Segment information

The Chief Operating Decision Maker monitors and reviews the performance of the operating segment i.e construction and development of real estate projects as a single operating segment. Considering that there is only one reportable segment, there are no additional disclosures to be provided under Ind AS 108 - Segment information. The Company operates only in India.

35 - Employee benefits

(a) Defined Contribution Plan

The Company's contribution to Provident Fund and Superannuation Fund aggregating Rs. 642.86 lakhs (31st March, 2025 : Rs. 554.28 lakhs) has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

(b) Defined Benefit Plans:

Gratuity

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes contribution to the group gratuity scheme administered by the Life Insurance Corporation of India through its Gratuity Trust Fund.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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

	As at	
	31-Mar-26	31-Mar-25
Discount rate(s)	6.77%	6.71%
Expected rate(s) of salary increase	10.00%	10.00%
Expected average remaining service...	4.00	4.00
	21.21 % p.a. for all service groups.	21.21 % p.a. for all service groups.
Attrition Rate.....	IALM (2012-14) Urban	IALM (2012-14) Urban
Mortality rate.....		

Defined benefit plans – as per actuarial valuation on 31st March, 2026

(Rs. In lakhs)

Funded Plan Gratuity

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service Cost		
Current service cost.....	166.83	107.32
Past service cost (refer note 40).....	360.44	–
Net interest expense.....	36.03	13.19
Components of defined benefit costs recognised in profit or loss	563.30	120.51
Remeasurement on the net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense).....	(2.08)	0.86
Actuarial (gains)/loss arising from demographic assumptions	–	–
Actuarial (gains)/loss arising from changes in financial assumptions	(13.62)	13.58
Actuarial (gains)/loss arising from experience adjustments	117.81	42.43
Components of defined benefit costs recognised in other comprehensive income.....	102.11	56.87
Total	665.41	177.38
I. Net Asset/(Liability) recognised in the Balance Sheet		
1. Present value of defined benefit obligation..	1,356.15	750.68
2. Fair value of plan assets as at	384.42	359.24
3. Surplus/(Deficit)	(971.73)	(391.44)
4. Current portion of the above	–	–
5. Non current portion of the above	(971.73)	(391.44)
II. Movements in the present value of the defined benefit obligation.		
1. Present value of defined benefit obligation at the beginning of the year	750.68	520.50
2. Less: Transfer out liability for employees transferred to group companies.....	(41.60)	(53.90)
3. Add: Transfer in liability for employees transferred from group companies	15.33	146.89
4. Expenses Recognised in Profit and Loss Account		
- Current service cost.....	166.83	107.32
- Past service cost.....	360.44	–
- Interest cost	59.12	36.47
5. Recognised in other comprehensive income Remeasurement gains / (losses)		
- Actuarial gain (loss) arising from:		
i. Demographic assumptions	–	–
ii. Financial assumptions	(13.62)	13.58
iii. Experience adjustments	117.81	42.43
6. Benefit payments	(58.85)	(62.61)
7. Present value of defined benefit obligation at the end of the year	1,356.14	750.68

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Particulars	(Rs. In lakhs)	
	Funded Plan Gratuity	
	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
III. Movements in the fair value of plan assets are as follows.		
1. Fair value of plan assets at the beginning of the year	359.24	336.82
2. Actual return on plan assets	2.08	(0.86)
3. Contributions by employer	—	—
4. Interest income	23.10	23.28
5. Fair value of plan assets at the end of the year	384.42	359.24

In respect of the plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2026 by K. A. Pandit, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	(Rs. In lakhs)		Impact on defined benefit obligation	
	Changes in assumption (%)	Increase in assumption	Decrease in assumption	
Discount rate	2026 1.00%	(51.69)	56.26	
	2025 1.00%	(28.28)	30.77	
Salary growth rate ...	2026 1.00%	54.03	(50.67)	
	2025 1.00%	29.53	(27.71)	

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous year.

The Company expects to contribute Rs. NIL lakhs (31st March, 2025 Rs. NIL Lakhs) to the gratuity trusts during the next financial year.

Maturity profile of defined benefit obligation:

	(Rs. In lakhs)	
	31 st March, 2026	31 st March, 2025
Within 1 year.....	199.24	122.24
1 - 2 year	202.60	104.34
2 - 3 year	218.25	105.74
3 - 4 year	176.50	113.16
4 - 5 year	160.31	87.36
5 - 10 years.....	906.22	491.14

Major Category of plan assets for Gratuity Fund is as follows:

	31 st March, 2026	31 st March, 2025
Asset category:		
Deposits with Insurance companies	100%	100%
	100%	100%

The weighted average age considered for defined benefit obligation as at 31st March, 2026 is 35.43 years (31st March, 2025: 35.46 years)

The average expected future service considered for defined benefit obligation as at 31st March, 2026 is 4 years (31st March, 2025 - 4 years)

35 - Related Party Disclosures

(a) Related Parties where control exists

(i) Holding Company

Name of the entity
1. Mahindra & Mahindra Limited

(ii) Subsidiaries

Name of the entity	Name of the entity
1. Mahindra Infrastructure Developers Limited	8. Anthurium Developers Limited
2. Mahindra World City (Maharashtra) Limited	9. Deepmangal Developers Private Limited
3. Knowledge Township Limited	10. Mahindra Water Utilities Limited
4. Rathna Bhoomi Enterprises Private Limited	11. Moonshine Construction Private Limited
5. Mahindra Bloomdale Developers Limited	12. Shreyas Stones Private Limited (w.e.f. 27 th June, 2025)
6. Industrial Township (Maharashtra) Limited	13. Mahindra Homes Private Limited (w.e.f. 28 th November, 2025)
7. Mahindra Blossom Developers Limited (upto 22nd March, 2026)	

(b) Other Parties with whom Transactions have taken place during the year

(i) Joint Ventures

Name of the entity	Name of the entity
1. Mahindra World City Developers Limited	5. Mahindra World City (Jaipur) Limited
2. Mahindra Homes Private Limited (upto 27 th November, 2025)	6. Mahindra Industrial Park Private Limited
3. Mahindra Happinest Developers Limited	7. Mahindra Blossom Developers Limited (w.e.f. 23 rd March, 2026)
4. Mahindra Industrial Park Chennai Limited	

(ii) Fellow Subsidiaries

Name of the entity	Name of the entity
1. Mahindra Integrated Business Solutions Private Limited	7. Mahindra Rural Housing Finance Limited
2. Mahindra Accelo Limited	8. Mahindra First Choice Wheels Limited
3. Mahindra Holidays & Resorts India Limited	9. Mahindra And Mahindra Financial Services Limited
4. NBS International Limited	10. Mahindra Susten Private Limited
5. Bristlecone India Limited	11. Mahindra Solarize Private Limited
6. Mahindra Defence Systems Limited	

(iii) a) Associate

Name of the entity
1. Ample Parks and Logistics Private Limited
2. Ample Parks Project 1 Private Limited
3. Ample Parks Project 2 Private Limited
4. Ample Parks MMR Private Limited w.e.f. November 07, 2024

(iii) b) Associate of Holding Company

Name of the entity
1. Tech Mahindra Limited

(iv) Private company which is controlled by Director

Name of the entity	Name of the entity
1. Anarock Property Consultants Private Limited	3. Anarock Group Business Services Private Limited
2. Anarock Capital Advisors Private Limited	

(v) Key Management Personnel

Name of KMP	Designation
1. Mr. Ameet Hariani	Chairman, Independent Director
2. Mr. Amit Kumar Sinha	Managing Director & CEO
3. Mr. Anuj Puri	Non-Executive, Independent Director
4. Ms. Rucha Nanavati	Non-Executive Non-Independent Director
5. Dr. Anish Shah	Non-Executive Non-Independent Director
6. Ms. Asha Kharga (upto 13 th March, 2026)	Non-Executive Non-Independent Director
7. Ms. Amrita Chowdhury	Non-Executive, Independent Director
8. Mr. Milind Kulkarni (w.e.f. 29 th July, 2024)	Non-Executive Non-Independent Director

(vi) Other parties

Name of the entity	Name of the entity
1. AIS Glass Solutions Limited	5. Earthfokus Earthwise Private Limited
2. Khaitan & Co LLP (upto 07 th August, 2024)	6. Kailasa Analytics And Services Private Limited
3. Khaitan And Co Mumbai	7. Actis Mahi Holdings (Singapore) Private Limited
4. Akira Advisory	

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(Rs. In lakhs)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Rendering of services										
Mahindra Infrastructure Developers Limited	-	-	-	1.00	-	-	-	-	-	-
Knowledge Township Limited	-	-	-	0.90	-	-	-	-	-	-
Mahindra World City (Maharashtra) Limited	-	-	-	0.10	-	-	-	-	-	-
Mahindra Homes Private Limited	-	-	-	-	21.19	-	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	10.67	48.60	-	-	-	-
Receiving of Services										
Mahindra & Mahindra Limited	664.10	545.03	-	-	-	-	-	-	-	-
Mahindra Integrated Business Solutions Private Limited	-	-	-	-	-	-	-	-	896.94	697.20
Mahindra Holidays & Resorts India Limited	-	-	-	-	-	-	-	-	8.88	15.61
NBS International Limited	-	-	-	-	-	-	-	-	-	-
Bristlecone India Limited	-	-	-	-	-	-	-	-	11.54	11.54
Mahindra Defence Systems Limited	-	-	-	-	-	-	-	-	-	1.60
Anarock Capital Advisors Pvt Limited	-	-	-	-	-	-	-	-	-	106.00
Anarock Property Consultants Private Limited	-	-	-	-	-	-	-	-	61.91	45.14
Anarock Group Business Services Private Limited	-	-	-	-	-	-	-	-	5.74	6.51
Khaitan & Co LLP	-	-	-	-	-	-	-	-	-	7.93
Akira Advisory	-	-	-	-	-	-	-	-	1.00	-
Earthfokus Earthwise Private Limited	-	-	-	-	-	-	-	-	0.21	-
Kailasa Analytics and Services Private Limited	-	-	-	-	-	-	-	-	1.33	-
Khaitan and Co Mumbai	-	-	-	-	-	-	-	-	2.80	107.30
Reimbursement made to parties										
Mahindra & Mahindra Limited	1,380.48	1,370.62	-	-	-	-	-	-	-	-
Mahindra Industrial Park Chennai Limited	-	-	-	-	-	18.18	-	-	-	-
Mahindra Happiness Developers Limited	-	-	-	-	0.14	8.29	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	11.63	9.93	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	4.76	6.37	-	-	-	-
Mahindra Defence Systems Limited	-	-	-	-	-	-	-	-	-	0.98
Mahindra And Mahindra Financial Services Limited	-	-	-	-	-	-	-	-	0.55	-
Mahindra Blossom Developers Limited	-	-	-	-	335.34	-	-	-	-	-
Mahindra Holidays & Resorts India Limited	-	-	-	-	-	-	-	-	-	57.01

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

(Rs. In lakhs)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Reimbursement received from parties										
Mahindra & Mahindra Limited	36.99	118.12	-	-	-	-	-	-	-	-
Mahindra Industrial Park Chennai Limited	-	-	-	-	15.75	21.84	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	133.97	159.57	-	-	-	-
Mahindra World City (Jaipur) Limited	-	-	-	-	70.16	99.58	-	-	-	-
Mahindra Homes Private Limited	-	-	-	-	0.68	1.16	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	15.77	262.63	-	-	-	-
Mahindra Bloondale Developers Limited	-	-	29.08	39.95	-	-	-	-	-	-
Anthurium Developers Limited	-	-	10.30	231.15	-	-	-	-	-	-
Mahindra Holidays & Resorts India Limited	-	-	-	-	-	-	-	-	8.81	20.45
Mahindra And Mahindra Financial Services Limited	-	-	-	-	-	-	-	-	-	2.50
Knowledge Township Limited	-	-	0.90	-	-	-	-	-	-	-
Mahindra Blossom Developers Limited	-	-	-	-	2,430.55	-	-	-	-	-
Mahindra First Choice Wheels Limited	-	-	-	-	-	-	-	-	10.87	-
Mahindra Infrastructure Developers Limited	-	-	1.00	-	-	-	-	-	-	-
Mahindra Susten Private Limited	-	-	-	-	-	-	-	-	2.17	-
Mahindra World City (Maharashtra) Limited	-	-	0.10	-	-	-	-	-	-	-
Shreyas Stones Private Limited	-	-	24.64	-	-	-	-	-	-	-
Mahindra Accelo Limited	-	-	-	-	-	-	-	-	1.82	6.50
Inter-corporate Deposit Given										
Anthurium Developers Limited	-	-	39,375.00	50,300.00	-	-	-	-	-	-
Knowledge Township Limited	-	-	1,900.00	2,900.00	-	-	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	550.00	800.00	-	-	-	-
Mahindra Industrial Park Chennai Limited	-	-	-	-	200.00	-	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	1,550.00	750.00	-	-	-	-
Shreyas Stones Private Limited	-	-	6,121.30	-	-	-	-	-	-	-
Moonshine Construction Private Limited	-	-	1.00	0.50	-	-	-	-	-	-
Inter-corporate Deposit Taken										
Mahindra & Mahindra Limited	58,500.00	20,000.00	-	-	-	-	-	-	-	-
Inter-corporate Deposit Realised										
Mahindra Bloondale Developers Limited	-	-	-	4,200.00	-	-	-	-	-	-
Mahindra Happinest Developers Limited	-	-	-	-	1,100.00	1,200.00	-	-	-	-
Mahindra Industrial Park Chennai Limited	-	-	-	-	200.00	-	-	-	-	-
Knowledge Township Limited	-	-	4,072.00	-	-	-	-	-	-	-

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

(Rs. In lakhs)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Inter-corporate Deposit Repaid										
Mahindra & Mahindra Limited	48,500.00	-	-	-	-	-	-	-	-	-
Investment Made										
Ample Parks Project 1 Private Limited	-	-	-	-	-	-	-	-	396.00	4,831.20
Ample Parks Project 2 Private Limited	-	-	-	-	-	-	-	-	-	214.50
Ample Parks and Logistics Private Limited	-	-	-	-	-	-	-	-	364.00	104.00
Ample Parks MMR Private Limited	-	-	-	-	-	-	-	-	3.90	7.09
Mahindra Blossom Developers Limited	-	-	-	-	-	-	-	-	-	-
Shreyas Stones Private Limited	-	-	15,388.70	-	-	-	-	-	-	-
Others										
Actis Mahi Holdings (Singapore) Private Limited (*)	-	-	-	-	-	-	-	-	8,639.95	-
Issue Of Shares										
Mahindra & Mahindra Limited	83,489.43	-	-	-	-	-	-	-	-	-
Sale of Fixed Assets										
Mahindra And Mahindra Financial Services Limited	-	-	-	-	-	-	-	-	-	18.84
Interest expense										
Mahindra & Mahindra Limited	2,033.90	1,606.78	-	-	-	-	-	-	-	-
Sale Of Business										
Mahindra Blossom Developers Limited	-	-	-	-	55,880.00	-	-	-	-	-
Received on Capital Reduction										
Mahindra Homes Private Limited	-	-	-	-	-	5,988.80	-	-	-	-
Conversion of debentures into equity investment										
Ample Parks Project 1 Private Limited (*)	-	-	-	-	-	-	-	-	-	412.77
Ample Parks Project 2 Private Limited (**)	-	-	-	-	-	-	-	-	-	236.74
Investment redeemed										
Mahindra World City Developers Limited	-	-	-	-	12,025.00	-	-	-	-	-
Interest Income on Redeemable Preference Shares										
Mahindra World City Developers Limited	-	-	-	-	281.01	770.46	-	-	-	-
Interest Income										
Anthurium Developers Limited	-	-	5,295.05	1,437.83	-	-	-	-	-	-
Rathna Bhoomi Enterprises Private Limited	-	-	0.34	0.35	-	-	-	-	-	-
Mahindra Happiness Developers Limited	-	-	-	-	215.90	204.75	-	-	-	-

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

(Rs. In lakhs)

Particulars	Holding Company		Subsidiary Companies		Joint Ventures		Key Management Personnel		Other Related Parties	
	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Moonshine Construction Private Limited	-	-	0.33	0.28	-	-	-	-	-	-
Mahindra Bloomdale Developers Limited	-	-	-	214.96	-	-	-	-	-	-
Mahindra Industrial Park Private Limited	-	-	-	-	205.01	162.47	-	-	-	-
Mahindra Industrial Park Chemical Limited	-	-	-	-	0.71	-	-	-	-	-
Shreyas Stones Private Limited	-	-	292.96	-	-	-	-	-	-	-
Mahindra Blossom Developers Limited	-	-	-	-	21.86	-	-	-	-	-
Knowledge Township Limited	-	-	470.49	367.20	-	-	-	-	-	-
Dividend Received										
Mahindra World City (Jaipur) Limited	-	-	-	-	7,403.70	18,170.70	-	-	-	-
Mahindra Infrastructure Developers Limited	-	-	3,069.00	1,000.00	-	-	-	-	-	-
Mahindra World City Developers Limited	-	-	-	-	2,673.02	-	-	-	-	-
Dividend Paid										
Mahindra & Mahindra Limited	3,130.56	2,101.97	-	-	-	-	-	-	-	-
Lease Expense										
Mahindra And Mahindra Financial Services Limited	-	-	-	-	-	-	-	-	191.39	95.02
Other Income										
Mahindra Bloomdale Developers Limited	-	-	-	18.74	-	-	-	-	-	-
Mahindra Rural Housing Finance Limited	-	-	-	-	-	-	-	-	-	0.53
Purchase of Goods										
AIS Glass Solutions Limited	-	-	-	-	-	-	-	-	308.31	191.17
Mahindra Solarize Private Limited	-	-	-	-	-	-	-	-	8.57	-
Mahindra Bloomdale Developers Limited	-	-	214.62	-	-	-	-	-	-	-
Managerial Remuneration										
Mr. Amit Kumar Sinha#	-	-	-	-	-	-	820.19	723.80	-	-
Shares allotted under ESOP										
Mr. Amit Kumar Sinha	-	-	-	-	-	-	2,780.14	439.17	-	-
Commission & Sitting fees to Non Executive / Independent Directors	-	-	-	-	-	-	131.96	91.90	-	-

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Outstanding Balances as at year end date

The following table provides the outstanding balances with related parties as on the relevant date

(Rs. In lakhs)

Particulars	Balance as at	Holding Company	Subsidiaries	Joint ventures	Key Management Personnel	Other related parties
Inter-corporate deposit given*	31-Mar-26	–	99,154.85	5,075.00	–	–
	31-Mar-25	–	55,829.55	4,075.00	–	–
Inter-corporate deposit taken	31-Mar-26	30,000.00	–	–	–	–
	31-Mar-25	20,000.00	–	–	–	–
Investment in Debentures	31-Mar-26	–	–	23,312.00	–	4,641.78
	31-Mar-25	–	–	6,686.00	–	4,245.78
Trade and other receivables	31-Mar-26	–	1,294.99	2,778.33	–	4.11
	31-Mar-25	–	1,173.04	2,280.25	–	43.65
Payables	31-Mar-26	1,310.74	255.56	340.10	–	301.00
	31-Mar-25	11,775.06	–	18.18	–	133.89

* The above inter corporate deposit have been given for general business purposes

As the liability for gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the Key Management Personnel is not ascertained separately, and therefore, not included above.

(*) During the year ended 31st March, 2026 the Company acquired 216,671 Equity shares of Rs 10 each and 1 Compulsory Convertible Preference share of Rs 10 each for Rs 8,639.95 lakhs of Mahindra Homes Private Limited.

(^*) 407,633 8% Compulsory Convertible Debentures of Rs 100 each of Ample Parks Project 1 Private Limited. were converted into equity shares of Rs 10 each in the ratio 10 equity shares for each CCD.

(^^) 234,630 8% Compulsory Convertible Debentures of Rs 100 each of Ample Parks Project 2 Private Limited. were converted into equity shares of Rs 10 each in the ratio 10 equity shares for each CCD.

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Compensation of key management personnel

The remuneration of key management personnel is as below:

(Rs. In lakhs)

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Salary including perquisites.....	3,581.91	1,146.12
Other contribution to funds	18.42	16.85
Total	3,600.33	1,162.97

36 - Contingent liabilities

(Rs. In lakhs)

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
(a) Claims against the Company not acknowledged as debt*		
(i) Demand from a local authority for energy dues, project related approval and works which is disputed by the Company. ...	2,345.00	2,683.00
(ii) Claim from welfare association in connection with project work, disputed by the Company	4,513.00	4,513.00
(iii) Cases filed by parties in the Consumer forum including RERA and Civil Courts disputed by the Company as advised by advocates.	1,840.00	2,045.75
(iv) Cases filed by parties in the Consumer forum including Sole arbitrator and Civil Courts disputed by the Company as advised by advocates.	3,296.00	372.93

(b) Income Tax Matter under appeal

In respect of certain business incomes re-classified by the Income tax Department as income from house property and other disallowances, the Company has partially succeeded in appeal and is pursuing the matter further with the appropriate appellate authorities ...

906.57 1,532.82

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

Particulars	(Rs. In lakhs)	
	As at 31 st March, 2026	As at 31 st March, 2025
(c) Indirect Tax Matters under appeal		
VAT, Service Tax and Entry Tax claims disputed by the Company relating to issues of applicability and interest on demand. The Company is pursuing the matter with the appropriate Appellate Authorities. ...	3,919.31	13,665.33

*In the opinion of the management the above claims are not sustainable and the Company does not expect any outflow of economic resources in respect of above claims and therefore no provision is made in respect thereof.

37 - Commitments

Particulars	(Rs. In lakhs)	
	As at 31 st March, 2026	As at 31 st March, 2025
(a) Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances).....	108.41	4.37
(b) Other Commitment: Commitment for investment in equity shares of an Associate Company	—	800.00

During the year Company has given comfort letter to its Joint venture Mahindra Happinest Developers Limited for roll over of inter company deposit of Rs. 2,350 lakhs falling due in next 12 months.

38 - 'Disclosure as per Regulation 34(3) read with Para A of Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 and section 186(4) of Companies Act, 2013

Loans and advances in the nature of loans given to subsidiaries, joint ventures, firms / companies in which directors are interested:

(Rs. in lakhs)					
Name of the party	Relationship	Amount outstanding as at 31 st March, 2026	Maximum balance outstanding during the year	Amount outstanding as at 31 st March, 2025	Maximum balance outstanding during the previous year
Moonshine Construction Private Limited*	Subsidiary	4.50	4.50	3.50	3.50
Rathna Bhoomi Enterprises Private Limited	Subsidiary	4.05	4.05	4.05	4.05
Mahindra Bloomdale Developers Limited*	Subsidiary	—	—	—	4,200.00
Knowledge Township Limited*	Subsidiary	3,350.00	6,562.00	5,522.00	5,522.00
Anthurium Developers Limited*	Subsidiary	89,675.00	89,675.00	50,300.00	50,300.00
Shreyas Stones Private Limited*	Subsidiary	6,121.30	6,121.30	—	—
Mahindra Happinest Developers Limited*	Joint Venture	2,350.00	3,450.00	1,900.00	3,100.00
Mahindra Industrial Park Private Limited *	Joint Venture	2,725.00	2,725.00	2,175.00	2,175.00

* Mr. Sriram Kumar (Chief Financial Officer) is also director on the board.

The above inter corporate deposit have been given for general business purposes.

39 - Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact on its financial statements.

40 - New Wage Code

On 21st November, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively "new Labour Codes") - consolidating 29 existing labour laws. In accordance with the new Labour Codes, the Company has currently estimated the incremental impact on retiral benefits to be Rs 360 lakhs. Considering regulatory-driven and non-recurring nature of this impact, this has been presented under "Exceptional Items" in the standalone financial results. The Company continues to monitor developments on the Rules to be notified by regulatory authorities, including clarifications/ additional guidance from authorities and will continue to assess the accounting implications, basis such developments/ guidance.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

41 - Financial Ratios

(Rs. in lakhs)

Particulars		Numerator	Denominator	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025	% Variance	Reason for material variance
a)	Current Ratio	Current Assets	Current Liabilities	1.20	1.33	(9.93%)	–
b)	Debt Equity Ratio (Gross)	Debt (1)	Equity	0.20	0.92	(77.80%)	Decrease in debt and increase in other Equity on account of rights issue
c)	Debt Service Coverage Ratio (DSCR)	Earning Available for debt service (2)	Debt Service (3)	0.20	0.17	13.63%	
d)	Return of Equity	Profit/(Loss) After Tax	Average Equity	3.12%	3.31%	(5.75%)	
e)	Inventory Turnover ratio	Revenue from Operations	Average Inventory	0.24	0.10	134.19%	Increase in Operating Revenue
f)	Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables	5.54	3.58	54.57%	Increase in Operating Revenue and increase on trade receivables
g)	Trade Payable turnover ratio	Cost of Sales	Average Trade payable	2.74	1.69	62.73%	Increase in Cost of Sales due to Increase in Operating Revenue and increase in trade payables
h)	Net capital turnover ratio	Revenue from Operations	Average Working Capital (4)	0.91	0.27	233.68%	Increase in Operating Revenue as compared to previous year
i)	Net profit ratio	Profit/(Loss) After Tax	Revenue from Operations	8.38%	14.70%	(42.98%)	Increase in Operating Revenue as compared to previous year
j)	Return on Capital employed	Earning before interest & taxes (5)	Capital employed (6)	2.96%	2.99%	(1.08%)	
k)	Return on investment	Income generated from Investment (7)	Average investments (Gross)	17.63%	36.09%	(51.14%)	Decrease in dividend income and increase in average investment

The company operates in real estate business and is governed by IND AS 115 for recording the revenue as per completion contract method. Accordingly, abovementioned ratios may not be strictly comparable

Formula used for calculation of Ratios and Financial Indicators are as below:

- 1) Debt = Borrowing
- 2) Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest.
- 3) Debt Service = Borrowing + Interest Payment
- 4) Working Capital = Current Asset (excluding asset held for sale) - Current Liabilities
- 5) Earning before interest & taxes = Profit/(loss) before Tax (incl Exceptional Item) + Finance Cost
- 6) Capital Employed = Equity + Borrowing - Intangible Assets
- 7) Income generated from Investment = Dividend Income + Interest Income + Net Gain/(loss) arising on Financial Assets measured at Fair Value through Profit and Loss

42 - Sale of undertaking

Mahindra Blossom Developers Limited ("MBLDL") has been incorporated on 2nd January, 2026, as a wholly owned subsidiary of the Company. The Company sold 49% of its equity stake in Mahindra Blossom Developers Limited to Mitsui Fudosan (Asia) Pte Ltd pursuant to a share purchase arrangement dated 23rd March 2026, at its carrying value. The said share purchase arrangement confers certain participation rights to Mitsui Fudosan (Asia) Pte Ltd. Consequently, based on an assessment of the rights and obligations arising from the arrangement, management has determined that Mahindra Blossom Developers Limited meets the definition of a joint venture in accordance with Ind AS 111 Joint Arrangements. Accordingly, Mahindra Blossom Developers Limited has been classified as a joint venture of the Company with effect from 23rd March 2026.

Subsequent to above, the Company has transferred its Alembic undertaking on a slump sale basis, as defined under Section 2(42C) of the Income-tax Act, 1961 to Mahindra Blossom Developers Limited as a going concern, pursuant to the terms of the Business Transfer Agreement, with effect from 23rd March 2026, for a lump sum consideration of Rs 55,880 lakhs. Consequent to the transfer, all assets and liabilities pertaining to the said undertaking have been derecognised from the books of the Company at their respective carrying amounts. The difference between the consideration received and the net carrying value of the assets and liabilities transferred, amounting to Rs 8,564.67 lakhs, has been recognised as gain on slump sale and disclosed under Other Income in the Statement of Profit and Loss for the year.

Notes to the Standalone Financial Statements as at and for the year ended 31st March, 2026

The net assets of Alembic undertaking at the date of transfer were as follows :

Particulars	(Rs. In lakhs) Amount
Property, plant and equipment.....	612.47
Income tax assets (net)	0.54
Inventories	50,013.61
Trade receivables	2,068.86
Cash and cash equivalents	2,322.10
Bank balances	5,492.27
Other financial assets	6.45
Other current assets	12.42
Provisions	(20.54)
Trade payables	(29.20)
Other current liabilities	(13,163.65)
Net assets transferred	47,315.33
Gain on disposal	8,564.67
Total consideration.....	55,880.00

The entire consideration has been satisfied through cash and cash equivalents.

There was no slump sale during the year ended 31st March, 2025

Net cash outflow arising on acquisition	(Rs. In lakhs) Amount
- Cash consideration.....	55,880.00
- Less: Cash and cash equivalent balances acquired	(2,322.10)
	53,557.90

43 - Other statutory information

a) Security of current assets against borrowings

The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. However, the quarterly returns or statements comprising quarterly financial results are not filed by the Company to such bank or financial institution as these are published financial results and are available on the Company's website for public including such banks or financial institutions. These quarterly financial results are in agreement with the unaudited books of account of the Company of the respective quarters

b) The company do not have any benami property, where any proceeding has been initiated on or are pending against the company for holding benami property.

c) Transactions with struck off companies

During the year ended 31st March 2026, the Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

d) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries

e) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

f) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

g) Registration of Charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period

h) Audit trail

The Company has used accounting softwares for maintaining its books of account that has a feature of recording audit trail of each and every transaction and same has operated throughout the year creating an edit log of each change made in the books of account. This feature of recording audit trail has operated throughout the year.

i) Corporate Social responsibility (CSR)

The provision of Section 135 to Companies Act, 2013 on Corporate Social responsibility (CSR) are not applicable to the Company.

44. The Board of Directors of the Company has recommended a dividend of Rs. 3.50 per share on Equity Share of Rs. 10 each (35%) (31st March, 2025: Rs. 2.80 per share - (28%) subject to approval of members of the company at the forthcoming Annual General Meeting.

45. Events after the reporting period

No material events have occurred after the Balance Sheet date and upto the approval of the financial statements.

46. Previous Year Figures

The figures for previous year have been regrouped wherever necessary to confirm to current year's grouping.

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration Number:- 117366W/W-100018

Nilesh Shah

Partner

Membership No. 049660

Mumbai: 28th April, 2026

For and on behalf of the Board of Directors of
Mahindra Lifespace Developers Limited

Ameet Hariani

Chairman

DIN: 00087866

Bijal Parmar

Company Secretary

ACS : 32339

Amit Kumar Sinha

Managing Director & CEO

DIN: 09127387

Sriram Kumar

Chief Financial Officer

Mumbai: 28th April, 2026

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Mahindra Infrastructure Developers Limited**

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of **Mahindra Infrastructure Developers Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2026 and the Statement of Profit and Loss and statement of cash flows for the year then ended, the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and its **Profit** and 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 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 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 auditor's 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 including Annexures to 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 standalone 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 if there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the financial statements

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance 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 statement 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when,

in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report agree with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) 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 does not have any pending litigations which would impact its 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, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (a) and (b) contain any material misstatement.
- v. The Interim dividend paid by the Company during the year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
- vi. Based on our examination which included test checks, the company has used an 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. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
3. As regards the other matters to be included in the Auditor's Report, in accordance with the requirements of section 197(16) of the Act regarding managerial remuneration, the company has complied with the necessary provisions during the audit period.

For **M/s. MAKK & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No: 049818

Place: Mumbai
Date: 10th April, 2026
UDIN: 26049818JHLXVH3021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

- i. As per information provided by the Company to us, it does not have any Property, Plant and Equipment and Intangible assets as on 31st March, 2026. Accordingly, paragraph 3 (i) of the Order is not applicable to the Company.
- ii. (a) The Company does not have inventory. Accordingly, clause 3 (ii) (a) of the Order is not applicable.
- (b) As per information and explanation provided by the Company to us, the Company does not have any sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable to the Company.
- iii. (a) According the information and explanations given to us, during the year the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- (b) The terms and conditions of the loans / advances granted are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest is as per stipulations.
- (d) As per information and explanation provided by the Company to us, there is no overdue amount remaining outstanding as at the year-end.
- (e) As per information and explanation provided by the Company to us, no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) As per information and explanation provided by the Company to us, the company has not granted any loans or advances in the nature of loans without specifying any terms or period of repayment.
- Loans were granted as repayable on demand.
- iv. According to the Information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, Investments made, guarantees given and security as applicable.
- v. The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there-under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records as specified under subsection (1) of the section 148 of the Act are not applicable to the Company and hence relevant provisions of the Order is not applicable.
- vii. (a) According to information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including income tax, Goods and Service Tax (GST), and other material statutory dues, as applicable, with the appropriate authorities and there are no outstanding as on the last day of the financial year concerned for a period of more than six months. The Company has no obligation under Provident Fund and Employee State Insurance Rules. Payment of Sales Tax, Wealth Tax, Customs and Excise duties and Value Added Tax is not applicable to the Company during the period of Audit period.
- (b) According to the records of the company, there are no dues outstanding with respect to income tax, provident fund, employees' state insurance, GST and Cess, as applicable, on account of dispute.
- viii. As per information and explanation provided by the Company to us, there are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the Audit period in the tax assessments under the Income Tax Act, 1961. Hence relevant provision of the Order is not applicable.
- ix. 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 any loans since it has not availed of any loans from any bank nor has borrowed from any financial institution. The Company has also not issued any debentures as at the balance sheet date.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or by way of private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across any instance of fraud

	Related Parties
Aggregate amount of loans/ advances in nature of loans	
- Repayable on demand (A)	12,52,740
- Agreement does not specify any terms or period of repayment (B)	
Total (A+B)	12,52,740
Percentage of loans/ advances in nature of loans to the total loans	100

by the Company nor any fraud on the Company has been noticed or reported during the year nor have we been informed of any such instance by the management.

- (b) During the course of our examination of the books and records of the company 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) According to the information and explanation 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. The Company is not a Nidhi Company and so relevant clause is not applicable.
- xiii. 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 all transactions with related parties have been – disclosed in the financial statements.
- xiv. The Company is the unlisted public limited company and does not have paid up share capital of fifty crore rupees or more during the preceding financial year; turnover of two hundred crore rupees or more during the preceding financial year; or outstanding loans or borrowings from banks or public financial institutions exceeding one hundred crore rupees or more at any point of time during the preceding financial year; outstanding deposits of twenty five crore rupees or more at any point of time during the preceding financial year. Hence, section 138 is not applicable and so relevant clause is not applicable.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with any director of the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- xvii. The Company has not incurred cash losses in the Audit Period or in the immediately preceding financial year (FY 2024-25).
- xviii. During the year the no statutory auditors has resigned, hence relevant clause is not applicable.

- xix. (a) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (b) We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall dues.
- xx. (a) There were no amounts which were required to be transferred to fund specified under Schedule VII of Companies Act, 2013.
- (b) The company does not have net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year. Hence Section 135 is not applicable and so relevant clause is not applicable.
- xxi. Clause (xxi) of the Order is not applicable to the Company since report is of Standalone Financial Statement.

For **M/s. MAKK & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No.: 049818

Place: Mumbai
Date: 10th April, 2026
UDIN: 26049818JHLXVH3021

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MAHINDRA INFRASTRUCTURE DEVELOPERS LIMITED

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 **Mahindra Infrastructure Developers Limited** (“the Company”) as of March 31, 2026 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 **M/s. MAKK & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No.: 049818

Place: Mumbai
Date: 10th April, 2026
UDIN: 26049818JHLXVH3021

BALANCE SHEET AS AT 31 MARCH 2026

			(₹ in lakh)
	Note No.	As at 31 March, 2026	As at 31 March, 2025
I ASSETS			
Non-current assets			
(a) Financial assets			
(i) Investments.....	4	1,687.79	1,537.79
(ii) Loans	5	12.53	1,626.03
(b) Other non-current assets	7	418.80	323.74
Total Non-current assets (I)		2,119.11	3,487.56
Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	8(a)	3.89	3.21
(ii) Bank balances other than (i) above	8(b)	29.74	29.08
(iii) Other Financial Assets.....	9	2.23	526.82
Total current assets (II)		35.87	559.12
Total assets [(I)+(II)]		2,154.98	4,046.68
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	1,800.00	1,800.00
(b) Other equity	11	315.44	2,245.09
Total equity (III).....		2,115.44	4,045.09
Liabilities			
Non-current liabilities			
(a) Deferred tax liabilities.....	12	37.76	—
Total Non-current liabilities (IV)		37.76	—
Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
— total outstanding dues of micro enterprises and small enterprises ...	13	—	—
— total outstanding dues of trade payables other than micro enterprises and small enterprises		1.67	1.59
(b) Other current liabilities	14	0.12	—
Total current liabilities (IV).....		1.79	1.59
Total equity and liabilities [(III)+(IV)]		2,154.98	4,046.68

The accompanying notes 1 to 29 are an integral part of these financial statements

In terms of our report attached

For **MAKK & Co.**

Chartered Accountants

Firm Registration No: 117246W

Mukesh Maheshwari

Partner

Membership No: 049818

Place: Mumbai

Date: 10th April, 2026

For and on behalf of the Board of Directors

Manoj Gupta

Chief Financial Officer

Sriram Kumar

Director(DIN:07986708)

Santosh Ghatpande

Company Secretary

ACS: 17322

Parveen Mahtani

Director (DIN:05189797)

Place: Mumbai

Date: 10th April, 2026

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

		(₹ in lakh)	
		For the year ended 31 March, 2026	For the year ended 31 March, 2025
Particulars	Note No.		
I Revenue from operations.....		—	—
II Other income.....	15	1,194.14	2,680.94
III Total income (I+II).....		1,194.14	2,680.94
IV Expenses			
(a) Employee benefit expense	16	1.18	1.18
(b) Other expenses.....	17	3.37	2.57
Total Expenses (IV)		4.55	3.75
V Profit before tax (III-IV)		1,189.59	2,677.20
VI Tax Expense			
(1) Current tax	18	12.48	39.57
(2) Deferred tax		37.76	—
Total tax expense		50.24	39.57
VII Profit for the year (V-VI)		1,139.35	2,637.63
XV Other comprehensive income			
(i) Items that will not be reclassify to profit or loss.....		—	—
VIII Total other comprehensive income (1)+(2)		—	—
VIII Total comprehensive income for the period/year		1,139.35	2,637.63
IX Earnings per equity share			
Basic/Diluted	19	6.33	14.65

The accompanying notes 1 to 29 are an integral part of these financial statements

In terms of our report attached

For **MAKK & Co.**

Chartered Accountants

Firm Registration No: 117246W

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Director (DIN:05189797)

Place: Mumbai

Date: 10th April, 2026

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2026

Particulars	For the year ended 31 March, 2026	(₹ in lakh) For the year ended 31 March, 2025
Cash flow from Operating Activities		
Profit/(Loss) before tax.....	1,189.59	2,677.20
Adjustments for:		
Interest Income	(54.15)	(160.95)
Dividend Income	(989.99)	(989.99)
	145.45	1,526.26
Decrease/(Increase) in other financial assets	524.58	(75.06)
(Decrease)/Increase in trade payables.....	0.07	0.06
(Decrease)/Increase in other current liabilities	0.12	(0.53)
Cash generated from operations	524.77	(75.53)
Income taxes paid (Net).....	(107.52)	(118.22)
Net cash generated by/(used in) operating activities (A).....	562.70	1,332.51
Cash flows from investing activities		
Interest received	54.15	160.95
Bank Fixed deposit		
- Placed	(29.74)	(29.08)
- Matured.....	29.08	68.45
Dividend Income	989.99	989.99
(Gain) arising on Investment measured at Fair Value through Profit and Loss	(150.00)	(1,530.00)
Net cash generated by/(Used in) investing activities (B)	893.48	(339.69)
Cash flows from financing activities		
Dividend Paid	(3,069.00)	(1,000.00)
Inter Corporate Deposit given	—	(3.50)
Inter Corporate Deposit repaid	1,613.50	10.00
Net cash (Used in) financing activities (C)	(1,455.50)	(993.50)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	0.68	(0.68)
Cash and cash equivalents at the beginning of the year	3.21	3.89
Cash and cash equivalents at the end of the period/year	3.89	3.21

The accompanying notes 1 to 29 are an integral part of these financial statements

In terms of our report attached

For **MAKK & Co.**

Chartered Accountants

Firm Registration No: 117246W

Mukesh Maheshwari

Partner

Membership No: 049818

Place: Mumbai

Date: 10th April, 2026

For and on behalf of the Board of Directors

Manoj Gupta

Chief Financial Officer

Sriram Kumar

Director (DIN:07986708)

Santosh Ghatpande

Company Secretary

ACS: 17322

Parveen Mahtani

Director (DIN:05189797)

Place: Mumbai

Date: 10th April, 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

A. Equity share capital	(₹ in lakh)
Balance as at 31st March, 2024	1,800.00
Changes in equity share capital during the period.....	—
Balance as at 31st March, 2025	1,800.00
Changes in equity share capital during the period.....	—
Balance as at 31st March, 2026	1,800.00

			(₹ in lakh)
B. Other Equity	Retained earnings	Equity instruments through Other Comprehensive Income	Total
Balance as at 31st March, 2024	607.48	—	607.48
Profit/(Loss) for the year	2,637.63	—	2,637.63
Other comprehensive income	—	—	—
Total comprehensive income	3,245.09	—	3,245.09
Dividend paid	1,000.00	—	1,000.00
Balance as at 31st March, 2025	2,245.09	—	2,245.09
Profit/(Loss) for the year	1,139.35	—	1,139.35
Other comprehensive income	—	—	—
Total comprehensive income	3,384.44	—	3,384.44
Less: Dividend paid.....	(3,069.00)	—	(3,069.00)
Balance as at 31st March, 2026	315.44	—	315.44

In terms of our report attached

For **MAKK & Co.****Chartered Accountants**

Firm Registration No: 117246W

Mukesh Maheshwari

Partner

Membership No: 049818

Place: Mumbai**Date: 10th April, 2026**

For and on behalf of the Board of Directors

Manoj Gupta

Chief Financial Officer

Sriram Kumar

Director (DIN:07986708)

Santosh Ghatpande

Company Secretary

ACS: 17322

Parveen Mahtani

Director (DIN:05189797)

Place: Mumbai**Date: 10th April, 2026**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate information

Mahindra Infrastructure Developers Limited ("the Company") is a public company incorporated in India on 10 May, 2001 under the provisions of erstwhile Companies Act, 1956. The registered office of the Company is located at 4th Floor, Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai – 400018.

The Company is in the business of development of infrastructure projects and infrastructure related services.

The Company is subsidiary of Mahindra Lifespace Developers Limited, Mumbai, a company incorporated in India. The ultimate parent company is Mahindra & Mahindra Limited.

2. Material Accounting Policies

2.1 Statement of compliance and Basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016.

All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the Balance Sheet date.

The financial statements are presented in Indian Rupees (Rs.) which is also the Company's functional currency.

The financial statements were approved by the Board of Directors and authorised for issue on 10th April, 2026.

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. The estimated useful lives, residual values, are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the statement of profit and loss.

Depreciation on assets (other than impaired assets) is calculated on straight line method which is based on useful life indicated in part C of schedule II to the Companies Act, 2013.

2.3 Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement profit and loss.

2.4 Inventories

Inventories are stated at the lower of cost and net realisable value, whichever is lower. Cost is arrived at on first-in-first-out basis and includes overheads on absorption basis, where appropriate.

Financial assets and Liabilities

2.5 Financial instruments

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

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

2.6 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

2.6.1 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowances at an amount equal to lifetime expected credit losses.

2.6.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

2.7 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.7.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.7.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at Fair value through profit and loss.

2.7.1.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

2.8 Revenue recognition

Revenue on account of sale of services is recognised under the completed service contract method to the extent it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

Dividend income is recognised in the statement of profit and loss when the right to receive payment is established.

Interest Income is accounted for on time proportion basis.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.9.2 Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.9.4 Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

2.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.11 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2026**Note No. 4 - Investments**

Particulars	Face Value ₹	As at 31 March, 2026		As at 31 March, 2025	
		Nos.	Amount (₹ in lakh)	Nos.	Amount (₹ in lakh)
A. Investments carried at cost or deemed cost					
I. Unquoted Investments (all fully paid)					
Investments in Equity Instruments					
– of subsidiaries					
Mahindra Water Utilities Private Limited	10	98,999	7.79	98,999	7.79
(subsidiary with effect from 27 July, 2015, prior to that it was a joint venture)					
– of joint ventures					
Mahindra Inframan Water Utilities Private Limited	10	24,999	2.50	24,999	2.50
– of associate					
Ratna Bhoomi Enterprise Private Limited	10	500	–	500	–
Total (A)			10.29		10.29
B. Investment carried at fair value through other comprehensive income					
Unquoted Investments (all fully paid)					
Investments in Equity Instruments					
New Tirupur Area Development Corporation Limited	10	1,50,00,000	1,680.00	1,50,00,000	1,530.00
Total (B)			1,680.00		1,530.00
Total Impairment value for investment carried at cost			(2.50)		(2.50)
Total Investments (A)+(B)			1,687.79		1,537.79

Note No. 5 - Loans

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Non-Current		Non-Current	
a) Loans to related parties				
– Secured, considered good		–		–
– Unsecured, considered good		12.53		1,626.03
– Doubtful		–		–
Less: Allowance for Credit Losses		–		–
Total		12.53		1,626.03

Note No. 6 - Non Current Financial Assets

Particulars	As at 31 March, 2026		As at 31 March, 2025	
Fixed Deposits with original maturity more than 1 year		–		–
Total		–		–

Note No. 7 - Other Non Current assets

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Non-current	Current	Non-current	Current
(a) Income tax assets (net)	418.80	–	323.74	–
TOTAL	418.80	–	323.74	–

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2026

Note No. 8

(a) Cash and cash equivalents

Particulars	(₹ in lakh)	
	As at 31 March, 2026	As at 31 March, 2025
(a) Balance with bank.....	3.89	3.21
TOTAL	3.89	3.21

(b) Other bank balances

Particulars	(₹ in lakh)	
	As at 31 March, 2026	As at 31 March, 2025
(a) Fixed Deposits with original maturity less than one year	29.74	29.08
TOTAL	29.74	29.08

Note No. 9 - Other financial assets

Particulars	(₹ in lakh)	
	As at 31 March, 2026	As at 31 March, 2025
(a) Financial assets at amortised cost		
Interest accrued but not due on ICD.....	2.23	526.82
TOTAL	2.23	526.82

Note No. 10 - Equity share capital

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Number of shares	(₹ in lakh)	Number of shares	(₹ in lakh)
(a) Authorised				
Equity shares of ₹ 10 each with voting rights	2,00,00,000	2,000.00	2,00,00,000	2,000.00
	2,00,00,000	2,000.00	2,00,00,000	2,000.00
(b) Issued, subscribed and fully paid-up shares				
Equity shares of ₹ 10 each.....	1,80,00,000	1,800.00	1,80,00,000	1,800.00
	1,80,00,000	1,800.00	1,80,00,000	1,800.00

Notes (i) to (v) below

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Number of shares	(₹ in lakh)	Number of shares	(₹ in lakh)
Opening balance	1,80,00,000	1,800.00	1,80,00,000	1,800.00
Add: Issued during the year.....	—	—	—	—
Closing balance	1,80,00,000	1,800.00	1,80,00,000	1,800.00

The company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

(ii) Terms/rights attached to equity shares:

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

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the amount paid up on equity shares held by the shareholders.

(iii) Details of shares held by the holding company:

Particulars	As at	
	31 March, 2026	31 March, 2025
Mahindra Lifespace Developers Limited, the holding company, including 6 shares jointly held with its nominees	1,80,00,000	1,80,00,000

(iv) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Number of shares	% holding	Number of shares	% holding
Mahindra Lifespace Developers Limited the holding company, including 6 shares jointly held with its nominees	1,80,00,000	100%	1,80,00,000	100%

(v) Details of shareholdings by the Promoter's of the Company:

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Number of shares	% holding	Number of shares	% holding
Mahindra Lifespace Developers Limited the holding company, including 6 shares jointly held with its nominees	1,80,00,000	100%	1,80,00,000	100%

Note No. 11 - Other equity

Particulars	(₹ in lakh)		
	Retained earnings	Equity instruments through Other Comprehensive Income	Total
Balance at 31st March, 2024	607.46	—	607.46
Profit/(Loss) for the year	2,637.63	—	2,637.63
Other comprehensive income	—	—	—
Total comprehensive income	2,637.63	—	2,637.63
Dividend paid	(1,000.00)	—	(1,000.00)
Balance at 31st March, 2025	2,245.09	—	2,245.09
Profit/(Loss) for the year	1,139.35	—	1,139.35
Other comprehensive income	—	—	—
Dividend paid	(3,069.00)	—	(3,069.00)
Balance at 31st March, 2026	315.44	—	315.44

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2026**Note No. 12 - Deferred tax liability (net)**

Particulars	(₹ in lakh)	
	As at 31 March, 2026	As at 31 March, 2025
Temporary difference		
Gain on fair value of financial assets	37.76	—
TOTAL	37.76	—

Note No. 13 - Trade payables

Particulars	(₹ in lakh)	
	As at 31 March, 2026	As at 31 March, 2025
Trade payables - total outstanding dues of micro enterprises and small enterprises	—	—
Trade payables - total outstanding dues of trade payables other than micro enterprises and small enterprises	1.67	1.59
TOTAL	1.67	1.59

Note:

- (i) No Companies have been identified under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure as required by Notification No. G.S.R. 719 (E), dated 16 November, 2007 issued by the Ministry of Corporate Affairs is not applicable.

13 a - Ageing for trade payable from the due date of payment for each of the category is as follows

Particulars	(₹ in lakh)	
	As at 31 March, 2026	As at 31 March, 2025
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled.....	—	—
Not Due	—	—
0 months - 1 year.....	1.67	1.59
1-2 Years	—	—
2-3 years	—	—
More than 3 years	—	—
TOTAL	1.67	1.59

Note No. 14 - Other current liabilities

Particulars	(₹ in lakh)	
	As at 31 March, 2026	As at 31 March, 2025
a. Others		
Statutory remittances (withholding taxes, GST, etc.)....	0.12	—
TOTAL	0.12	—

Note No. 15 - Other Income

Particulars	(₹ in lakh)	
	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(a) <u>Interest Income</u>		
- Fixed Deposits.....	2.19	4.01
- Inter Corporate Deposits	51.96	156.94
(b) Dividend Income		
- Subsidiaries	989.99	989.99
(c) Net Gain arising on Investment measured at Fair Value through Profit and Loss	150.00	1,530.00
TOTAL	1194.14	2680.94

Note No. 16 - Employee benefits expense

Particulars	(₹ in lakh)	
	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Salary and wages (including deputation charges).....	1.18	1.18
TOTAL	1.18	1.18

Note No. 17 - Other Expenses

Particulars	(₹ in lakh)	
	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(a) Professional charges	2.38	1.57
(b) Payments to auditors (including service tax):		
(i) For audit.....	0.25	0.25
(c) Miscellaneous expenses.....	0.09	0.22
(d) ROC Expenses	0.65	0.53
TOTAL	3.37	2.57

Note No. 18 - Current Tax and Deferred Tax**(a) Income Tax recognised in profit or loss**

Particulars	(₹ in lakh)	
	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Current Tax:		
In respect of current year.....	12.48	39.57
Deferred Tax:		
In respect of current year		
Gain arising on Investment measured at Fair Value through Profit and Loss 1,50,00,000*25.168%	37.76	—
TOTAL	50.24	39.57

Note No. 19 - Contingent liabilities and commitments

Contingent liabilities (to the extent not provided for)	(₹ in lakh)	
	As at 31 March, 2026	As at 31 March, 2025
Contingent liabilities		
(a) Guarantee		
For Subsidiary Company / Joint Venture - Mahindra Water Utilities Limited	—	—
— Amount of Gurantee outstanding.....	1,800.00	1,800.00
— Maximum liability of the Company	1,800.00	1,800.00

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2026

Note No. 20 - Earnings per share

(₹ in lakh)

Sr. No.	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(a)	Profit/(loss) for the period.....	1,139.35	2,637.63
(b)	Weighted average number of equity shares (No.).....	1,80,00,000	1,80,00,000
(c)	Basic/Diluted earning per share	6.33	14.65
(d)	Nominal value per share	10	10

Note No. 21 - Segment Reporting

The company has a single reportable segment namely development of infrastructure projects and infrastructure related services in India for the purpose of Ind As 108 on segment reporting.

Note No. 22 - Related Party Transactions

Related party disclosures as required by Ind As 24 "Related Party Disclosures" are given below.

Enterprises Controlling the Company

1	Mahindra & Mahindra Limited	Ultimate Holding Company
2	Mahindra Lifespace Developers Limited	Holding Company

Subsidiary

1	Mahindra Water Utilities Limited
---	----------------------------------

Fellow Subsidiary

1	Mahindra Construction Company Limited
2	Mahindra Bloomdale Developers Ltd.

Joint Ventures

1	Mahindra Inframan Water Utilities Private Limited
---	---

Associate of Holding Company

1	Mahindra Knowledge Park (Mohali) Limited
---	--

(₹ in lakh)									
Particulars	For the year ended	Mahindra & Mahindra Limited	Mahindra Lifespace Developers Limited	Mahindra Water Utilities Limited	Mahindra Bloomdale Developers Ltd.	Mahindra Inframan Water Utilities Private Limited	Mahindra Construction Company Limited	KMP of the Company and KMP of parent Company	Mahindra Knowledge Park (Mohali) Limited
<u>Nature of transactions with Related Parties</u>									
Employee benefit	31-Mar-26 31-Mar-25	- -	1.00 1.18	- -	- -	- -	- -	- -	- -
ICD given	31-Mar-26 31-Mar-25	- -	- -	1.00 -	- -	- 1.00	- -	- -	2.50 2.50
Interest Received	31-Mar-26 31-Mar-25	- -	- -	0.58 -	50.87 155.72	- 0.48	- 0.48	- -	0.51 0.26
Dividend Paid	31-Mar-26 31-Mar-25	- -	3,069.00 1,000.00	- -	- -	- -	- -	- -	- -
Dividend Income	31-Mar-26 31-Mar-25	- -	- -	989.99 989.99	- -	- -	- -	- -	- -
Remuneration to Company Secretary	31-Mar-26 31-Mar-25	- -	- -	- -	- -	- -	- -	0.79 -	- -
Business support charges	31-Mar-26 31-Mar-25	1.00 1.18	- -	- -	- -	- -	- -	- -	- -
Refund of ICD given	31-Mar-26 31-Mar-25	- -	- -	- -	1,617 -	- -	- -	- -	- -

*Previous year figures are in *Italic*

<u>Nature of Balances with Related Parties</u>	Balances as on	Mahindra & Mahindra Limited	Mahindra Lifespace Developers Limited	Mahindra Water Utilities Limited	Mahindra Bloomdale Developers Ltd.	Mahindra Inframan Water Utilities Private Limited	Mahindra Construction Company Limited	KMP of the Company and KMP of parent Company	Mahindra Knowledge Park (Mohali) Limited
ICD Receivable	31-Mar-26 31-Mar-25	- -	- -	- -	- 1,617.00	6.30 5.30	- -	- -	5.80 3.30
Interest on ICD Receivable	31-Mar-26 31-Mar-25	- -	- -	- -	- 585.95	1.47 0.89	- 4.61	- -	0.76 0.00
Other Payables	31-Mar-26 31-Mar-25	- -	1.08 1.08	- -	- -	- -	- -	- -	- -

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2026

Note No. 23 As the Company can continue its current operations with its own cash resources for a period of atleast one year, the accounts of the Company for the period ended **31 March, 2026** have been prepared on the basis of going concern.

Note No. 24 - Financial Instruments

[I] Capital management

The Company's capital management objectives is to ensure the Company's ability to continue as a going concern

The capital structure of the Company consists of equity.

The Company does not have any borrowings.

The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

[II] Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A) CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primary trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

(i) Trade receivables

Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date and the Company measures the loss allowances at an amount equal to lifetime expected credit lossess. The Company does not hold collateral as security.

(ii) Financial instruments and cash deposits:

Credit risk from balances with banks is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only with bank.

B) LIQUIDITY RISK

(i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above	Total	(₹ in lakh) Carrying Value
Non-derivative financial liabilities						
31-Mar-26						
Trade Payable	1.67	—	—	—	1.67	1.67
Total	1.67	—	—	—	1.67	1.67
31-Mar-25						
Trade Payable	1.59	—	—	—	1.59	1.59
Total	1.59	—	—	—	1.59	1.59

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the Company's exposure to market risk or the methods in which they are managed or measured.

(i) Currency Risk

The Company undertakes transactions denominated only in Indian Rupees and hence, there is no risk of foreign exchange fluctuations.

(ii) 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 does not have significant exposure to the risk of changes in market interest rates.

(iii) Other price risk

The Company does not have significant other price risk.

Note No. 25 - Financial Ratios

(₹ in lakh)

	Particulars	Numerator	Denominator	For the year ended 31 March, 2026	For the year ended 31 March, 2025	% Variance	Reason for material variance
a)	Current Ratio	Current Assets	Current Liabilities	20.05	351.65	-94.30%	Loan Repaid
b)	Debt Equity Ratio (Gross)	Debt	Equity	NA	NA	NA	—
c)	Debt Service Coverage Ratio (DSCR)	Earning Available for debt service	Debt Service	NA	NA	NA	—
d)	Return of Equity	Profit/(Loss) After Tax	Average Equity	36.99%	3.44%	974.17%	Increase in Profit After Tax
e)	Inventory Turnover ratio	Revenue from Operations	Average Inventory	NA	NA	NA	—

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2026

	Particulars	Numerator	Denominator	For the year ended 31 March, 2026	For the year ended 31 March, 2025	% Variance	Reason for material variance
f)	Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables	NA	NA	NA	–
g)	Trade Payable turnover ratio	Cost of Sales	Average Trade payable	NA	NA	NA	–
h)	Net capital turnover ratio,	Revenue from Operations	Average Working Capital (4)	NA	NA	NA	–
i)	Net profit ratio	Profit/(Loss) After Tax	Revenue from Operations	0.00%	0.00%	0.00%	–
j)	Return on Capital employed	Earning before interest & taxes	Capital employed	53.86%	65.21%	-17.40%	
k)	Return on investment	Income generated from Investment	Average investments (Gross)	58.66%	64.38%	-8.89%	

Schedule III require explanation where the change in the ratio is more that 25% as compared to the preceding year. Accordingly explanation is given only for the said ratios.

Note No. 26 - Additional regulatory information**Details of benami property held**

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Wilful defaulter

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

Note No. 28 - Continues - Fair Value Measurement**Financial assets measured at fair value**

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
	31-Mar-26	31-Mar-25				
Financial assets						
Investments in equity instruments						
– New Tirupur Area Development Corporation Limited (NTADCL) (15,000,000 equity shares of Rs. 10 each)	150.00	1,530.00	Level 3	Discounted cashflow method	On the basis of NTADCL's own data, taking into account all information about market participant that is reasonably available.	NA
Total financial liabilities	150.00	1,530.00				

Note No. 29 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

In terms of our report attached

For **MAKK & Co.**

Chartered Accountants

Firm Registration No: 117246W

Mukesh Maheshwari

Partner

Membership No: 049818

Place: Mumbai

Date: 10th April, 2026

For and on behalf of the Board of Directors

Manoj Gupta

Chief Financial Officer

Sriram Kumar

Director (DIN:07986708)

Santosh Ghatpande

ACS: 17322

Parveen Mahtani

Director (DIN:05189797)

Place: Mumbai

Date: 10th April, 2026

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part “A”: Subsidiaries**(Rs. in Lakhs)**

Particulars	Subsidiary
S.No	1
Name of the subsidiary	Mahindra Water Utilities Ltd.
The date since when subsidiary was acquired	NA
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
Share capital	10
Reserves & surplus	1023.56
Total assets	1576.96
Total Liabilities	543.4
Investments	458.51
Turnover	2332.13
Profit before taxation	637.60
Provision for taxation	129.80
Profit after taxation	380.17
Proposed Dividend	NIL
% of shareholding	98.99%

Notes:

1. No Subsidiaries which are yet to commence operations.
2. No Subsidiaries which have been liquidated or sold during the year.

Part “B”: Associates/Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Particulars	Joint Venture	Associate
Name of associates/Joint Ventures	Mahindra Inframan Water Utilities Pvt Ltd.	Rathna Bhoomi Enterprises Pvt Ltd.
Latest audited Balance Sheet Date	31.03.2026	31.03.2026
Date on which the Associate or Joint Venture was associated or acquired	30-07-2004	05-09-2001
Shares of Associate or Joint Ventures held by the company on the year end	50%	50%
Nos.	24,999	500
Amount of Investment in Joint Venture or Associates	2,49,990	5,000
Extend of Holding %	50%	50%
Description of how there is significant influence	Note 1	Note 1
Reason why the associate/joint venture is not consolidated		
Net worth attributable to shareholding as per latest audited Balance Sheet	(3.74)	(14.70)
Profit or Loss for the year		
i. Considered in Consolidation	—	—
ii. Not Considered in Consolidation	(0.80)	(0.31)

Notes:

1. There is significant influence due to percentage (%) of Share Capital.
2. No Associates/Joint Venture which are yet to commence operations.
3. No Associates/Joint Venture which have been liquidated or sold during the year.
4. Pursuant to Rule 6 of the Companies (Accounts) Rules, 2014, the Company is exempted from preparation of consolidated financial statements.

For and on behalf of the Board of Directors

Santosh Ghatpande

Company Secretary

ACS: 17322

Sriram Kumar

Director(DIN:07986708)

Manoj Gupta

Chief Financial Officer

Parveen Mahtani

Director (DIN: 05189797)

Place: Mumbai

Date: 10/04/2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAHINDRA WORLD CITY (MAHARASHTRA) LIMITED

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Mahindra World City (Maharashtra) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026 and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, the Statement of Changes in Equity for the year then ended and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and its Loss and 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 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 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 including Annexures to 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 standalone 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 if there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the financial statements

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance 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 statement 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements

can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report agree with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) 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 does not have any pending litigations which would impact its 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the company has used an 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. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- 3. As required by Section 197(16) of the Act, based on our audit, we report that the Company has not paid remuneration to its directors for the year under audit. Hence, this clause is not applicable to the Company.

For M/s. MAKK & Co.
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No: 049818

Place: Mumbai
Date: 10th April, 2026
UDIN: 26049818TXIIMC8298

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

- i. As per information provided by the Company to us and examination of the books of accounts, the Company does not have Property, Plant and Equipment and Intangible assets, accordingly, the requirements under paragraph 3 (i) (a), (b), (c), (d) and (e) are not applicable to the Company.
- ii. (a) As per information and explanation provided by the Company to us and examination of the books of accounts, the Company does not have Inventories, accordingly, the requirements under paragraph 3 (ii) (a) are not applicable to the Company.
(b) As per information and explanation provided by the Company to us, the Company does not have any sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable to the Company.
- iii. (a) As per information and explanation provided by the Company to us, during the year the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3 (iii) (a) of the Order is not applicable to the Company.
- iv. According to the Information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, Investments made, guarantees given and security as applicable.
- v. The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there-under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records as specified under subsection (1) of the section 148 of the Act are not applicable to the Company and hence relevant provisions of the Order is not applicable.
- vii. (a) According to information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including income tax, Goods and Service Tax (GST), and other material statutory dues, as applicable, with the appropriate authorities and there are no outstanding as on the last day of the financial year concerned for a period of more than six months. The Company has no obligation under Provident Fund and Employee State Insurance Rules. Payment of Sales Tax, Wealth Tax, Customs and Excise duties and Value Added Tax is not applicable to the Company during the period of Audit period.
According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of Goods and Services tax, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the records of the company, there are no dues outstanding with respect to income tax, provident fund, employees state insurance, GST and Cess, as applicable, on account of dispute.
- viii. As per information and explanation provided by the Company to us, there are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the Audit period in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence relevant provision of the Order is not applicable.
- ix. 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 any loans since it has not availed of any loans from any bank nor has borrowed from any financial institution. The Company has also not issued any debentures as at the balance sheet date
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or by way of private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year nor have we been informed of any such instance by the management.
(b) During the course of our examination of the books and records of the company 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.

- xii. The Company is not a Nidhi Company and so relevant clause is not applicable.
- xiii. 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 all transactions with related parties have been disclosed in the financial statements.
- xiv. The Company is the unlisted public limited company and does not have paid up share capital of fifty crore rupees or more during the preceding financial year; turnover of two hundred crore rupees or more during the preceding financial year; or outstanding loans or borrowings from banks or public financial institutions exceeding one hundred crore rupees or more at any point of time during the preceding financial year; outstanding deposits of twenty five crore rupees or more at any point of time during the preceding financial year. Hence, section 138 is not applicable and so relevant clause is not applicable.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with any director of the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- xvii. The Company has incurred cash losses in the Audit Period of Rs.3.95 lakhs and in the immediately preceding financial year (FY 2024-25) Rs. 3.13 Lakhs.
- xviii. During the year no, statutory auditors has been resigned, hence relevant clause is not applicable.
- xix. (a) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material

uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

- (b) We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. (a) There were no amounts which were required to be transferred to fund specified under Schedule VII of Companies Act, 2013.
- (b) The company does not have net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year. Hence Section 135 is not applicable and so relevant clause is not applicable.
- xxi. Clause (xxi) of the Order is not applicable to the Company since report is of Standalone Financial Statement.

For **M/s. MAKK & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No.: 049818

Place: Mumbai
Date: 10th April, 2026
UDIN: 26049818TXIIMC8298

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF MAHINDRA WORLD CITY (MAHARASHTRA) LIMITED

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 **Mahindra World City (Maharashtra) Limited** (“the Company”) as of March 31, 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 **M/s. MAKK & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No.: 049818

Place: Mumbai
Date: 10th April, 2026
UDIN: 26049818TXIIMC8298

BALANCE SHEET AS AT 31 MARCH, 2026

Particulars	Note No.	(₹ in lakhs)	
		As at 31 st March, 2026	As at 31 st March, 2025
ASSETS			
NON-CURRENT ASSETS			
(a) Investments	4	1,707.11	1,707.11
SUB-TOTAL		<u>1,707.11</u>	<u>1,707.11</u>
CURRENT ASSETS			
(b) Financial Assets			
(i) Cash and Cash Equivalents	5	0.18	3.41
(c) Current Tax Assets	6	—	—
SUB-TOTAL		<u>0.18</u>	<u>3.41</u>
TOTAL ASSETS		<u><u>1,707.29</u></u>	<u><u>1,710.52</u></u>
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	7	2,542.37	2,542.37
(b) Other Equity	8	(1,017.20)	(1,013.26)
SUB-TOTAL		<u>1,525.17</u>	<u>1,529.11</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Provisions	9	180.45	180.45
SUB-TOTAL		<u>180.45</u>	<u>180.45</u>
CURRENT LIABILITIES			
(a) Trade Payables	10		
- total outstanding dues of micro enterprises and small enterprises		—	—
- total outstanding dues of trade payables other than micro enterprises and small enterprises		1.04	0.39
(b) Provisions	9	0.53	0.53
(c) Other Current Liabilities	11	0.09	0.04
SUB-TOTAL		<u>1.66</u>	<u>0.96</u>
TOTAL		<u><u>1,707.29</u></u>	<u><u>1,710.52</u></u>

Summary of Material Accounting Policies

The accompanying notes 1 to 25 are an integral part of these financial statements

In terms of our report attached

For MAKK & Co.**Chartered Accountants**

Firm Registration No:117246W

Mukesh Maheshwari

Partner

Membership No:049818

Place : Mumbai**Date: 10th April 2026**

For and on behalf of the Board Directors

Kiran Kintali

CEO & CFO

Yadunath DhuriCompany Secretary
(A25121)**Place : Mumbai****Date: 10th April 2026****Vimalendra Singh**

Director

DIN: 09128114

Vikram Goel

Director

DIN: 11026849

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

(₹ in lakhs)

Particulars	Note No.	For the Year ended 31 st March, 2026	For the Year ended 31 st March, 2025
I Other Income	12	0.00	0.00
Total Revenue (I)		0.00	0.00
II EXPENSES			
(a) Other expenses	13	3.94	3.13
Total Expenses (II)		3.94	3.13
III Profit/(loss) before tax		(3.94)	(3.13)
IV Tax Expense			
(1) Current tax	14	—	—
(2) Tax relating to previous year	14	0.00	—
Total tax expense		0.00	—
V (Loss) after tax (IV-V)		(3.94)	(3.13)
VI (Loss) for the period		(3.94)	(3.13)
VII Other comprehensive income			
A (i) Items that will not be reclassify to profit or loss		—	—
VIII Total comprehensive income for the period		(3.94)	(3.13)
IX Earnings per equity share :			
(1) Basic / Diluted	15	(0.02)	(0.01)

Summary of Material Accounting Policies

The accompanying notes 1 to 25 are an integral part of these financial statements

In terms of our report attached

For MAKK & Co.**Chartered Accountants**

Firm Registration No:117246W

Mukesh Maheshwari

Partner

Membership No:049818

Place : Mumbai**Date: 10th April 2026**

For and on behalf of the Board Directors

Kiran Kintali

CEO & CFO

Yadunath DhuriCompany Secretary
(A25121)**Place : Mumbai****Date: 10th April 2026****Vimalendra Singh**

Director

DIN: 09128114

Vikram Goel

Director

DIN: 11026849

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH, 2026

Particulars	(₹ in lakhs)	
	For the Year ended 31 March, 2026	For the Year ended 31 March, 2025
Cash flows from operating activities		
(Loss) before tax for the year	(3.94)	(3.13)
Adjustments for:		
Interest income	—	(0.00)
Share issue expenses	—	—
	(3.95)	(3.13)
Movements in working capital:		
(Increase)/Decrease in Other financial assets	—	0.06
Increase/(Decrease) in trade and other payables	0.65	—
Increase/(decrease) in provisions	0.00	0.00
Increase/(Decrease) in other liabilities	0.06	0.04
	0.71	0.10
Income taxes paid	—	—
Net cash (used in)/generated from operating activities (A)	(3.24)	(3.03)
Cash flows from investing activities		
- Matured	—	—
Interest received on Fixed Deposit	—	0.00
Net cash Generated from /(used in) Investing activities (B)	—	—
Cash flows from financing activities		
Payment for share issue costs	—	—
Net Cash generated from/(used in) financing activities (C)	—	—
Net (decrease)/ increase in cash (A+B+C)	(3.24)	(3.03)
Cash and cash equivalents at the beginning of the year/period	3.41	6.44
Cash and cash equivalents at the end of the year /period	0.18	3.41

Summary of Material Accounting Policies

The accompanying notes 1 to 25 are an integral part of these financial statements

In terms of our report attached

For MAKK & Co.**Chartered Accountants**

Firm Registration No:117246W

Mukesh Maheshwari

Partner

Membership No:049818

Place : Mumbai**Date: 10th April 2026**

For and on behalf of the Board Directors

Kiran Kintali

CEO & CFO

Yadunath DhuriCompany Secretary
(A25121)**Place : Mumbai****Date: 10th April 2026****Vimalendra Singh**

Director

DIN: 09128114

Vikram Goel

Director

DIN: 11026849

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2026

(₹ in lakhs)

A. Equity share capital

As on 31st March, 2024	2,542.37
Changes in equity share capital during the year	—
As on 31st March, 2025	2,542.37
Changes in equity share capital during the year	—
As on 31st March, 2026	2,542.37

a. Equity share capital**No. of shares**

As on 31st March, 2024	2,54,23,700
Changes in equity share capital during the year	
Issue of equity shares	—
As on 31st March, 2025	2,54,23,700
Changes in equity share capital during the year	
Issue of equity shares	—
As on 31st March, 2026	2,54,23,700

B. Other Equity**Retained earnings**

(₹ in lakh)

Balance as at 31st March, 2024	(1,010.13)
Profit/(Loss) for the year	(3.13)
Other comprehensive income	—
Total comprehensive income	(3.13)
Balance as at 31st March, 2025	(1,013.26)
Profit/(Loss) for the year	(3.94)
Other comprehensive income	—
Total comprehensive income	(3.94)
Balance as at 31st March, 2026	(1,017.20)

Summary of Material Accounting Policies

The accompanying notes 1 to 25 are an integral part of these financial statements

In terms of our report attached

For and on behalf of the Board Directors

For MAKK & Co.**Chartered Accountants**

Firm Registration No:117246W

Mukesh Maheshwari

Partner

Membership No:049818

Kiran Kintali

CEO & CFO

Yadunath Dhuri

Company Secretary

(A25121)

Vimalendra Singh

Director

DIN: 09128114

Vikram Goel

Director

DIN: 11026849

Place : Mumbai**Date: 10th April 2026****Place : Mumbai****Date: 10th April 2026**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2026

1. Corporate information

Mahindra World City (Maharashtra) Limited ("the Company") is a public company incorporated in 2005 under the provisions of erstwhile Companies Act, 1956. The registered office of the Company is located at 4th Floor, Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai – 400 018.

The Company is in the business of development of Multi product SEZ in Maharashtra as a joint venture with Maharashtra Industrial Development Corporation (MIDC).

The Company is subsidiary of Mahindra Lifespace Developers Limited, Mumbai, a company incorporated in India. The ultimate parent company is Mahindra & Mahindra Limited.

2. Material Accounting Policies

2.1 Statement of compliance and Basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016.

All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the Balance Sheet date.

The financial statements are presented in Indian Rupees (Rs.) which is also the Company's functional currency.

The financial statements were approved by the Board of Directors and authorised for issue on 10th April 2026.

2.2 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use. The estimated useful lives, residual values, are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the statement of profit and loss.

Financial assets and Liabilities

2.3 Financial instruments

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

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

2.4 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.4.1 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets. With respect to trade receivables, the Company measures the loss allowances at an amount equal to lifetime expected credit losses.

2.4.2 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

2.5 Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.5.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.5.1.1 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at Fair value through profit and loss.

2.5.1.2 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between the lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

2.6 Revenue recognition

Revenue on account of sale of services is recognised under the completed service contract method to the extent it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2026

Dividend income is recognised in the statement of profit and loss when the right to receive payment is established.

Interest Income is accounted for on time proportion basis.

2.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.7.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.7.2 Deferred tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.7.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.7.4 Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

2.8 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.9 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/(loss) for the year is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3. Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses, etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Note No. 4 - Investments

Particulars	Face Value (₹)	As at 31 st March, 2026		As at 31 st March, 2025	
		Nos.	(₹ in lakh)	Nos.	(₹ in lakh)
A. Investments carried at cost or deemed cost					
I. Unquoted Investments (all fully paid)					
Investments in Equity Instruments					
Deep Mangal Developers Private Limited	10	5,29,160	1,706.66	5,29,160	1,706.66
Mahindra Construction Company Limited	10	3,000	0.30	3,000	0.30
Moonshine Construction Private Limited	10	20	0.00	20	0.00
Mahindra UGINE Steel Limited	1	1	0.00	1	0.00
Rathna Bhoomi Enterprises Private Limited	10	500	0.05	500	0.05

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	Face Value (₹)	As at 31 st March, 2026		As at 31 st March, 2025	
		Nos.	(₹ in lakh)	Nos.	(₹ in lakh)
Investments in Preference shares					
- of associate					
7% Non-cumulative redeemable participating optionally convertible preference shares in Moonshine Construction Private Limited	10	4,479	0.45	4,479	0.45
Rathna Bhoomi Enterprises Private Limited	10	1,19,250	11.93	1,19,250	11.93
Prudential Management & Services Private Limited	1	2	0.00	2	0.00
MCCL	1	1	0.00	1	0.00
Investments in Preference shares					
- of associate					
7% Non-cumulative redeemable participating optionally convertible preference shares in Mahindra Knowledge Park Mohali Limited	10	50,000	0.00	50,000	0.00
Total Impairment value for investment carried at cost			(12.28)		(12.28)
			1,707.11		1,707.11

Note No. 5 - Cash and Bank Balances

Particulars	(₹ in lakh)	
	As at 31 st March, 2026	As at 31 st March, 2025
Cash and cash equivalents		
(a) Balances with banks	0.18	3.41
Total Cash and cash equivalent	<u>0.18</u>	<u>3.41</u>

Note No. 6 - Current Tax Asset

Particulars	(₹ in lakh)	
	As at 31 st March, 2026	As at 31 st March, 2025
(a) TDS Receivable	-	-
Total Current Tax Assets	<u>-</u>	<u>-</u>

Note No. 7 - Equity Share Capital

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	No. of shares	(₹ in lakh)	No. of shares	(₹ in lakh)
Authorised:				
Equity shares of Rs.10 each with voting rights	2,54,23,700	2,542.37	2,54,23,700	2,542.37
Issued, Subscribed and Fully Paid:				
Equity shares of Rs.10 each with voting rights	2,54,23,700	2,542.37	2,54,23,700	2,542.37
Total	<u>2,54,23,700</u>	<u>2,542.37</u>	<u>2,54,23,700</u>	<u>2,542.37</u>

Note No. 7a - Equity Share Capital (Contd.)

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Particulars	Opening Balance	Fresh Issue	Redeemed during the year	Closing Balance
(a) Equity Shares with Voting rights*				
Year Ended 31 st March 2025				
No. of Shares	2,54,23,700	-	-	2,54,23,700
Amount	2,542.37	-	-	2,542.37
Year Ended 31 st March 2026				
No. of Shares	2,54,23,700	-	-	2,54,23,700
Amount	2,542.37	-	-	2,542.37

(ii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: (details of fully paid and partly paid also needs to be given)

Particulars	No. of Shares		
	Equity Shares with Voting rights	Equity Shares with Differential Voting rights	Others
As at 31 st March 2025			
Mahindra Lifespace Developers Ltd.	2,54,23,700	-	-
As at 31st March 2026			
Mahindra Lifespace Developers Ltd.	2,54,23,700	-	-

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/ Name of shareholder	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Mahindra Lifespace Developers Ltd.	2,54,23,700	100.00%	2,54,23,700	100.00%

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2026

(iv) Details of shareholdings by the Promoter's of the Company

Class of shares/ Name of shareholder	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights Mahindra Lifespace Developers Ltd.	2,54,23,700	100.00%	2,54,23,700	100.00%
Note No. 8 - Other equity				
			(₹ in lakh)	
		Retained earnings	Total	
Balance at 31st March, 2024		(1,010.13)	(1,010.13)	
Profit/(Loss) for the year		(3.13)	(3.13)	
Other comprehensive income		—	—	
Balance at 31st March, 2025		(1,013.26)	(1,013.26)	
Profit/(Loss) for the year		(3.94)	(3.94)	
Other comprehensive income		—	—	
Balance at 31st March 2026		(1,017.20)	(1,017.20)	

Note No. 9 - Provisions

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Current	Non-Current	Current	Non-Current
(a) Provisions				
Other Provisions	0.53	180.45	0.53	180.45
Total Provisions	0.53	180.45	0.53	180.45

Note No. 10 - Trade Payables

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
Trade payable - total outstanding Dues of micro enterprises and small enterprises		—		—
Trade payable - total outstanding dues of trade payables other than micro enterprises and small enterprises		1.04		0.38
Total trade payables		1.04		0.38

Note:

- (i) No Companies have been identified under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure as required by Notification No. G.S.R. 719 (E), dated 16 November, 2007 issued by the Ministry of Corporate Affairs is not applicable.

10 a - Ageing for trade payable from the due date of payment for each of the category is as follows:

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled	—	—
Not Due	—	—
0 months - 1 year	1.04	0.38
1-2 Years	—	—
2-3 years	—	—
More than 3 years	—	—
	1.04	0.38

Note No. 11- Other Current Liabilities

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
Statutory dues				
(a) TDS Payable	0.09		0.04	
(b) Provision for tax-Current Year	—		—	
Total Other Current Liabilities	0.09		0.04	

Note No. 12 - Other Income

Particulars	For the Year ended 31 st March, 2026		For the Year ended 31 st March, 2025	
(a) Interest Income on:				
Bank Deposits	—		—	
Income Tax Refund*	—		0.00	
(b) Miscellaneous Income (liabilities no longer required written back)	—		—	
Total Other Income	—		0.00	

*in thousands

Note No. 13 - Other Expenses

Particulars	For the Year ended 31 st March, 2026		For the Year ended 31 st March, 2025	
(a) Auditors remuneration and out-of-pocket expenses				
(i) As Auditors	0.34		0.34	
(b) Other expenses				
(i) Legal and other professional costs	3.49		2.79	
(ii) Rates & Taxes	0.07		—	
(iii) Miscellaneous expenses	0.04		—	
Total Other Expenses	3.94		3.13	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2026

Note No. 14 - Current Tax

Income Tax recognised in profit or loss

Particulars	(₹ in lakh)	
	For the Year ended 31 st March, 2026	For the Year ended 31 st March, 2025
(a) Provision for tax-Current Year	—	—
(b) Tax related to previous year (AY 23-24)	0.00	—
Total income tax expense on continuing operations	0.00	—

Note No. 15 - Earnings per Share

Particulars	(₹ in lakh)	
	For the Year ended 31 st March, 2026	For the Year ended 31 st March, 2025
Basic Earnings per share		
From continuing operations	(0.02)	(0.01)
Total basic earnings per share	(0.02)	(0.01)
Diluted Earnings per share		
From continuing operations	(0.02)	(0.01)
Total diluted earnings per share	(0.02)	(0.01)

Particulars

Particulars	For the Year ended 31 st March, 2026	For the year ended 31 st March 2025
Profit / (loss) for the year attributable to owners of the Company	(3.94)	(3.13)
Less: Preference dividend and tax thereon	—	—
Profit / (loss) for the year used in the calculation of basic earnings per share	(3.94)	(3.13)
Weighted average number of equity shares	2,54,23,700	2,54,23,700
Earnings per share from continuing operations - Basic	(0.02)	(0.01)

Note No. 16 - Related Party Transactions

Related party disclosures as required by Ind As 24 "Related Party Disclosures" are given below.

Enterprises Controlling the Company

(₹ in lakh)

1	Mahindra & Mahindra Limited	Ultimate Holding Company
2	Mahindra Lifespace Developers Limited	Holding Company
3	Deep Mangal Developers Private Limited	Subsidiary Company
4	Mahindra World City Developers Limited	Joint Venture of holding company

Particulars	For the year ended	Ultimate Holding Company	Holding Company	Subsidiary	Joint Venture of holding company
<u>Nature of transactions with Related Parties</u>					
Reimbursement made to parties	31-Mar-26	—	—	—	—
	31-Mar-25	1.00	—	—	—
Availment of Service	31-Mar-26	—	—	—	—
	31-Mar-25	—	—	—	—
Employee Benefit	31-Mar-26	—	—	—	—
	31-Mar-25	—	0.10	—	0.25

<u>Nature of Balances with Related Parties</u>	Balances as on	Ultimate Holding Company	Holding Company	Subsidiary	Joint Venture of holding company
Trade payables	31-Mar-26	—	—	—	—
	31-Mar-25	—	0.11	—	0.27

Notes:

- During the year, there were no amounts required to be written off or written back in respect of debts due from or to related parties.
- Related parties have been identified by the Management.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2026

Note No. 17 - The accounts of the Company for the year ended **31st March, 2026** have been prepared on the basis of going concern.

Note No. 18 - Financial Instruments**Capital management**

The Company's capital management objectives are:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

The Management of the Company monitors the capital structure using debt ratio which is determined as the proportion of total debt to total equity.

Debt ratios are as follows:

	As at 31 st March, 2026	As at 31 st March, 2025
Debt (A)	–	–
Equity (B)	1,525.17	1,529.11
Debt Ratio (A/B)	–	–

Categories of financial assets and financial liabilities

The following tables shows the carrying amount and fair values of financial assets and financial liabilities by category:

As at 31 st March, 2026				
	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	1,707.11	–	–	1,707.11
Current Assets				
Investments	–	–	–	–
Trade Receivables	–	–	–	–
Other Bank Balances	0.18	–	–	0.18
Non-current Liabilities				
Borrowings	–	–	–	–
Current Liabilities				
Borrowings	–	–	–	–
Trade Payables	1.04	–	–	1.04
Other Financial Liabilities	–	–	–	–
- Non Derivative Financial Liabilities	–	–	–	–

As at 31 st March, 2025				
	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Investments	1,707.11	–	–	1,707.11
Current Assets				
Investments	–	–	–	–
Trade Receivables	–	–	–	–
Other Bank Balances	3.41	–	–	3.41
Non-current Liabilities				
Borrowings	–	–	–	–
Current Liabilities				
Borrowings	–	–	–	–
Trade Payables	0.39	–	–	0.39
Other Financial Liabilities	–	–	–	–
- Non Derivative Financial Liabilities	–	–	–	–

[II] Financial Risk Management Framework

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. In order to manage the aforementioned risks, the Company operates a risk management policy and a program that performs close monitoring of and responding to each risk factors.

A) CREDIT RISK

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is not exposed to credit risk.

B) LIQUIDITY RISK**(i) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-, medium- and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
Non-derivative financial liabilities			
31 March 2026			
Long Term Borrowing			
Long Term Borrowing - Principal	–	–	–
Non-derivative financial liabilities			
31 March 2025			
Long Term Borrowing			
Long Term Borrowing - Principal	–	–	–

C) MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

There has been no significant changes to the Company's exposure to market risk or the methods in which they are managed or measured.

(i) Currency Risk

The Company undertakes transactions denominated only in Indian Rupees and hence, there is no risk of foreign exchange fluctuations.

(ii) 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 does not have exposure to the risk of changes in market interest rates.

(iii) Other price risk

The Company does not have other price risk.

Note No. 19 - Fair Value Measurement**Fair Valuation Techniques and Inputs used**

This section explains the judgment and estimates made in determining the fair value of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in financials statements. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standards.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2026

Fair value of financial assets and financial liabilities that are not measured at fair value

Particulars	(₹ in lakh)			
	31-Mar-26		31-Mar-25	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
<u>Financial assets carried at Amortised Cost</u>				
– cash & cash equivalents	0.18	–	3.41	–
Total	0.18	–	3.41	–
Financial liabilities				
Financial liabilities held at amortised cost				
– loans from other entities	–	–	–	–
– other financial liabilities	–	–	–	–
Total	–	–	–	–

Financial assets/ financial liabilities	(₹ in lakh)			
	Fair value hierarchy as at 31 March, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets				
<u>Financial assets carried at Amortised Cost</u>				
(i) Trade receivables	–	–	–	–
(ii) Cash and cash equivalents	–	0.18	–	0.18
Total	–	0.18	–	0.18

Financial assets/ financial liabilities	(₹ in lakh)			
	Fair value hierarchy as at 31 March, 2026			
	Level 1	Level 2	Level 3	Total
Financial liabilities				
<u>Financial liabilities held at amortised cost</u>				
(i) Long term loan	–	–	–	–
(ii) Other financial liabilities	–	–	–	–
Total	–	–	–	–

Financial assets/ financial liabilities	(₹ in lakh)			
	Fair value hierarchy as at 31 st March, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets				
<u>Financial assets carried at Amortised Cost</u>				
(i) Cash and cash equivalents	–	3.41	–	3.41
Total	–	3.41	–	3.41

Financial liabilities	(₹ in lakh)			
	Fair value hierarchy as at 31 st March, 2025			
	Level 1	Level 2	Level 3	Total
Financial liabilities				
<u>Financial liabilities held at amortised cost</u>				
(i) Long term loan	–	–	–	–
(ii) Other financial liabilities	–	–	–	–
Total	–	–	–	–

Note: The Group has not disclosed the fair value for financial instruments, because the carrying amounts are a reasonable approximation of fair value.

Note no. 20 - Financial Ratios

	Particulars	Numerator	Denominator	(₹ in lakh)			
				For the year ended 31 March, 2026	For the year ended 31 March, 2025	% Variance	Reason for Variance
a)	Current Ratio	Current Assets	Current Liabilities	0.11	3.57	-96.95%	Decrease in Current Assets
b)	Debt Equity Ratio (Gross)	Debt	Equity	–	–	0.00%	–
c)	Debt Service Coverage Ratio (DSCR)	Earning Available for debt service	Debt Service	–	–	0.00%	–
d)	Return of Equity	Profit/(Loss) After Tax	Average Equity	-0.26%	-0.20%	26.58%	Company has incurred losses during the current year.
e)	Inventory Turnover ratio	Revenue from Operations	Average Inventory	NA	NA	NA	–
f)	Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables	NA	NA	NA	–
g)	Trade Payable turnover ratio	Cost of Sales	Average Trade payable	NA	NA	NA	–
h)	Net capital turnover ratio,	Revenue from Operations	Average Working Capital (4)	NA	NA	NA	–
i)	Net profit ratio	Profit/(Loss) After Tax	Revenue from Operations	0.00%	0.00%	0.00%	–
j)	Return on Capital employed	Earning before interest & taxes	Capital employed	-0.26%	-0.39%	-33.23%	Company has incurred losses during the current year.
k)	Return on investment	Income generated from Investment	Average investments (Gross)	0.00%	0.00%	0.00%	–

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2026**Note no. 21 - Additional regulatory information****Details of benami property held**

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Wilful defaulter

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

provide any guarantee, security or the like on behalf of the ultimate beneficiaries

Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

- (a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note no. 22 - Events after the reporting period

No material events have occurred after the Balance Sheet date and up to the approval of the Financial Statements.

Note no. 23 - Previous Year Figures

The figures for the previous year have been regrouped wherever necessary to confirm to current year's grouping.

In terms of our report attached

For MAKK & Co.

Chartered Accountants

Firm Registration No:117246W

Mukesh Maheshwari

Partner

Membership No:049818

Place : Mumbai

Date: 10th April 2026

For and on behalf of the Board Directors

Kiran Kintali

CEO & CFO

Yadunath Dhuri

Company Secretary
(A25121)

Place : Mumbai

Date: 10th April 2026

Vimalendra Singh

Director

DIN: 09128114

Vikram Goel

Director

DIN: 11026849

Form AOC-I

**Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Account) Rules, 2014.
Statement containing salient features of financial statements of Subsidiary / Associates / Joint Ventures.**

Part “A” Subsidiaries

(₹ in lakh)

Name of Subsidiary	Deep Mangal Developers Limited	Mahindra Knowledge Park (Mohali) Limited
Reporting period of the subsidiary concerned, if different from the holding company's reporting period	NA	NA
Reporting Currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
Share capital	642.01	0.001
Reserves & surplus	(102.47)	(118.46)
Total assets	548.15	0.95
Total Liabilities	8.61	114.41
Investments	0.05	–
Turnover	10.91	5.75
Profit/(Loss) before taxation	9.35	3.42
Provision for taxation	1.95	(Nil)
Profit/(Loss) after taxation	7.40	3.42
Proposed Dividend	–	–
% of shareholding	82.47%	99.97%

Notes:

1. No subsidiaries which are yet to commence operations.
2. No subsidiaries which have been liquidated or sold during the year.

Part “B” Associates/Joint Ventures

(₹ in lakh)

Name of Associates/Joint Ventures	ASSOCIATES	
	Moonshine Construction Private Limited	Rathna Bhoomi Enterprises Private Limited
Latest Audited Balance Sheet Date	31-Mar-26	31-Mar-26
Shares of Associate/Joint Venture held by the Company on the year end:		
No. of Equity shares held	20	500
Extent of Holding (%)	49.12%	50.00%
Amount of investment in Associates (in Rs.)	200	5,000
Description of how there is significant influence	#	#
Reason why the Associate/joint venture is not consolidated	*	*
Net worth attributable to Shareholding as per latest audited Balance sheet (₹ in lakh)	(15.85)	(14.70)
Profit/(Loss) for the year:		
i) Considered in Consolidation (₹ in lakh)	—	—
ii) Not Considered in Consolidation (₹ in lakh)	(0.59)	(0.31)

Notes:

1. No Associates/Joint Venture which are yet to commence operations.
2. No Associates/Joint Venture which have been liquidated or sold during the year.
3. Pursuant to Rule 6 of the Companies (Accounts) Rules, 2014, the Company is exempted from preparation of consolidated financial statements.

Significant influence due of % of share holding.

* No control based on control assessment

For and on behalf of the Board Directors

Vimalendra Singh

Director

(DIN-09128114)

Vikram Goel

Director

(DIN-11026849)

Place : Mumbai**Date: 10th April 2026**

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KNOWLEDGE TOWNSHIP LIMITED REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS Opinion

We have audited the accompanying financial statements of **Knowledge Township Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2026 and the Statement of Profit and Loss and statement of cash flows for the year then ended, the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and its Loss and 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 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 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 including Annexures to 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 standalone 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.

Responsibilities of Management and Those Charged with Governance for the financial statements

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial

position and financial performance 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 statement 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report agree with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) 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 does not have any pending litigations which would impact its 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, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (a) and (b) contain any material misstatement.
- v. No dividend is declared or paid during the year, hence reporting as regards compliance with Section 123 of the Act is not applicable.
- vi. As required by Section 197(16) of the Act, based on our audit, we report that the Company has not paid remuneration to its directors for the year under audit. Hence, this clause is not applicable to the Company.
- vii. Based on our examination which included test checks, the company has used an 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. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **M/s. MAKK & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No.: 049818
UDIN: 26049818SPPKDT5054
Place: Mumbai,
Date: 17th April, 2026

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

- i. As per information provided by the Company to us, it does not have any Property, Plant and Equipment and intangible assets as on 31st March, 2026. Accordingly, paragraph 3 (i) (a), (b), (d) and (e) of the orders is not applicable to the company.
- As per information provided by the Company to us, the Company is having a Land as immovable properties and the title deed of such property is on the name of the Company.
- ii. (a) The management has conducted physical verification of stock in hand at reasonable intervals during the year. With respect to inventory represented by development rights and construction work in progress having regards to the nature of inventory, physical verification is carried out by way of verification of title deeds, site visits by the management and certification of extent of work completion by competent persons at reasonable intervals. No material discrepancies were noticed on such verification of stock in hand, development rights and work in progress.
- (b) As per information and explanation provided by the Company to us, the Company does not have any sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, paragraph 3 (ii) (b) of the Order is not applicable to the Company.
- iii. As per information and explanation provided by the Company to us, during the year the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3 (iii) (a) to (e) of the Order is not applicable to the Company.
- iv. According to the Information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, Investments made, guarantees given and security as applicable.
- v. The Company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there-under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The maintenance of cost records as specified under subsection (1) of the section 148 of the Act are not applicable to the Company and hence relevant provisions of the Order is not applicable.
- vii. (a) According to information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including income tax, Goods and Service Tax (GST), and other material statutory dues, as applicable, with the appropriate authorities and there are no outstanding as on the last day of the financial year concerned for a period of more than six months. The Company has no obligation under Provident Fund and Employee State Insurance Rules. Payment of Sales Tax, Wealth Tax, Customs and Excise duties and Value Added Tax is not applicable to the Company during the period of Audit period.
- (b) According to the records of the company, there are no dues outstanding with respect to income tax, provident fund, employees state insurance, GST and Cess, as applicable, on account of dispute.
- viii. As per information and explanation provided by the Company to us, there are no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the Audit period in the tax assessments under the Income Tax Act, 1961. Hence relevant provision of the Order is not applicable.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, we report that funds raised on short-term basis have not been utilized for long term purposes by the Company.
- (e) According to the information and explanations given to us, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or by way of private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

- xi. (a) During the course of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company has been noticed or reported during the year nor have we been informed of any such instance by the management.
- (b) During the course of our examination of the books and records of the company 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) According to the information and explanation 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. The Company is not a Nidhi Company and so relevant clause is not applicable.
- xiii. 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 all transactions with related parties have been disclosed in the financial statements.
- xiv. The Company is the unlisted public limited company and does not have paid up share capital of fifty crore rupees or more during the preceding financial year; turnover of two hundred crore rupees or more during the preceding financial year; or outstanding loans or borrowings from banks or public financial institutions exceeding one hundred crore rupees or more at any point of time during the preceding financial year; outstanding deposits of twenty five crore rupees or more at any point of time during the preceding financial year. Hence, section 138 is not applicable and so relevant clause is not applicable.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with any director of the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- xvii. The Company has incurred cash loss of Rs.1,34,933 during the Audit Period and it has not incurred cash loss in the preceding financial year (FY 2024-25).
- xviii. During the year the no statutory auditors has been resigned, hence relevant clause is not applicable.
- xix. (a) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (b) We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. (a) There were no amounts which were required to be transferred to fund specified under Schedule VII of Companies Act, 2013.
- (b) The company does not have net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year. Hence Section 135 is not applicable and so relevant clause is not applicable.
- xxi. Clause (xxi) of the Order is not applicable to the Company since report is of Standalone Financial Statement.

For **M/s. MAKK & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No.: 049818
UDIN: 26049818SPPKDT5054
Place: Mumbai,
Date: 17th April, 2026

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KNOWLEDGE TOWNSHIP LIMITED

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 **Knowledge Township Limited** (“the Company”) as of March 31, 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 **M/s. MAKK & Co.**
Chartered Accountants
FRN: 117246W

Mukesh Maheshwari
Partner
Membership No.: 049818
UDIN: 26049818SPPKDT5054
Place: Mumbai,
Date: 17th April, 2026

BALANCE SHEET AS AT 31ST MARCH 2026

Particulars	Note No.	(₹ in Lakhs)	
		As at 31 st March 2026	As at 31 st March 2025
I ASSETS			
NON-CURRENT ASSETS			
(i) Property, Plant and Equipment	3	—	—
SUB-TOTAL		—	—
CURRENT ASSETS			
(i) Inventories.....	4	11,769.97	9,746.71
(ii) Financial Assets			
(a) Cash and Cash Equivalents.....	5	1.08	5.76
(b) Investments.....	6	127.00	37.35
(iii) Other Current Assets	7	2,591.35	1,787.85
SUB-TOTAL		14,489.40	11,577.67
TOTAL ASSETS		14,489.40	11,577.67
II EQUITY AND LIABILITIES			
1 EQUITY			
(i) Equity Share Capital.....	8	4,907.17	4,907.17
(ii) Other Equity.....	9	582.40	583.75
SUB-TOTAL		5,489.57	5,490.92
LIABILITIES			
2 NON-CURRENT LIABILITIES			
(i) Financial Liabilities			
(a) Borrowings	10	7,228.00	4,650.00
SUB-TOTAL		7,228.00	4,650.00
3 CURRENT LIABILITIES			
(i) Financial Liabilities			
(a) Borrowings.....	11	872.00	872.00
(b) Trade Payables	12		
- Total outstanding dues of micro enterprises and small enterprises.....		—	—
- Total outstanding dues of creditors other than micro enterprises and small enterprises.....		124.16	4.23
(c) Other Financial Liabilities	13	765.16	555.96
(ii) Other Current Liabilities.....	14	10.51	4.56
SUB-TOTAL		1,771.83	1,436.75
TOTAL		14,489.40	11,577.67
Material Accounting Policies	2		
The accompanying notes 1 to 25 are an integral part of the Financial Statements			

In terms of our report attached.

For and on behalf of the Board of Directors of Knowledge Township Limited

For MAKK & Co.

Chartered Accountants
Firm Registration No. 117246W

Mukesh Maheshwari
Partner
Membership No 049818

Vikram Goel
Director
DIN: 11026849

Nirav Parekh
Chief Financial Officer

Sriram Kumar
Director
DIN: 07986708

Place: Mumbai
Date: 17 April, 2026

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

Particulars	Note No.	(₹ in Lakhs)	
		Year ended 31 st March 2026	Year ended 31 st March 2025
I INCOME			
(a) Other Income	15	5.51	5.61
Total Income		5.51	5.61
II EXPENSES			
(c) Other expenses	17	6.86	4.36
Total Expenses		6.86	4.36
III Profit/(Loss) before tax (I-II)		(1.35)	1.25
IV Tax Expense			
(a) Current tax		—	—
(b) Deferred tax		—	—
Total tax expense		—	—
V Profit/ (Loss) after tax (III-IV)		(1.35)	1.25
VI Other comprehensive Income / (Loss)		—	—
VII Total comprehensive Income / (loss) for the year (V + VI)		(1.35)	1.25
VIII Earnings per equity share (for continuing operation):			
(a) Basic Rs. per share of Rs. 10/- each	18	(0.00)	0.00
(b) Diluted Rs. per share of Rs. 10/- each	18	(0.00)	0.00
Material Accounting Policies	2		

The accompanying notes 1 to 25 are an integral part of the Financial Statements

In terms of our report attached.

For MAKK & Co.

Chartered Accountants
Firm Registration No. 117246W

Mukesh Maheshwari
Partner
Membership No 049818

For and on behalf of the Board of Directors of Knowledge Township Limited

Vikram Goel
Director
DIN: 11026849

Nirav Parekh
Chief Financial Officer

Sriram Kumar
Director
DIN: 07986708

Place: Mumbai
Date: 17 April, 2026

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2026

Particulars	Note No.	(₹ in Lakhs)	
		Year ended 31 st March 2026	Year ended 31 st March 2025
A Cash flow from operating activities			
Profit / (Loss) before tax for the year ended		(1.35)	1.25
Adjustments for:			
Interest Income		(0.03)	(4.88)
Investment income recognised in profit or loss		(5.48)	(0.35)
Operating Loss before working capital changes		(6.86)	(3.98)
Movements in working capital:			
(Increase)/Decrease in short term loans and advances		(803.50)	250.31
(Increase)/Decrease in inventories		(2,023.26)	(3,561.16)
Increase/(Decrease) in other liabilities		125.88	6.05
		(2,700.88)	(3,304.80)
Cash used in operating activities		(2,707.74)	(3,308.78)
Income taxes paid		—	—
Net cash used in operating activities		(2,707.74)	(3,308.78)
B Cash flows from investing activities			
Interest received		0.03	4.88
Net movement in mutual funds		(84.17)	(37.00)
Net cash generated from investing activities		(84.14)	(32.12)
C Cash flows from financing activities			
Proceeds from borrowings		7,328.00	2,900.00
Repayment of borrowings		(4,750.00)	—
Interest accrued and but not due on ICD		209.20	330.48
Net cash generated by financing activities		2,787.20	3,230.48
Net (decrease)/increase in cash and cash equivalents		(4.68)	(110.42)
Cash and cash equivalents at the beginning of the year		5.76	116.18
Cash and cash equivalents at the end of the period / year		1.08	5.76

Material Accounting Policies

2

The accompanying notes 1 to 25 are an integral part of the Financial Statements

Notes:

- The above cash flow statement has been prepared under the "Indirect Method" as set out in "Indian Accounting Standards (IND AS) 7- Statement of Cash Flows"
- Also refer note no. 5 - Cash & Cash Equivalents

In terms of our report attached.

For and on behalf of the Board of Directors of Knowledge Township Limited

For MAKK & Co.

Chartered Accountants
Firm Registration No. 117246W

Mukesh Maheshwari
Partner
Membership No 049818

Vikram Goel
Director
DIN: 11026849

Nirav Parekh
Chief Financial Officer

Sriram Kumar
Director
DIN: 07986708

Place: Mumbai

Date: 17 April, 2026

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026

A. Equity share capital

Particulars	(₹ in Lakhs)	
	As at 31 st March, 2026	As at 31 st March, 2025
Balance at the Beginning of the year	4,907.17	4,907.17
Add: Shares issue during the year	—	—
Balance at the end of the year	4,907.17	4,907.17

B. Other Equity

Particulars	(₹ in Lakhs)		
	Securities Premium Reserve	Other Equity Retained Earnings	Total
Opening Balance as on April 01, 2024	348.09	234.41	582.50
Profit /(Loss) for the year	—	1.25	1.25
Other Comprehensive Income / (Loss).....	—	—	—
Total Comprehensive Income / (Loss) for the year	—	1.25	1.25
Issue of Shares at premium	—	—	—
Balance as at March 31, 2025.....	348.09	235.66	583.75
Profit/(Loss) for the year	—	(1.35)	(1.35)
Other Comprehensive Income / (Loss).....	—	—	—
Total Comprehensive Income / (Loss) for the year	—	(1.35)	(1.35)
Balance as at March 31, 2026.....	348.09	234.31	582.40

Material Accounting Policies (Refer Note 2)

The accompanying notes 1 to 25 are an integral part of the Financial Statements

In terms of our report attached.

For MAKK & Co.

Chartered Accountants
Firm Registration No. 117246W

Mukesh Maheshwari
Partner
Membership No 049818

For and on behalf of the Board of Directors of Knowledge Township Limited

Vikram Goel
Director
DIN: 11026849

Nirav Parekh
Chief Financial Officer

Sriram Kumar
Director
DIN: 07986708

Place: Mumbai
Date: 17 April, 2026

NOTES TO FINANCIAL STATEMENTS AS AT/ FOR THE YEAR ENDED MARCH 31, 2026

1. General Information

The company was incorporated on August 16, 2007 and is engaged in the business of development of Industrial Park in Bhor in Pune, Maharashtra. Its parent and holding company is Mahindra Lifespace Developers Limited.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

2. Material Accounting Policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Ind-AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, 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 (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within 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.

2.3 Revenue recognition

2.3.1 Dividend and interest income

Dividend income from investment in mutual funds is recognised when the unit holder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. 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 through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.4 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take

a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.5 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

2.5.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.5.2 Deferred tax

Deferred tax is recognised in temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

2.5.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.6 Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Properties during construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified into the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as

NOTES TO FINANCIAL STATEMENTS AS AT/ FOR THE YEAR ENDED MARCH 31, 2026

other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.7 **Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.8 **Inventories**

Inventories are stated at the lower of cost and net realizable value. The cost of construction material is determined on the basis of weighted average method. Construction Work-in-Progress includes cost of land, premium for development rights, construction costs and allocated interest & manpower costs and expenses incidental to the projects undertaken by the Company.

2.9 **Provision**

Provisions are recognised when the Company has a present obligation (legal or constructive) because of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

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

2.10 **Financial Instruments**

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

2.11 **Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

2.11.1 **Classification of financial assets**

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purpose of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the

NOTES TO FINANCIAL STATEMENTS AS AT/ FOR THE YEAR ENDED MARCH 31, 2026

amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss. All other financial assets are subsequently measured at fair value.

2.11.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

2.11.3 Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

2.11.4 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or

loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

2.11.5 Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

NOTES TO FINANCIAL STATEMENTS AS AT/ FOR THE YEAR ENDED MARCH 31, 2026

2.11.6 *Derecognition of financial assets*

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.11.7 *Foreign exchange gains and losses*

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.12 *Financial liabilities and equity instruments*

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

2.12.1 *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

2.12.2 *Compound financial instruments*

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

2.12.2.1 *Financial liabilities*

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

2.12.2.2 *Financial liabilities at FVTPL*

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

NOTES TO FINANCIAL STATEMENTS AS AT/ FOR THE YEAR ENDED MARCH 31, 2026

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

2.12.2.3 Financial Liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

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

2.12.2.4 Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Note No. 3 - Property, Plant and Equipment

(₹ in Lakhs)

Description of Assets	Office Equipment	Furniture and Fixtures	Computers & Software	Total
I. Gross Carrying Amount				
Balance as at 1 April 2025	0.52	0.63	—	1.15
Additions	—	—	—	—
Disposals	—	—	—	—
Balance as at 31st March 2026	0.52	0.63	—	1.15
II. Accumulated depreciation and impairment				
Balance as at 1 April 2025	0.52	0.63	—	1.15
Depreciation expense for the year....	—	—	—	—
Balance as at 31st March 2026	0.52	0.63	—	1.15
III. Net carrying amount (I-II)	—	—	—	—

(₹ in Lakhs)

Description of Assets	Office Equipment	Furniture and Fixtures	Computers & Software	Total
I. Gross Carrying Amount				
Balance as at 1 April 2024	0.52	0.63	—	1.15
Additions	—	—	—	—
Disposals	—	—	—	—
Balance as at 31st March 2025	0.52	0.63	—	1.15
II. Accumulated depreciation and impairment				
Balance as at 1 April 2024	0.52	0.63	—	1.15
Depreciation expense for the year....	—	—	—	—
Balance as at 31st March 2025	0.52	0.63	—	1.15
III. Net carrying amount (I-II)	—	—	—	—

Note No. 4 - Inventories

(₹ in Lakhs)

Particulars	As at 31 st March 2026	As at 31 st March 2025
Work-in-progress	11,769.97	9,746.71
Total Inventories (at lower of cost and net realisable value).....	11,769.97	9,746.71

(i) Of the above, finance cost of Rs. 538.39 lakhs (PY Rs. 367.20 lakhs), Project Spend of Rs. 33.50 lakh (PY 0.00 lakhs) and site overheads of Rs. 1451.37 lakhs (PY Rs. 0.00 lakhs) has been inventorised

(ii) Mode of Valuation of Inventories is Cost or Net Realisable Value whichever is lower.

NOTES TO FINANCIAL STATEMENTS AS AT/ FOR THE YEAR ENDED MARCH 31, 2026

Note No. 5 - Cash and Cash Equivalents

Particulars	(₹ in Lakhs)	
	As at 31 st March 2026	As at 31 st March 2025
Cash and cash equivalents		
(i) Balances with banks.....	1.08	5.76
Total Cash and cash equivalents.....	1.08	5.76

Note No. 6 - Investment

Particulars	(₹ in Lakhs)	
	As at 31 st March 2026	As at 31 st March 2025
Unquoted Investments		
Investments in Mutual Funds.....	127.00	37.35
Total Unquoted Investments.....	127.00	37.35
Investments Carried at FVTPL.....	127.00	37.35
Other disclosures		
Aggregate amount of market value of investments.....	127.00	37.35

Note No. 7 - Other Current Assets

Particulars	(₹ in Lakhs)	
	As at 31 st March 2026	As at 31 st March 2025
(i) Advances for purchase of Land	2,591.33	1,787.36
(Mainly represents advances given to Land Aggregator)		
(ii) TDS Receivables	0.02	0.49
Total Other Current Assets	2,591.35	1,787.85

Note No. 8 - Equity Share Capital

Particulars	(₹ in Lakhs)			
	As at 31 st March 2026		As at 31 st March 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised:				
Equity shares of Rs 10 each with voting rights	50,000,000	5,000.00	50,000,000	5,000.00
Issued, Subscribed and Fully Paid:				
Equity shares of Rs 10 each with voting rights (Refer Note)	49,071,664	4,907.17	49,071,664	4,907.17
	49,071,664	4,907.17	49,071,664	4,907.17

(i) Reconciliation of the number of shares and outstanding amount

Particulars	As at 31 st March 2026		As at 31 st March 2025	
	No. of Shares	Rs. In lakhs	No. of Shares	Rs. In lakhs
Balance at the Beginning of the year.....	49,071,664	4,907.17	49,071,664	4,907.17
Add: Shares issued and subscribed during the year.....	-	-	-	-
Balance at the end of the year.....	49,071,664	4,907.17	49,071,664	4,907.17

Terms/ rights attached to equity shares with voting rights

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share and carry a right to dividends. The company declares and pays dividends in Indian rupees. Any dividend proposed by the Board of Directors is subject to the approval of the shareholders in Annual General Meeting.

(ii) Details of shares held by the holding company and its subsidiaries:

Particulars	(in Rupees)	
	Equity Shares	
As at 31st March 2026		
Mahindra Lifespace Developers Limited		49,071,664
As at 31st March 2025		
Mahindra Lifespace Developers Limited		49,071,664

(iii) Details of shares held by shareholder holding more than 5% shares

Class of shares / Name of shareholder	As at 31 st March 2026		As at 31 st March 2025	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Mahindra Lifespace Developers Limited	49,071,664	100.00%	49,071,664	100.00%

(iv) Details of shares held by promoters:

Class of shares / Name of shareholder	As at 31 st March 2026		As at 31 st March 2025	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Mahindra Lifespace Developers Limited	49,071,664	100.00%	49,071,664	100.00%

Note No. 9 - Other Equity

Particulars	(₹ in Lakhs)		
	Securities Premium Reserve	Other Equity Retained Earnings	Total
Opening Balance as on April 01, 2024	348.09	234.41	582.50
Profit/(Loss) for the year.....	-	1.25	1.25
Other Comprehensive Income / (Loss)	-	-	-
Total Comprehensive Income / (Loss) for the year	-	1.25	1.25
Issue of Shares at premium	-	-	-
Balance as at March 31, 2025	348.09	235.66	583.75
Profit/(Loss) for the year.....	-	(1.35)	(1.35)
Other Comprehensive Income / (Loss)	-	-	-
Total Comprehensive Income / (Loss) for the year	-	(1.35)	(1.35)
Issue of Shares at premium	-	-	-
Balance as at 31st March 2026.....	348.09	234.31	582.40

NOTES TO FINANCIAL STATEMENTS AS AT/ FOR THE YEAR ENDED MARCH 31, 2026

Note No. 10 - Non- Current Borrowings

Particulars	(₹ in Lakhs)	
	As at 31 st March 2026	As at 31 st March 2025
Unsecured long term borrowings		
(a) Long Term ICD from MLDL.....	2,478.00	4,650.00
(b) Long Term ICD from MBDL.....	4,750.00	–
Total Non-Current Borrowings.....	7,228.00	4,650.00

Note: During the current year the company has availed Inter Company loan of Rs. 1,900 lakhs from MLDL and also availed Inter Company loan of Rs. 4,750 Lakhs from MLDL and repaid ICD of 4,072 Lakhs to MLDL. Interest is chargeable at 8.00% per annum.

Note No. 11 - Current Borrowings

Particulars	(₹ in Lakhs)	
	As at 31 st March 2026	As at 31 st March 2025
Unsecured short term borrowings		
(a) Loans from Related Parties		
Inter Corporate Deposit from MLDL (Refer Note 20).....	872.00	872.00
Total Current Borrowings.....	872.00	872.00

Note: The ICD has availed from Mahindra Lifespace Developers Limited. This loan currently carries interest rate of 8.00% p.a.. The loan is repayable on demand.

Note No. 12 - Trade Payables

Particulars	(₹ in Lakhs)	
	As at 31 st March 2026	As at 31 st March 2025
Trade payable - Micro and small enterprises.....	–	–
Trade payable - Other than Micro and small enterprises	124.16	4.23
Total Trade Payables	124.16	4.23

12 a - Ageing for trade payable from the due date of payment for each of the category is as follows:

Particulars	(₹ in Lakhs)	
	As at 31 st March 2026	As at 31 st March 2025
Undisputed dues of creditors other than micro enterprises and small enterprises		
Unbilled	–	–
Not Due	–	–
0 months - 1 year	124.16	4.23
1-2 Years	–	–
2-3 years	–	–
More than 3 years	–	–
Total.....	124.16	4.23

Note No. 13 - Other Financial Liabilities

Particulars	(₹ in Lakhs)	
	As at 31 st March 2026	As at 31 st March 2025
Current		
Other Financial Liabilities Measured at Amortised Cost		
Interest accrued and but not due on ICD received from MLDL (Refer Note 20)	704.05	555.96
Interest accrued and but not due on ICD received from MBDL (Refer Note 20)	61.11	–
Total - Other Financial Liabilities	765.16	555.96

Note No. 14 - Other Current Liabilities

Particulars	(₹ in Lakhs)	
	As at 31 st March 2026	As at 31 st March 2025
Statutory remittances		
Withholding Taxes	10.50	4.56
Others - Balance with Government Authorities	0.01	–
Total - Other Current Liabilities.....	10.51	4.56

Note No. 15 - Other Income

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Interest Income		
(i) Fixed Deposits interest Income.....	–	4.85
(ii) Others	0.03	0.41
(b) Net gain arising on financial assets designated as at FVTPL.....	5.48	0.35
Total Other Income.....	5.51	5.61

Note No. 16 - Cost of Projects

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Opening Stock.....	9,746.71	6,185.55
Add: Expenses inventorised during the year		
Land	1,478.17	1,134.45
Rates & Taxes - Others	–	0.04
Liasoning /Statutory Fees.....	6.72	2,059.47
Interest Expense on ICD - MLDL	470.49	367.20
Interest Expense on ICD - MBDL.....	67.90	–
(b) Sub-Total.....	2,023.27	3,561.16
(c) Closing Stock	11,769.97	9,746.71
Total Cost of Projects (a+b-c).....	–	–

NOTES TO FINANCIAL STATEMENTS AS AT/ FOR THE YEAR ENDED MARCH 31, 2026

Note No. 17 - Other Expenses

Particulars	(₹ in Lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Auditors remuneration and out-of-pocket expenses.....	0.35	0.35
(i) As Statutory Auditors.....	0.35	0.35
(ii) For Other services.....	–	–
(b) Other expenses		
Legal and other professional costs.....	3.95	3.83
Rates and Taxes.....	0.14	0.04
Miscellaneous Expenses.....	2.42	0.14
Total Other Expenses (a+b)	6.86	4.36

Note No. 18 - Earnings per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	(₹ in Rupees)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share		
Profit / (loss) for the year attributable to owners of the Company.....	(1,35,000)	1,25,000
Weighted average number of equity shares.....	49,071,664	49,071,664
Earnings per share from continuing operations - Basic.....	(0.00)	0.00

Note No. 19 - Financial Instruments

Capital management

The company's capital management objectives are:

To ensure the company's ability to continue as a going concern

To provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of the statement of financial position.

The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Debt-to-equity ratio as of 31st March 2026 and 31st March 2025 is as follows:

	(₹ in Lakhs)	
	31-Mar-26	31-Mar-25
Debt (A).....	8,100.00	5,522.00
Equity (B).....	5,489.57	5,490.92
Debt Ratio (A/B).....	1.48	1.01

Categories of financial assets and financial liabilities

	(₹ in Lakhs)		
	As at 31 st March 2026		
	Amortised Costs	FVTPL	Total
Current Assets			
Cash and Bank Balances.....	1.08	–	1.08
Investments.....	–	127.00	127.00
Non-current Liabilities			
Borrowings.....	7,228.00	–	7,228.00
Current Liabilities			
Borrowings.....	872.00	–	872.00
Trade Payables.....	124.16	–	124.16
Other Financial Liabilities			
– Non Derivative Financial Liabilities.....	765.16	–	765.16

Particulars	(₹ in Lakhs)		
	As at 31 st March 2025		
	Amortised Costs	FVTPL	Total
Current Assets			
Cash and Bank Balances.....	5.76	–	5.76
Investments.....	–	37.35	37.35
Non-current Liabilities			
Borrowings.....	4,650.00	–	4,650.00
Current Liabilities			
Borrowings.....	872.00	–	872.00
Trade Payables.....	4.23	–	4.23
Other Financial Liabilities			
– Non Derivative Financial Liabilities.....	555.96	–	555.96

Note No. 20 - Related Party Transactions

Discription of Relationship	Name of Related Party
Ultimate Holding Company	Mahindra & Mahindra Limited
Parent Company	Mahindra Lifespace Developers Limited
Fellow Subsidiary	Mahindra Bloomdale Developers Limited

Nature of transactions with Related Parties	For the year ended	(₹ in Lakhs)	
		Mahindra Bloomdale Developers Limited	Mahindra Lifespace Developers Limited
Receiving of Services from Parent Company	31-Mar-26 31-Mar-25	– –	0.90 1.06
Interest on Inter Corporate Deposit from Parent Company (Inventorised Refer Note 4)	31-Mar-26 31-Mar-25	67.90 –	470.49 367.20
Inter Corporate Deposit taken and (repayment) from Parent Company (Net)	31-Mar-26 31-Mar-25	4,750.00 –	(2,172.00) 2,900.00

NOTES TO FINANCIAL STATEMENTS AS AT/ FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

<u>Nature of Balances with Related Parties</u>	Balance as on	Mahindra Bloomdale Developers Limited	Mahindra Lifespace Developers Limited
Interest Accrued on Inter Corporate Deposits from Parent Company	31-Mar-26	61.11	704.05
	31-Mar-25	—	555.96
Inter Corporate Deposit (ICD) from Parent Company	31-Mar-26	4,750.00	3,350.00
	31-Mar-25	—	5,522.00

Notes:

- (i) During the year, there were no amounts required to be written off or written back in respect of debts due from or to related parties
- (ii) Related parties have been identified by the management
- (iii) Current year figures mentioned above inclusive of GST wherever applicable

Note - 21 - Micro Small and Medium Enterprises Development Act 2006

The amount due to Micro and Small Enterprises as defined in the “ Micro, Small and Medium Enterprises Development, Act, 2006” has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosure relating to Micro and Small Enterprises as at 31 March 2026 are as under:

Disclosures required under Section 22 of the Micro Small and Medium Enterprises Development Act 2006”

Particulars	31-Mar-26	31-Mar-25
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
– Principal amount due to micro and small enterprises	—	—
– Interest due on above	—	—
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	—	—
(iii) The amount of interest due and payable for the period 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.	—	—
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	—	—
(v) 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 expenditure under section 23 of the MSMED Act, 2006.	—	—

Note - 22 - Financial Ratios

	Particulars	Numerator	Denominator	31-Mar-26	31-Mar-25	Variance	Reason
a)	Current Ratio	Current Assets	Current Liabilities	8.18	8.06	1%	There are no business operations in the Company.
b)	Debt Equity Ratio	Net Debt	Equity	1.48	1.01	47%	This is on account of increase in net debt during the year
c)	Debt Service Coverage Ratio (DSCR)	EBDITA	Total Debt	(0.00)	—	—	
d)	Return on Equity	PAT	Networth	(0.02%)	0.02%	(208%)	This is on account of decrease in PAT during the year
e)	Inventory Turnover ratio	COGS	Average Inventory	—	—		
f)	Trade Receivables turnover ratio	Turnover	Trade Receivables (Average)	—	—		
g)	Trade Payable turnover ratio	COGS	Average Trade payable	—	—		
h)	Net capital turnover ratio	Average Networth	Turnover	—	—		
i)	Net profit ratio	PAT	Revenue	—	—		
j)	Return on Capital employed	PAT	Borrowing	-0.02%	0.02%	(208%)	This is on account of decrease in PAT during the year
k)	Return on investment	PAT	Capital employed	-0.02%	0.02%	(208%)	This is on account of decrease in PAT during the year

Note No. 23 - Segment Reporting

The Company operates in one segment namely Project and Development activity, hence separate segment reporting has not been made under Indian Accounting Standard (Ind- AS 108)-“Operating Segment”. The operation of company comprises a single geographical segment, India.

NOTES TO FINANCIAL STATEMENTS AS AT/ FOR THE YEAR ENDED MARCH 31, 2026

Note No. 24 - Additional regulatory information

a) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b) Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c) Wilful defaulter

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

d) Utilisation of borrowed funds and securities premium

The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

e) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

f) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

g) Registration of Charges or satisfaction with Registrar of Companies (ROC)

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

h) Whistle Blower-

During the year ended March 31, 2026 and till the date of adoption of financial statements by board of directors, the Company did not received any whistle blower compliants.

i) Discrepancies between books of accounts & quarterly statements submitted to banks

The Company has not availed any borrowings from Banks or financial institutions. Consequently the reporting under this clause is not applicable.

Note No. 25- Comparatives

The figures for previous year have been regrouped wherever necessary to conform to current year's classification.

In terms of our report attached.

For MAKK & Co.

Chartered Accountants
Firm Registration No. 117246W

Mukesh Maheshwari
Partner
Membership No 049818

For and on behalf of the Board of Directors of Knowledge Township Limited

Vikram Goel
Director
DIN: 11026849

Nirav Parekh
Chief Financial Officer

Sriram Kumar
Director
DIN: 07986708

Place: Mumbai
Date: 17 April, 2026

mahindra *Rise*

Registered Office

**MAHINDRA &
MAHINDRA LIMITED**

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