Subros

Cooling the Planet

ANNUAL REPORT

2024-25

Sustainable Thermal Solutions: Powering the Future of Mobility

Subros

Cooling the Planet

VISION

We aim to provide comfort by adopting new & innovative technologies, while striving to make the planet a better place.

CORE VALUES

RESPECT

- Respect for individual irrespective of level
- Respect for all stakeholders

PASSION & COMMITMENT

- Inspired minds
- Drive Excellence
- Keeping Promises

TRUST

- Integrity - Personal & Professional
- Transparency

TEAM WORK

- Shared Purpose
- Collaborative Action
- Joy & Happiness at the Workplace

ACROSS THE PAGES

01 CORPORATE OVERVIEW 02-14

Corporate Information..... 02
Chairperson and Managing Director's Message..... 03
Company Update 05

02 STATUTORY REPORTS 15-73

Management Discussion and Analysis..... 15
Directors' Report..... 21
Corporate Governance Report..... 34
Business Responsibility and Sustainability Report..... 45

03 FINANCIAL STATEMENTS 74-198

Standalone Financial Statements..... 74
Consolidated Financial Statements..... 138

To view our online reports
please log on to
www.subros.com

Disclaimer: This document includes statements regarding anticipated future events and financial performance of Subros Limited that are forward-looking in nature. These forward looking statements involve assumptions and are subject to inherent risks and uncertainties. There is a significant risk that these assumptions and predictions may not be accurate. Consequently, readers are advised not to place undue reliance on forward-looking statements, as several factors could cause actual results and events to differ materially from those projected. This document should be read in conjunction with the assumptions, qualifications, and risk factors detailed in the Management Discussion and Analysis section of this Annual Report.

CORPORATE INFORMATION

Chairman Emeritus
Mr. Ramesh Suri

Board of Directors

1. **Ms. Shradha Suri**
   Chairperson & Managing Director
2. **Dr. Jyotsna Suri**
   Director
3. **Mr Parmod Kumar Duggal**
   Executive Director & CEO
4. **Mr. Hisashi Takeuchi**
   (Representative of Suzuki Motor Corporation, Japan)
5. **Mr. Yusuke Hara**
   (Representative of Denso Corporation, Japan)

   Dr. Yosuhiro Iida
   Alternate Director
6. **Mr. Tomoaki Yoshimori**
   (Representative of Denso Corporation, Japan)
7. **Justice Arjan Kumar Sikri (Retd)**
   Independent Director
8. **Ambassador Deepa Gopalan Wadhwa, IFS (Retd)**
   Independent Director
9. **Mr. Ashok Lavasa, IAS (Retd)**
   Independent Director
10. **Mrs. Vanaja Narayanan Sarna, IRS (Retd)**
    Independent Director
11. **Mr. Arvind Kapur**
    Independent Director
12. **Ms. Smita Piyush Mankad**
    Independent Director

Chief Financial Officer
Hemant Kumar Agarwal

Company Secretary
Kamal Samtani

Statutory Auditors

Price Waterhouse Chartered Accountants LLP
Building No. 8, 7-8 Floor,
Tower B, DLF Cyber City
Gurugram - 122002

Secretarial Auditor

RSM & Co.
Company Secretaries
2E/207, 2nd Floor, Caxton House,
Jhandewalan Extension
New Delhi - 110055

Cost Auditors

M/s. Chandra Wadhwa & Co.,
Cost Accountants
1305-1306, Vijaya Building
17, Barakhamba Road,
New Delhi - 110002

Registrar & Transfer Agent

MCS Share Transfer Agent Ltd
179-180 DSIDC Shed, 3rd Floor,
Okhla Industrial Estate, Phase-I,
New Delhi - 110020
Email: admin@mcsregistrars.com

Works

1) **Central Works**
   B-188, Phase-II, Noida P.O. N.E.P.Z.,
   Distt. Gautam Budh Nagar (U.P.)
2) **Subros Technical Centre, Noida**
   C-51, Phase-II, Noida, P.O. N.E.P.Z.,
   Distt. Gautam Budh Nagar (U.P.)
3) **Subros Tool Engineering Centre, Noida**
   A-16, Sector 68, Noida
   Distt. Gautam Budh Nagar (U.P.)
4) **Die Casting Plant, Noida**
   B-216, Phase-II, Noida P.O. N.E.P.Z.,
   Distt. Gautam Budh Nagar (U.P.)
5) **Manesar Plant**
   Plot No.395/396, Sec-8,
   IMT Manesar, Dist. Gurgaon (Haryana)
6) **Pune Plant**
   Plot No.B-8 & 9, MIDC Indl. Area,
   Chakan, Pune (Maharashtra)
7) **Chennai Plant**
   A-20/1, SIPCOT Industrial Growth Centre
   Oragadam, Chennai (Tamil Nadu)
8) **Karsanpura Plant**
   Plot No. 508, 509, 512, 514, 516, 517,
   Village-Karsanpura, Taluka-Mandal,
   Ahmedabad, Gujarat
9) **Nalagarh Plant**
   Village Theda, Tehsil Baddi,
   Distt. Solan, Himachal Pradesh

Regd. & Corporate Office

Subros Limited
(CIN:- L74899DL1985PLC020134)
LGF, World Trade Centre,
Barakhamba Lane,
New Delhi 110 001
Phone No: 011-23414946 - 49
Fax: 011-23414945
Website: www.subros.com

MESSAGE FROM CHAIRPERSON & MANAGING DIRECTOR



Dear Shareholders,

It is an honour for me to present the 40th Annual Report of Subros Limited for the financial year 2024-25. This year marks a milestone as we enter our 40th year.

Over the past 4 decades, Subros has been faced with several challenges and opportunities. We have grown in size, diversified the product portfolio, invested in technology, and become Atmanirbhar, in terms of **"Make in India"** as well as **"Design in India"**. Through our journey, we have been able to retain market dominance in India, and for that, I have to thank our team, who have worked relentlessly to sustain the position.

The past year saw many disruptions, from geopolitical instability, unpredictable tariffs, supply chain disruptions resulting from freight corridors being shut to raw-material supplies being hampered. We have also witnessed war in various parts of the world, which has impacted not only industry, but also people and sentiment.

Despite these uncertainties and headwinds, India has remained strong, our GDP growth is still north of 6% and the country is moving steadfast towards its goal of **Viksit Bharat 2047.** The auto component sector has been strong and resilient, and demonstrated a growth of 9.21% year on year. While the passenger vehicle market grew at 3.2%, slightly lower than expectation, the two wheeler segment showed recovery due to increase in rural demand. The CV segment continues to face headwinds. Exports, however, for the sector grew by 19% reflecting India's growth competitiveness in international markets.

Electric mobility is showing an upward trajectory and EV sales reached 1.97 million units across all categories. India is also progressing in alternate fuels. Ethanol blending has almost touched 19% and CNG and hybrids are also gaining momentum. Initiatives such as the Green Hydrogen Mission, the Vehicle Scrappage Policy, and regulatory mandates for cleaner fuels and safer mobility, are laying the foundation for a sustainable future.

Overall, the industry's performance is underpinned by infrastructure growth, government incentives, and evolving mobility preferences, positioning it on a steady path of growth.

Subros is proud to be at the forefront of this transformation. FY25 was a milestone year for us, not only in terms of numbers, but also in strategic advancement. We began construction of a new plant in Kharkhoda (Haryana) aligned with our long term growth plans. We also successfully commenced supplies of Coach ACs to the Indian Railways, and ramped up preparations to meet the upcoming Goods Carrier Cabin AC mandate, expected to drive a significant volume growth in FY26.

In terms of financial performance, revenue grew by 9.7% to INR 3,368 crores, the highest so far. Profits grew by 44% which is reflective of our efforts towards improving operational efficiency across the value chain, coupled with innovations in design and process technology.

Navigating through a dynamic market we have embraced challenges with resilience and adaptability. This has been made possible by our **"Design in India"** advantage, leading to higher levels of localisation and shorter product cycles.

Subros is committed to a greener future and in line with that commitment we have laid down our Net Zero roadmap. Our dedicated task force is working on various initiatives to reduce emissions and waste, while fostering a circular economy and Subros aims to achieve carbon neutrality for Scope 1 and Scope 2 emissions by 2040. Initiatives such as increased use of green energy and zero water discharge reflect steady progress toward this goal.

At the heart of our company are its people, whose passion, creativity, and tireless efforts drive innovation and excellence. We remain dedicated to fostering an inclusive, equitable, and innovation-driven workplace and have put in place several training and developmental programmes to continuously upskill and reskill the talent in line with the dynamic mobility space. We have also instituted a robust succession planning mechanism in place across all levels, to identify talent and leaders in line with our long term roadmap for growth, technology and product, and process innovation.

The future is exciting and as a company, we are committed to growing with the nation. Our areas of focus will be on **Growth** and **Innovation,** and to do that we will be focussing on building new technologies in both, process and products. **Sustainability** will be key in terms of manufacturing practices and materials that we use. Our future agenda includes, innovation in automation and smart technologies with the use of AI and IOT, building partnerships with start-ups and technology firms to enhance the product in line with the changes in the customer preferences, strengthening the supply chain for it to be agile to adjust to the disruptions globally by focussing on absolute localisation, investing in skill and people to align to the changes in the sector, and finally growing both organically and in-organically in adjacent products both within the country and across geographies.

The year ahead is a milestone one for us as we complete 40 glorious years as a company and we would like to celebrate that by commencing our next long term roadmap in line with our Founder's vision. Being enthusiastic about the future, we believe that India is at a cusp of exponential growth.

On behalf of the Board and the leadership team, I extend my sincere appreciation to all our customers for their continued trust. I also express heartfelt gratitude to our partners Suzuki Motor Corporation Japan and DENSO Corporation Japan for their resolute support.

Our suppliers, dealer network, and financial partners have played an essential role in our journey, and we thank them for their invaluable contributions.

To our Board, who have been soundboards and guided us with their valuable insights through the year.

To Team Subros, your passion, adaptability and commitment continue to be the driving force behind every achievement.

To our shareholders, thank you for your enduring faith in our vision. Your trust inspires us to aim higher each year.

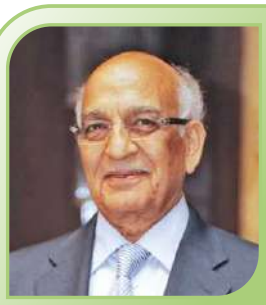
To our Chairman Emeritus : Mr Ramesh Suri, thank you for laying a strong foundation on which we continue to build our dreams.

Warm Regards



Shradha Suri
Chairperson & Managing Director

CHAIRMAN EMERITUS



Shri Ramesh Suri

OUR BOARD



Ms. Shradha Suri
Chairperson & Managing Director



Dr. Jyotsna Suri
Director



Mr. P.K. Duggal
Executive Director & CEO



Mr. Hisashi Takeuchi
Representative of Suzuki Motor Corporation, Japan



Mr. Yusuke Hara
Representative of DENSO Corporation, Japan



Mr. Tomoaki Yoshimori
Representative of DENSO Corporation, Japan



Dr. Yasuhiro Iida
Alternate Director

INDEPENDENT DIRECTORS



Ms. Smita Piyush Mankad



Mr. Ashok Lavasa, IAS (Retd.)



Justice Arjan Kumar Sikri, (Retd.)



Ambassador Deepa Gopalan Wadhwa, IFS (Retd.)



Mr. Arvind Kapur



Mrs. Vanaja Narayanan Sarna, IRS (Retd)

STRATEGIC EXECUTIVE COMMITTEE



Ms. Shradha Suri
Chairperson & Managing Director



Mr. P.K. Duggal
Executive Director & CEO



Mr. Dampur Srinivasulu
EVP Technical Centre

OPERATIONAL EXECUTIVE COMMITTEE



Mr. Hemant K. Agarwal
SVP & CFO - Corp. Finance



Mr. Amit Parashar
EVP & COO Operations



Mr. Gaurav Gupta
VP - Human Resource



Mr. Ajay Agarwal
VP - Supply Chain



Mr. Roopak Agarwal
VP - Design Centre & NTG



Mr. Rahul Shailya
AVP - Quality



Mr. S S Gill
AVP - Finance



Mr. Harish Kumar
AVP - Operations

SUBROS AT A GLANCE

Subros Limited, established in 1985, proudly celebrates 40 years as a leading manufacturer in the automotive thermal management sector, delivering high-quality thermal solutions for HVAC and engine cooling requirements. Subros offers a robust product portfolio that includes HVAC, compressors, heat exchangers and AC lines suiting multiple applications that has earned the trust of major automotive OEMs across India. Backed by state-of-the-art R&D facilities and collaborations with global technology leader-Denso, the company continuously drives innovation and advances its offerings suiting requirements of our customers.

Subros holds a dominant presence in the Indian market and remains deeply committed to sustainability through green manufacturing practices and focused efforts to reduce its carbon footprint. With strategic investments in advanced manufacturing and diversification into electric and hybrid vehicle cooling solutions, Subros is strongly positioned for future growth. Guided by its mission to deliver innovative, high-performance thermal solutions that exceed customer expectations, Subros continues to shape the future of the automotive industry and empower the success of its partners.

OUR PRESENCE

Manesar Plant



Plant in Manesar in vicinity of the Maruti Suzuki India Ltd. factory. The plant is equipped with latest state of the art manufacturing and testing facilities. Manesar Plant produce REC condensers, HVAC assembly, kitting parts, and ECM assembly. Subros also has another plant in the vicinity of the main plant having HVAC assembly operation.

Compressor Plant, Noida

The compressor plant produces compressors for various vehicle applications. The facility covers Precision Machining centres, Nocoloc Brazing Furnaces, Vaccum Brazing Furnaces and Tube Processing equipment. The production lines incorporate extensive in-line quality checking equipment to ensure that the quality is in-built into the process.



Heat Exchanger Plant, Noida



Subros advanced Heat Exchanger Manufacturing plant at Noida is equipped to produce state-of-the-art Brazed Multi-Flow Condensers, Heater Cores, and RS Evaporators. These components are crafted with precision and cutting-edge technology to meet the highest standards of performance and reliability for diverse automotive applications.

Pune Plant



Pune Plant is situated in Chakan, Pune. The plant's vicinity to Tata Motors Limited helps in providing faster and efficient service to the customer. The plant also caters to the requirements of all other customers based in Western part of India.

Pressure Die Casting Plant, Noida

The facility has unique Squeeze & Vacuum Pressure Die Casting to produce high quality intricate castings for compressor blocks.



Chennai Plant



Chennai plant caters the customers based in southern part of India. The plant produces HVAC assembly, condensers and kitting parts. It also manufactures AC systems for the commercial vehicle, bus, transport refrigeration, rail segments and AC parts for After Market requirements.

Karsanpura Plant

Manufacturing facility in Karsanpura, Gujarat, is strategically located in close proximity of Suzuki Motors Gujarat Hansalpur Plant. The plant is equipped advanced manufacturing lines and productivity. Karsanpura plant produces HVAC assembly, kitting parts, injection molding parts and radiators. Plant has expanded and added condenser assembly and RS evaporator. We use special purpose machines for high quality and productivity. Best in class safety features are installed in the plant.



Nalagarh Plant



Nalagarh is a fully integrated State of the art facility having manufacturing and assembly of residential and commercial cooling products (Window AC, Split AC, Commercial units). The Plant includes manufacturing of Fin-Tube Type heat exchangers, Fin Press, Expanders, Automatic Brazing Machines, Cross Flow Fan Manufacturing & Plastic Molding along with Fully Automated Paint shop & other related equipment. It is backed by strong design capability and also has Laboratory to design & test the complete product as per customer requirements.

OUR TECHNICAL CAPABILITIES

Subros Technical Center, Noida



Driven by the need to be self-reliant, reduce product development costs and acquire a competitive edge, Subros has invested heavily to augment Research and Development. This setup comprises the entire product design, development, and validation facilities. The facility enables virtual prototyping and simulation of various Thermal Management Systems for optimum efficiency in design, space allocation, airflow and cooling under different climatic conditions, among other things.

Denso Subros Engineering Centre (DSEC), Noida

Subros also has a separate Joint Venture with DENSO called DENSO Subros Engineering Centre (DSEC), which focuses on application design for thermal products. The centre comprises an Environment Test Chamber (Wind Tunnel), equipped with test components in temperatures varying from -30°C to +60°C under varying speed and sun load conditions, a Calorimeter (Bench Test Rig) and Vibration Test Machines for component testing. The technical centre is also suitably enabled to carry out endurance and reliability tests with advanced machines like burst tests, salt spray chamber tests, and pulsation tests.



Subros Tool Engineering Center (STEC), Noida



The Subros Tool Engineering Centre (STEC) is a world-class facility equipped with state-of-the-art machineries such as CNC Machining Centre, Wire EDM, CNC EDM,and CNC Lathe, along with other conventional tool room machines. This neoteric facility is also endowed with CAD CAM facility with Unigraphics NX19 along with CAE softwares Mold flow, Hyper form, Ad Stefan, which forms the backbone of this design and development centre. Our qualified and experienced team fulfils and tooling requirements such as PDC Dies, Injection Moulds, Sheet Metal Tools.

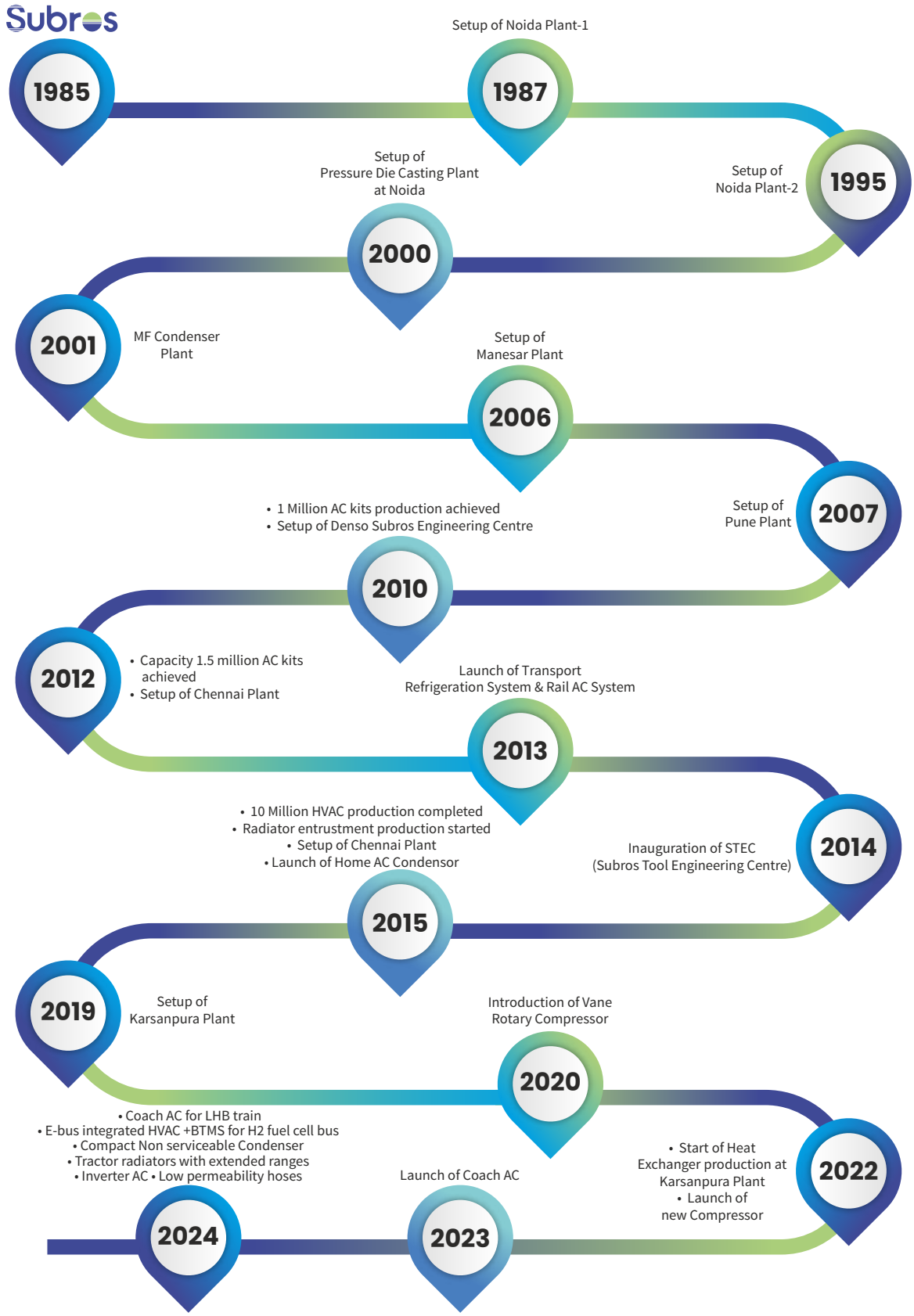
OUR EXPANDING FOOTPRINTS

Kharkhoda Plant

Looking ahead, the Company is progressing toward several strategic initiatives, most notably the establishment of the upcoming green plant at Kharkhoda. This facility represents a significant milestone in Subros' ongoing commitment to sustainable manufacturing and environmental stewardship. Coupled with the Company's recent advances in technology and innovation, this development further strengthens Subros' position as a leader in the dynamic and rapidly evolving mobility sector.



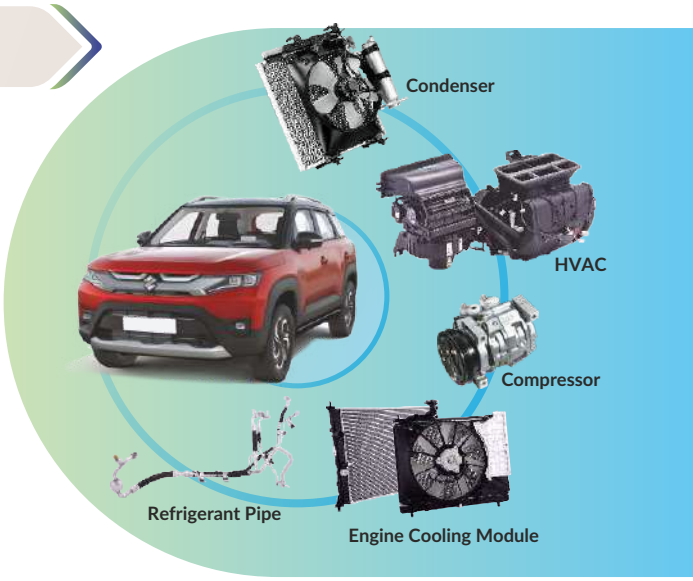
SUBROS – MILESTONE JOURNEY

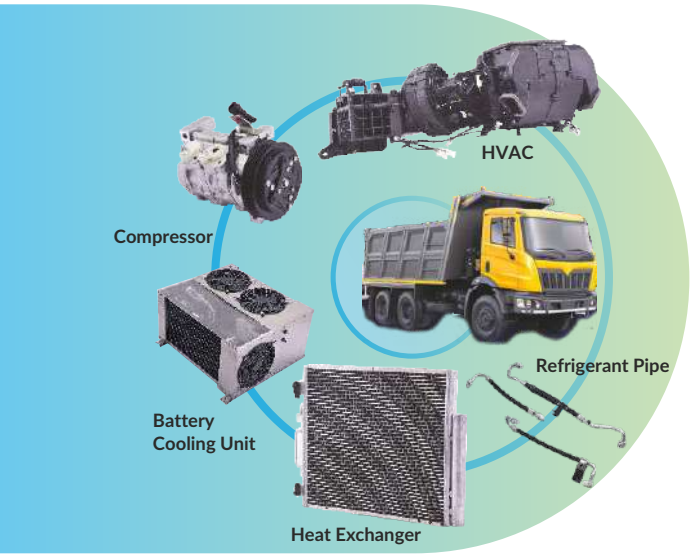


MOBILITY SOLUTIONS BY SEGMENT

PASSENGER VEHICLE

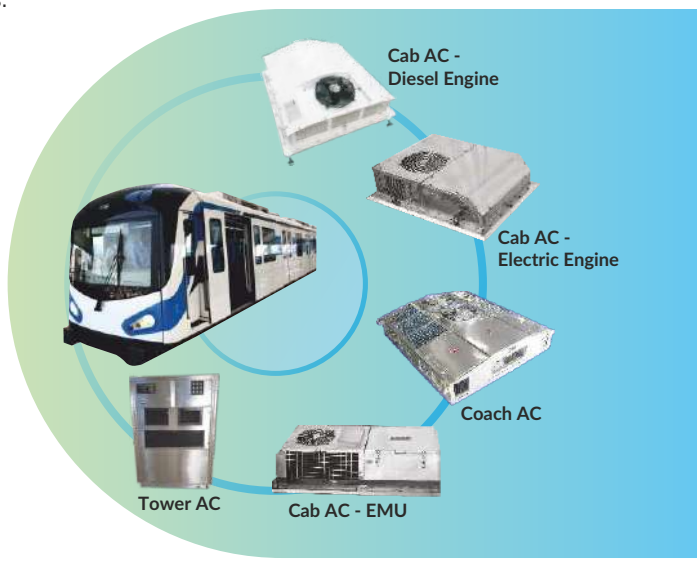
Subros offers advanced air conditioning solutions tailored for various passenger vehicle applications. Our systems are designed to be compact, flexible, and easy to install, ensuring optimal comfort and performance for drivers and passengers alike.





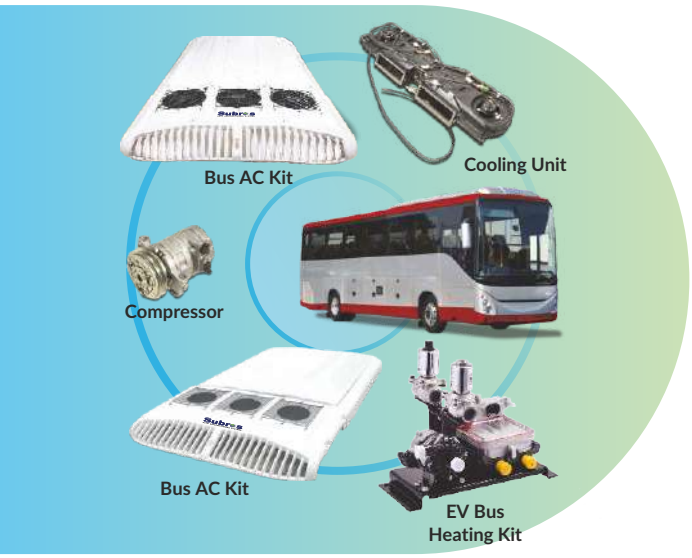
TRUCK APPLICATION

Featuring next generation technologies, Subros provides a complete range of Truck Cabin AC Systems, while reducing noise, emissions and fuel consumption. It is validated by OEMs and can be customized for varied applications.



RAIL APPLICATION

Subros, a leader among air conditioner manufacturers in India, offers advanced air conditioning solutions tailored for various rail applications, including driver cabins and passenger coaches.



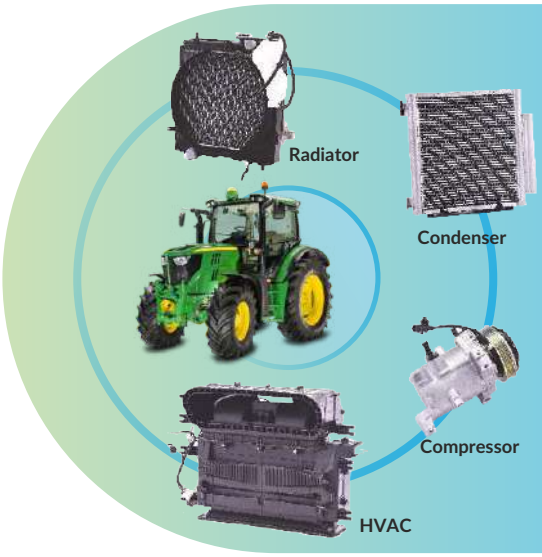
BUS APPLICATION

Subros offers a complete range of Bus Air conditioners and Transport Refrigeration Solutions, from 4 kw to 36 kw, catering to ambulances and buses (4m - 12m). With Advanced evaporators, condensers and multi flow technology, our systems deliver superior cooling, optimised airflow and improved fuel efficiency.

ELECTRIC BUS AIR CONDITIONING AND BATTERY THERMAL MANAGEMENT KIT DEVELOPMENT

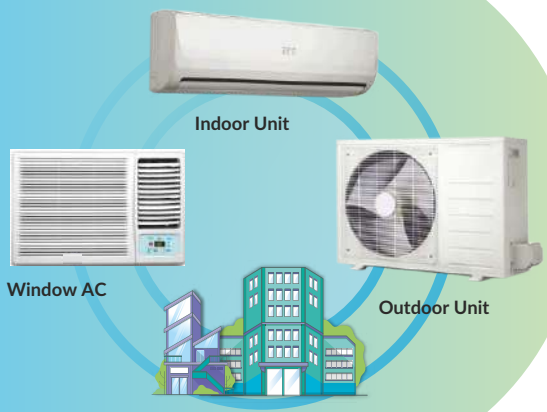


Subros also developed the battery thermal management & traction motor cooling system to cover complete range of electric vehicles Thermal Management systems requirement.



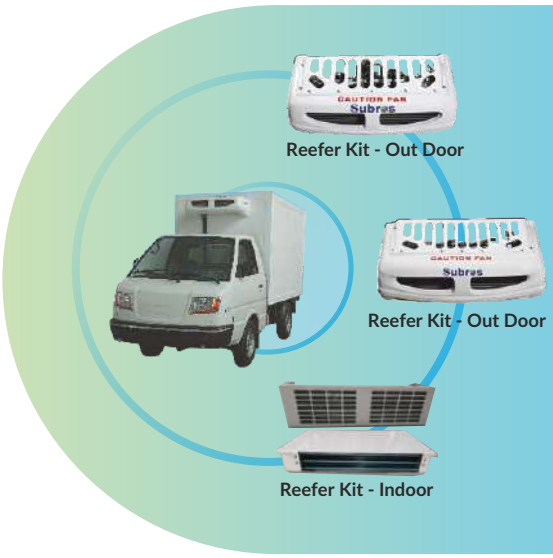
OFF HIGHWAY APPLICATION

Subros specializes in designing, manufacturing, and supplying Off-Roader AC systems that provide comprehensive heating, ventilation, and cooling solutions for construction and agricultural machinery.



RESIDENTIAL AND COMMERCIAL COOLING SOLUTIONS

Subros provides a wide range of residential, commercial, and vehicle air conditioning solutions, including light commercial and ductable ACs, along with advanced reciprocating compressors.



TRANSPORT REFRIGERATION SYSTEM

Subros, a leader in air conditioning for vehicles, offers a complete range of transport refrigeration solutions designed for storage volumes of upto 50 cu.m, catering to both chilling and freezing applications.

AWARDS & RECOGNITIONS

24-25

- Golden Peacock Award in health & Safety & HR Excellence Award in Gender & Diversity.
- QCFI Award in Quality Circle Competition
- ACMA Award in Quality Circle Competition & HR Best Practice
- ACMA Award in Kaizen, Quality Circle & Productivity Competition
- ACMA Award in Best Presentation in Gender Diversity
- CII Award in Technology, Kaizen, Work Skill, Quality Circle, Low Cost
- CII Award in Robotic Process Competition
- CII Award in Quality, Kaizen Improvement, Cost Reduction & Supervisory Skill
- Golden Award in QCFI Competition
- QCFI Poster Competition Award in Safety
- SMG Award in Quality Circle Competition
- Award by Maruti Suzuki for Internal Parts Localization
- Award by Maruti Suzuki for Yield Performance
- Award by Maruti Suzuki for Spare parts Excellence
- Award by Maruti Suzuki for Overall Group Excellence

23-24

- Award by Maruti Suzuki in recognition of Overall Performance
- Award by Maruti Suzuki in recognition of Localization of Design & Development
- ACMA Award in Manufacturing and Safety
- ACMA Quality Improvement Award
- ACMA Atmanirbhar Excellence Awards - 2023-24
- CII Award in challenger, Low cost Optimization & 3M Competition
- CII - Kaizen and Poka Yoke Competition Award in Kaizen and Poka Yoke & Kaizen
- Indian Society of Quality Award in ISQ Tops Convention
- Patent granted by GOI in FY 2023-24 for Innovation and Teamwork

22-23

- Award by Maruti Suzuki in recognition of Overall Excellence
- Award by Maruti Suzuki in recognition of Inner Part Localization
- Award by Maruti Suzuki in recognition of Localization of Design and Development (D&D) Capability
- Award by Maruti Suzuki in recognition of OEM Project Support
- CII Awards: Inter-industry Kaizen Competition - Winner of the year 2023 "Par Excellence Team" category
- CII Awards: Inter-industry Kaizen Competition - Winner in "HR Manpower Saving" category
- CII Awards: Inter-industry Kaizen Competition - 1st runner-up in "CRM/Customer Satisfaction" category
- CII Awards: Poka Yoke Competition - Platinum and Silver awards in Alarm Category; Silver Award in Shutdown category
- Golden Peacock award in GPNQA
- International Quality circle award from IQMA
- Supplier Quality Circle Award by Tata Motors













DOJO CENTRE

DOJO (Skill Development Centre) A Miniature of the manufacturing lines are setup in DOJO for the realization of the basic manufacturing practices. Employees are skilled for their respective shop floor processes before their deployment on the line for meeting QCDD & PQCDSME targets. This kind of training results in to:

- Developing discipline in new/existing employees, orienting them with 5S production methods. Adherence to rules or compliances, as part of DWM, inculcates an overall improvement in the worker's attitude.
- Development training for 5 Human senses (Eyes, Ear, nose, hand & Tongue) is given to new joinees / employees so as to find Variations ie Normal Vs Abnormal, Usual vs Unusual for Consistency of operations.

This leads to the improvement of all Senses of Employee while actual working in his area.

Our DOJO centre is Approved for providing Apprentice Training & certificate thru Govt of India (ASDC - Automative Skill Development Council)

NOIDA DOJO CENTRE






MANESAR DOJO CENTRE






CHENNAI DOJO CENTRE






PUNE DOJO CENTRE






KARSANPURA DOJO CENTRE







CORPORATE SOCIAL RESPONSIBILITY

Subros Limited firmly believes in the development of the Society through meaningful, impactful & sustainable CSR initiatives.

There are four core pillars of Subros CSR umbrella which forms the backbone of Subros' philosophy of CSR. Technology Elevation & Incubation, Community Development, Environment friendly Initiatives & skilling up of human resource are the four verticals around which CSR philosophy is cemented.

Subros always thrives to consolidate all the concerns associated with Social, Environmental & Technological with its journey of operational excellence & establish channels to interact with all the stakeholders for a futuristic comprehensive CSR approach.

(a) Technology Incubation and Elevation: Subros is working closely with organizations like SAE India foundation, who is pioneer in bringing technology innovation in the field of automotive engineering. SAE India has seen its 6th edition of research paper presentation in the month of December '24 & offered platform to 50+ research papers along with 25+ colleges & 125+ participating Industries which have potential to bring a change in the automotive arena.

Ramesh Suri Award is institutionalized under this initiative which is given to three unique ideas under this category. This year SAE India connected with 100+ esteemed organizations & brought them on a single platform for the achievement of common objectives.

(b) Enhancing quality of Education: Under community development theme, Subros has adopted four campuses under three government schools in the nearby vicinity in the Noida region. This is a flagship program which is successfully entered in its ninth year. This project, named "Prayas" aims not only developing infrastructure in & around the Schools but also enhance the overall learning quality of the students. Till date we have reached to around 5900 students through this project, successfully.

(c) Social Initiatives: Under community development theme, Subros has partnered with leading NGOs to serve society (MANAV SEWA) at a micro level. Involvement of employees is a salient feature of this initiative. Reaching to orphanages, abandoned people, old age people, specially abled & sharing their plight is what makes this project special. Not only this, supporting NGOs in terms of resources distribution like dry ration & infra development constitutes an integral part of this initiative.

(d) Strengthening public Infrastructure: Subros is continuously involved in strengthening public utility resources across its areas of operation. From providing medical equipment & health ATM installation in villages to donating Ambulances to govt. hospitals or from providing School vans to infra development in Schools along with providing resources to Aanganwadi & gram panchayats, Subros is always on the forefront of its commitment towards Social upliftment of common people at large through infra development.

(e) Sports as a mean to channelize young energy: India is one of the youngest Nation in the world with a lot of potential & energy in her Human Resource. To capitalize on this, Subros has identified sports as a mean of channelizing this raging energy in a positive manner. Subros is proudly associated with various events that promote "Paralympic games", games that need special attention (organ transplant) and nurturing budding champions (swimmers). Subros believes that right support at the right time & towards right direction helps sportsmen bring more & more laurels for the Society at micro & for the Nation at macro level.

(f) Preserving the Mother Nature:

Subros is sensitive enough to preserve mother earth & takes every step which is essential for its sustainability quotient. Subros is proud of deploying various actions to grass root level to ensure to optimize the impact of its efforts.

(a) Harnessing solar energy at all the major facilities

(b) Developing forest under natural ecosystem using "Miyawaki forest" methodology

(c) Using PNG & dual fuel converters

(d) Carbon Footprint Audit & reduction projects

(e) Waste water recycling, endeavoring towards ZLD (Zero Liquid Discharge)

(f) Encouraging employees & local Gram Panchayats to be a part of green initiative by regular plant distribution/plantation activities during monsoon season

(g) Using modern technology refrigerants & deploying lean processes of manufacturing

Our philosophy is based on our core purpose of "Cooling the Planet" & Subros is Committed to live by this philosophy in everyday life.

(g) Financial Independence through skill-up programs:

Subros is committed towards the upliftment & financial independence of the women folk & especially abled citizens of the society. Subros is running successfully special programs to achieve these objectives.

(a) Computer literacy center

(b) Beautician center

(c) Tailoring School

Till date Subros has reached, via its efforts, approx. 1650+ individuals who are either running their own business or are places in the nearby industries (warehouses/export houses etc).

Not only this, to address the needs of especially abled individual, Atmnirbhar Kendra (for especially abled) has been established in the nearby village area of Manesar under the supervision of sign-language expert. Apart from this, Subros provides these individuals placement assistance in the nearby industries. Some of the candidates are also absorbed by Subros.



Management Discussion and Analysis

1. Industry Outlook

1.1 The Indian automotive industry demonstrated a resilient and broadly positive performance in FY 2024-25. Passenger vehicles achieved an all-time high in sales, driven by the growing preference for utility vehicles. The two-wheeler segment showed strong recovery, particularly due to improved rural sentiment and the launch of value-oriented models. However, the commercial vehicle segment faced headwinds, recording a slight decline due to financing constraints and uneven fleet demand.

1.2 Overall, the industry's performance was fortified by infrastructure growth, government incentives, and evolving mobility preferences, positioning it on a steady path toward long-term objectives. Domestic sales grew by 7.3% in FY 2024-25, supported by sustained consumer demand, rising urbanisation, and improved macroeconomic indicators and on the global front, automotive exports surged by 19.2%, reflecting India's growing competitiveness in international markets.

1.3 Electric vehicles continued their upward trajectory, gaining greater market penetration, especially in the two-wheeler and passenger vehicle categories. Electric Vehicle (EV) sales for FY 2024-25 reached 1.97 million units, marking a 17% year-over-year (YoY) increase.

1.4 The Indian automotive component industry demonstrated robust growth in FY 2024-25, driven by domestic demand, export momentum, and strategic investments in innovation. The sector achieved 11.3% year-on-year growth Financial Performance.

1.5 India is progressing in alternate automobile fuels notably, with ethanol blending reaching 19% in petrol, a significant step towards the 20% target by 2025. CNG vehicle sales are also surging, and the government is promoting EVs and hybrids, though auto fuel sales overall show some erratic trends.

1.6 The Indian automobile industry is actively embracing sustainability through various initiatives, including electric vehicles, sustainable manufacturing practices, and government policies. These efforts aim to reduce emissions, promote circular economy principles, and enhance road safety. The "Vehicle Scrappage Policy" aims to reduce pollution and the need for new raw materials by promoting the recycling of end-of-life vehicles. The "Gas Gatisheelta" initiative encourages the use of Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG) in various vehicle types. The "Surakshit Safar" campaign emphasises road safety through education, engineering, enforcement, and emergency care. The "Harit Hydrogen" initiative focuses on the use of hydrogen as a fuel source for vehicles, aligning with the government's Green Hydrogen Mission.

1.7 Looking ahead to FY 2025-26, the automotive industry is poised for further transformation and growth, driven by several key factors, including the adoption of electric vehicles. It is expected to accelerate, fuelled by government incentives, expanding charging infrastructure, and declining battery costs. Automakers will continue to launch new EV models and expand their EV portfolios to meet growing demand. The Indian ADAS (Advanced Driver-Assistance Systems) market is projected to experience substantial growth. This progress is driven by factors like increasing vehicle production incorporating ADAS features, heightened safety awareness, and government regulations.

1.8 The industry is expected to continue its transformation journey, driven by technological advancements, shifting consumer preferences, and evolving regulatory landscapes. Looking ahead in FY 2025-26, the Company is optimistic to maintain the leadership position in Thermal Segment for Indian Market.

1.9 The organisation stands at a pole position to get benefitted of its continuous product development work done over so many years. The Company started its supplies of Railways Coach ACs to Indian Railways. Mandatory Regulation of Goods Carrier Cabin AC's implementation will also be effective from June 2025 with significant increase of volume to be supplied to OEMs. As a leading automotive thermal solutions provider, the Company is well-positioned to capitalise on these trends through its innovative products and customer-focused approach.

Automobile Domestic Sales Trends[1]

Category	2021-22	2022-23	2023-24	2024-25
Passenger Vehicles	30,69,523	38,90,114	42,18,750	43,01,848
Commercial vehicles	7,16,566	9,62,468	9,68,770	9,56,671
Three Wheelers	2,61,385	4,88,768	6,94,801	7,41,420
Two Wheelers	1,35,70,008	1,58,62,771	1,79,74,365	1,96,07,332
Quadricycles	124	725	725	120
Grand Total	**1,76,17,606**	**2,12,04,846**	**2,38,57,411**	**2,56,07,391**

2. Financial and Operational Performance

2.1 The Company achieved a strong comprehensive performance in FY 2024–25. The Company reported total revenue of INR 3367.57 Crores, representing a 9.67% increase from the previous year. This growth was driven by the strong demand for automotive thermal solutions, especially in emerging markets.

2.2 The Company's profitability witnessed a substantial improvement during FY 2024–25, with net profit rising to INR 150.39 Crores, an increase of 53.99% over the previous year. This growth was primarily driven by effective cost optimisation initiatives and enhanced operational efficiency. Operating margins stood at INR 343.10 Crores, representing 10.19% of the Revenue from Operations, while profit before tax increased to INR 203.45 Crores.

2.3 Continuing its focus on operational excellence, the Company intensified efforts towards lean manufacturing and supply chain optimisation. These initiatives led to a notable reduction in operating costs and contributed to improved margins.

2.4 All business segments contributed positively to revenue growth. The passenger vehicle segment, particularly, thermal components, registered a growth of 8%. The commercial vehicle segment also saw healthy growth of 39%, supported by strong performance in truck AC products 38% and bus AC products 15%.

2.5 The Company has consistently invested in expanding its geographic footprint, developing advanced product technologies, and entering new market segments. The Company has also earmarked adequate funds for capacity expansions across its manufacturing plants, while continuing to implement cost reduction measures and drive operational efficiency to maximise profitability.

2.6 As of March 31, 2025, the Company maintains a debt-free position with no outstanding long-term borrowings. Effective from April 1, 2024, the Company has transitioned to the new tax regime, adopting a reduced corporate tax rate of 22%.

2.7 Key Financial Ratios

Particulars	FY 2025	FY 2024	Change (%)	Remark
Debtors Turnover Ratio (Times)	9.17	12.50	-26.65%	(i)
Inventory Turnover Ratio (Times)	6.50	6.35	2.23%	
Interest Coverage Ratio	29.89	23.04	29.73%	(ii)
Debt Equity Ratio	0.04	0.04	3.45%	
Current Ratio	1.45	1.29	12.72%	
Operating Profit Margin (in %)	10.19	8.76	16.32%	
Net Profit Margin (in %)	6.04	4.58	31.88%	(ii)
Return on Net Worth (in %)	18.94	15.38	23.15%	
Net worth (Rs. in Crores)	1093.93	955.85	14.45%	

(i) Decreased due to change in payment term from early payment to normal credit period.
(ii) Increased due to the higher cash accruals on account of increase revenue, cost optimisation initiative and operational efficiencies.

3. Research and Development

3.1 The Indian government is pushing to upgrade regulatory framework, aligned to European and other advanced automotive markets. Based on this, the Indian automotive industry is undergoing a significant transformation driven by a series of progressive policy reforms and regulations. Initiatives such as CAFE (Corporate Average Fuel Efficiency) norms, RDE (Real Driving Emissions), the push for alternative refrigerants, the Vehicle Scrappage Policy, PLI schemes, Quality Control Orders (QCOs), Circular Economy measures, and enhanced safety standards are not just shaping the future of mobility, but also playing a vital role in achieving India's broader national goals, energy security, sustainable development, and the ambitious target of net-zero carbon emissions by 2070. These reforms are redefining product development priorities across the entire automotive value chain.

3.2 In alignment with India's sustainability vision, the industry is shifting towards greener, more energy-efficient technologies. The Company is actively aligning it's roadmap to support this transition. Our R&D teams are committed to innovating future ready thermal management solutions that meet emerging environmental standards, reduce energy consumption, and support the electrification of vehicles across segments.

3.3 Leveraging it's strong in-house R&D capabilities, the Company has made significant strides in local product development. This includes successful design and development of Railway LHB Coach AC systems, integrated thermal management systems for hydrogen fuel cell buses (both 9m and 12m variants), thermal components for electric cars, electric trucks, and electric tractors and complete thermal systems with control panels aligned with the upcoming Truck AC mandate. These projects mark our continued commitment to both innovation and self-reliance in advanced mobility solutions.

3.4 The Company's persistent focus on innovation is reflected in the 14 patents granted it across a diverse product portfolio. These achievements have been accompanied by consistent customer recognition for it's speed, creativity, and collaborative design capabilities. Furthermore, the Company's research efforts have been acknowledged by technical bodies such as SAEINDIA (Society of Automotive Engineers India), where it's engineers have received special appreciation for active participation and technical contributions.

3.5 To address the growing demand for truck cabin air-conditioning, the Company's R&D team has developed modular, compact, and cost-effective thermal solutions. This innovative solution is designed to cater to a broad spectrum of truck and pickup models with minimal changes to ducting and casing offering versatility and scalability. In line with it's diversification strategy, the Company has also ventured into the rail segment, developing coach AC systems, and establishing dedicated infrastructure for testing and manufacturing to support the evolving needs of Indian Railways.

3.6 The Company is localizing design processes and enhancing the skill base of it's engineering teams. This approach enables the Company to not only meet Indian market requirements more effectively but also contribute to the development of globally competitive products.

3.7 Evolving regulatory landscapes focused on emissions, energy efficiency, circular economy practices, and safety are shaping the Company's product development strategy. To stay ahead, the Company has strengthened it's in-house capabilities for localising critical components, building partnerships with start-ups, collaborating with academic institutions for advanced research. These initiatives reflect the Company's strategic intent to build resilient, future ready solutions that meet the next generation of mobility demands.

4. Information Technology – Powering Our Digital Future

4.1 Technology is reshaping the way the automotive industry operates, turning vehicles into smart, connected machines. The Company see Information Technology as more than just a support system, it is a key driver of

it's growth and performance. By integrating advanced IT across every part of it's business, the Company is boosting efficiency, encouraging innovation, and staying closely aligned with what it's customers need.

4.2 The Company is embracing digitization with Industry 4.0 to transforming how it manufacture. From installing IoT-enabled devices to deploying robotics and real-time analytics, the Company is making it's plants smarter and more responsive. These digital tools help it cut down waste, streamline processes, and ensure the highest quality in every product the Company makes.

4.3 The Company's IT systems also connect it seamlessly with it's suppliers and logistics partners. This real-time integration gives the Company a complete visibility across the supply chain. It helps the Company to manage inventory better, reduce waiting time for parts, and make sure components arrive exactly when needed keeping it's operations smooth and cost-efficient.

4.4 Technology plays a big role in how the Company design and develop new products. The Company's teams use advanced software and Product Lifecycle Management (PLM) tools that allow it to collaborate better across departments. Whether it's engineering, manufacturing, or sourcing, everyone works from the same data, speeding up development and improving accuracy throughout the product life cycle.

4.5 With increasing reliance on digital systems, cyber security has become a top priority. The Company has put in place strong protections, like data encryption, intrusion detection systems, and regular audits to keep both the Company and customers information safe. As technology grows more complex, so do potential risks, and the Company is constantly updating it's systems and training it's teams to stay ahead of emerging threats.

4.6 The Company has also built a solid disaster recovery plan to make sure it's critical systems stay up and running, no matter what. This ensures that in case of any disruption, technical or natural the Company's operations can continue with minimal impact.

4.7 Looking ahead, the Company has developed a long-term IT roadmap that is aligned with the latest trends in digital transformation. This strategy focuses on five key areas: infrastructure, application support, data management, cyber security, and building the right skill sets. It is a future focused plan designed to help us stay agile, secure, and ahead of the curve in a fast-changing industry.

5. **Internal Controls and Their Adequacy**

5.1 Internal controls are an essential part of how the Company run it's business responsibly. The Company has built a strong system of checks and balances that helps it protect it's assets, manage risks, and ensure it's financial reporting is accurate and trustworthy. These controls are a vital part of the Company's governance structure and help maintain the integrity of it's operations.

5.2 The Company's approach to internal controls is guided by it's core values, which lay the foundation of how it work. These values include: Respect, Passion & Commitment, Trust and Teamwork. These values not only shape it's culture but also strengthen the way the Company manage internal controls.

5.3 The Company has clear and well documented policies and procedures in place, supported by defined roles, responsibilities, and a structured delegation of authority. This ensures accountability at all levels and clarity in decision-making.

5.4 Risk management is a continuous process in the Company. It regularly assess risks across different parts of the organisation and implement proactive measures to reduce their impact. This helps it keep potential issues within manageable limits while supporting it's long-term business goals.

5.5 The Company's internal control system also ensures it stay fully compliant with all applicable laws, regulations, and internal policies. The Company continuously monitor the evolving regulatory environment and update it's frameworks as needed, so it is always aligned with the latest legal and industry standards.

5.6 The effectiveness of the Company's internal controls is reviewed regularly through internal checks and independent audits. It works with external auditors who provide an unbiased view of how well it's systems are functioning. Their insights help it strengthen it's processes and make continuous improvements to stay ahead of potential risks.

6. Risks, Concerns, Opportunities, and Threats

6.1 The Company's Enterprise Risk Management (ERM) framework is aligned with ISO 31000:2018 risk standards across all functions. The risk management process focuses on identifying risks, primarily in four categories: strategic, operational, financial, and regulatory.

6.2 In FY 2024–25, the following risks and mitigation actions were identified to ensure business continuity and growth:

a. Regulatory and Compliance Risk: Extension of QCOs beyond raw materials used by the industry, Materiality of events, Business Responsibility and Sustainability Report and other regulatory compliances that may impact it's operations. The Company has taken measures to comply with the QCOs and regulatory risks.

b. Supply Chain Risk: The Company envisages supply chain risk due to strategic sourcing for overseas suppliers (China specifically) and Tier II and Tier III supplier's facility and system gap. Weak Organisational structures, inadequate infrastructure, financial and safety aspects are some of the key focus areas.

c. Information & Cyber Security Risk: Cyber Security Risk is most imminent, impacting IT processes and

business continuity. The Company has taken various measures by implementing tools and technology to strengthen the IT infrastructure, data management and backup systems, and insurance coverage is continuing to mitigate the financial implications.

d. Technology Risk: Keeping pace with fast changing technology is one of the risks for the organisation. Time bound plan to introduce new technology and product is paramount to remain leader in the business. The Company has adequately covered risks by focusing on developing and introducing new products in line with customer demands and Company is supported by Denso Corporation, Japan.

The Company has a Risk Management Committee that periodically reviews the risks and opportunities with the action plan. The Committee shares suggestions and advice with the management team for further improvement and provides guidance on new emerging risks.

7. Human Resource and People Practices

7.1 To make future ready organisation, it is important for the Company to develop right skill set required to manage future. At it's core, the Company believes it's people are it's biggest strength. That is why it is committed to building a workplace where excellence, collaboration, and innovation thrive. Everything the Company do from hiring to leadership development is focused on attracting great talent, helping them grow, and making sure they are in the right roles to succeed.

7.2 Learning and development for future ready organisation is the highest focus in the Company. Whether it is hands on training, workshops, or leadership development, it offer a variety of programs to help it's people stay sharp, grow their careers, and be ready for whatever the future brings. The Company wants everyone to feel confident and capable in a fast-changing world. "LEAD" and "NEXT" are flagship programs for talent development in the Company.

7.3 The Company has efficient and effective performance management framework in place. Each employee is well aware about his deliverable and periodic performance review ensure the efficiency and effectiveness of their deliveries. The Company also believe that best ideas often come from within, which is why it encourage employees to participate surveys, open forums, and feedback sessions. This way, the Company encourage to have open culture to make the workplace better.

7.4 Health, safety, and well-being are most important priority for the Company. The Company has built strong health and safety policies and promote a culture of care, whether through safety trainings or wellness programs that support both body and mind. The Company wants everyone to feel safe and supported every day.

7.5 The Company is working to bring Inclusive Culture where everyone deserves to feel valued and respected at work. The Company is constantly working to build a workplace where different voices are heard and different backgrounds are celebrated. From inclusive hiring to training and policy, the Company is creating a space where everyone can thrive.

7.6 To be future-ready, the Company is building the organisation for tomorrow. The Company is investing in leadership development to prepare our next generation of leaders. It focuses on helping them grow the skills they need to lead with confidence, think strategically, and drive innovation.

8. Marketing and Business Development

8.1 Marketing is dynamic and strategic function in the Company. It is not just about promotion, but about understanding customer needs, creating real value, and building lasting relationships. In today's industrial revolutionary environment, the Company's marketing function helping it stay ahead of the curve and drive long-term growth.

8.2 The Company has developed a well-rounded marketing mix-product, price, place, promotion, and to connect effectively with it's customers. This approach is constantly refined based on market insights, customer feedback, and performance data. The Company uses a healthy blend of traditional and digital channels to communicate it's values. The Company's integrated communications strategy ensures that it's message is consistent, clear, and compelling across all platforms.

8.3 Expanding into indigenised tooling and localization, the Company's business has successfully diversified into the manufacturing of tools and dies for the automotive industry, catering to both OEMs and Tier 1 suppliers. A major milestone has been it's delivery of critical tools to the white goods industry, a significant new achievement for the Company. By localizing these capabilities, the Company is not only reducing import dependency but also creating cost efficiencies and greater flexibility through in-house production.

8.4 Growth in the Railways Segment is another milestone the Company has achieved in last year. The Company is proud to have established ourselves as a trusted supplier to Indian Railways, providing AC systems for both coaches and driver cabs. The Company is optimistic about the positive business outcomes this segment will bring in the near future.

8.5 For Regulatory Compliance and Growth in alignment with the Indian government's mandate for air-conditioning in N2 and N3 category goods carrier vehicles, the Company has partnered with all major OEMs to ensure timely compliance. The Company has already secured new business in this space, and as production ramps up, the Company expect this to significantly boost both it's revenue and profitability.

8.6 With regards to driving growth in Clean Energy Vehicles, the Company is aligning closely with OEMs to support

their shift toward alternate fuels. The Company's clean fuel product portfolio which includes CNG, hybrid, and electric vehicle solutions, now contributes 21% of our total revenue, and the Company see this share growing steadily in the years to come.

9. Social Responsibility and Community Initiatives

9.1 The Company believes that business success is meaningful only when it goes hand-in-hand with social progress. As a responsible corporate citizen, the Company is deeply committed to giving back to society, especially to the communities living around our factory locations. The Company focuses areas include gender equality, inclusivity, education, skill development, and creating opportunities for people with special needs.

9.2 The Company's efforts are rooted in creating real change where it matters most. It continues to support initiatives that promote gender equality, inclusiveness, and employment opportunities for differently-abled individuals. These are not goals; they are priorities we work toward every day.

9.3 To help women in nearby communities become self-reliant, the Company has set up a skill development centre in a village near Manesar. The centre offers hands-on training and resources to local women, equipping them with the skills they need to start their own ventures or seek employment. Many women have already benefited from this initiative, gaining both, confidence and financial independence.

9.4 Supporting local schools and education, the Company has adopted several schools near it's plant locations, with a mission to improve the learning environment for children. These efforts include upgrading school infrastructure and focusing on the quality of education. The Company's initiatives have been warmly received by local communities and reflect our belief that every child deserves access to good education and a better future.

9.5 Collaborating for greater impact with local NGOs, the Company is running programs under our CSR umbrella that go beyond infrastructure. One such initiative supports the education and emotional well-being of children whose parents are incarcerated, a segment of society often overlooked. Through these collaborations, the Company aims to uplift vulnerable sections of the community and help them lead dignified lives.

10. Roadmaps for the Future

10.1 The Company continues to work towards new solutions in line with changing technology, customer preferences, and regulatory framework to continue it's growth momentum. The Company roadmap for the future outlines key strategic initiatives that will propel the Company towards vision of being a global leader in automotive thermal solutions.

10.2 The design team continues to work towards innovative solutions using cutting edge technology and meet requirement of it's customer. Focus on sustainability using less power, hence less emission and overall improvement in the performance of the product is primary driver for Company and its strong design workforce.

10.3 The Company has been continuously investing with a target to achieve digital transformation. Current drive of digitisation is not limited to any one process but encompasses wide range of areas including Company's operations, processes, and customer interactions. The Company is consistently upgrading while using all tools available to enhance optimization of it's operations, enhance the customer experience, and drive efficiency.

10.4 The Company has created specific role and task force to bring focus and speed in execution of its commitment to sustainability and reducing it's environmental impact. The Company will continue focus on developing products which are eco-friendly, generate less of waste and emissions. The Company is also working to promote sustainable practices across it's value chain.

10.5 The Company's efforts to work on new opportunities, market expansion and diversification has been providing positive results and the Company will continue to further strengthen it's efforts to reduce dependence on any single market or product segment. The Company will continue to prioritise customer satisfaction and engagement. This will include enhancing it's customer service offerings, building strong relationships with customers, and leveraging customer feedback to improve it's products and services.

10.6 Employees are vital to the Company's success. They also play a crucial role in shaping it's culture and are natural ambassadors for the organisation. Essentially, employees are the building blocks of an organisation, bringing unique skills, talents, and knowledge that are essential for achieving goals and driving business growth. The Company will continue to invest in talent development programmes, promote a culture of learning and innovation, and ensure that its employees are engaged and motivated.

10.7 The Company is embarking on an exciting journey towards a sustainable and successful future. The Company's roadmap outlines it's strategic priorities and initiatives that will guide everyone as the Company strives to achieve it's vision and create long-term value for it's stakeholders.

11. Mid-term and Long-term Plans

11.1 As the Company looks ahead, the Company remains focused on aligning its medium and long-term goals with it's vision of becoming a leader in automotive thermal solutions. The Company's five-year roadmap sets out the strategic priorities and initiatives that will help the Company gets there firmly rooted in innovation, agility, and customer-centricity.

11.2 The Company is shaping the future with clear strategic focus. It's strategy is built around growth, sustainability, and technology, enabling it to stay ahead in a rapidly-

evolving industry. From expanding it's product portfolio to enter new markets, every step the Company takes is guided by a clear purpose and a strong commitment to excellence.

11.3 The Company is actively moving towards a digitally enabled future. It's digital transformation journey is reshaping the way it work streamlining operations, improving collaboration, and unlocking new levels of efficiency. By adopting automation, advanced data analytics, and cloud technologies, it is making faster, smarter decisions while empowering it's teams with better tools and insights.

11.4 To drive Operational Efficiency, the Company is continuously investing in ways to do more with less, hereby optimizing how it uses time, resources, and energy. By reducing waste, enhancing productivity, and staying agile in it's operations, the Company is improving it's bottom line, while building a more competitive and resilient business.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing Company's projections, estimates and expectations may be interpreted as 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply, price conditions in the domestic and international markets in which the Company operates, changes in Government regulations, tax laws, and other statutes. The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statements based on any subsequent development, information, or events.

Source: 1. SIAM cumulative production, domestic sales & exports

DIRECTORS'REPORT

Dear Members,

Your Directors are pleased to present the 40th Annual Report of the Company together with the audited financial statements for the year ended March 31, 2025.

FINANCIAL RESULT

Particulars	Standalone		Consolidated	
	Financial Year 2024-25	Financial Year 2023-24	Financial Year 2024-25	Financial Year 2023-24
	(Rs. in Crores)			
Revenue from operations	3367.57	3070.57	3367.57	3070.57
Other income	20.78	14.67	20.71	14.55
Profit before depreciation, interest and tax	**343.10**	**268.88**	**343.03**	**268.76**
Less: Finance cost	11.48	11.67	11.48	11.67
Less: Depreciation	128.17	116.51	128.17	116.51
Add: Share of profits/loss of joint venture (equity method)	-	-	0.20	0.08
Net profit before Taxation	**203.45**	**140.70**	**203.58**	**140.66**
Less: Tax	53.06	43.04	53.06	43.04
Profit after Taxation	**150.39**	**97.66**	**150.52**	**97.62**
Profit brought forward	605.87	518.65	605.95	518.79
Profit available for appropriation	742.46	605.87	742.67	605.95

BUSINESS OPERATIONS

The net revenue from operations for the financial year ended March 31, 2025 is Rs. 3367.57 Crores as against Rs. 3070.57 Crores in the previous financial year. The Net Profit before Tax is Rs. 203.45 Crores as compared to Rs. 140.70 Crores in the previous financial year.

The Indian automobile industry is witnessing robust growth, propelled by rising disposable incomes, rapid urbanization, and supportive government initiatives focused on sustainable mobility. This momentum is expected to persist, with the sector projected to grow consistently in next 2~3 years.

Technological innovation is at the forefront of industry transformation. Automakers are increasingly adopting advanced technologies such as connected vehicles, autonomous driving, and advanced driver-assistance systems (ADAS). The shift toward electric vehicles (EVs) is accelerating, with EVs now accounting for over 6% of total two-wheeler sales, and several new battery electric vehicles (BEVs) launched in 2025. Local component manufacturers are focusing on indigenizing advanced parts like electric motors and automatic transmissions to reduce import dependence.

The company remains committed to developing new products using cutting-edge technology to stay future-ready. All thermal solutions are meticulously designed to meet the evolving needs of customers across mobility sectors. Improving operational efficiency, product quality, and supply chain effectiveness continues to be a strategic priority and will remain a key driver of competitiveness going forward.

There has been no change in the nature of the Company's business.

EXTERNAL ENVIRONMENT AND ECONOMIC OUTLOOK

In FY 2024-25, India's external environment saw a mixed bag of challenges and opportunities. While the economy exhibited resilience, with GDP growth projected at 6.4%, global uncertainties like the Red Sea crisis and geopolitical tensions impacted trade and investment flows. Despite these headwinds, India's foreign exchange reserves remained robust, and FDI inflows showed a revival.

The Indian automobile industry continued its growth trajectory, driven by healthy demand, infrastructure investments, and government policies supporting sustainable mobility. Domestic sales increased by 7.3%, and exports rose significantly by 19.2%.India's automobile industry saw a strong performance, with passenger vehicle sales reaching a record high of 4.3 million units. This growth was primarily driven by the utility vehicle segment, which accounted for 65% of total passenger vehicle sales. There has been a clear and continuous shift in consumer preference from car segment to SUV segment, with SUVs share going up from 49% (FY 2022-23).

The Indian automobile industry is poised for strong growth, driven by increasing demand, government initiatives, and a shift towards electric vehicles. The government's push for EV adoption and increasing consumer awareness are expected to fuel the growth of the EV segment, with EVs potentially accounting for a significant share of the market by 2030. Initiatives like the AMP 26, scrappage policy, and production-linked incentive scheme are expected to boost the industry's growth and competitiveness. India has the potential to become a global hub for automotive manufacturing and innovation, with increasing exports and investments from international companies.

The industry is focusing on developing and adopting new technologies, such as connected vehicles, autonomous driving, and advanced driver-assistance systems. The industry is also prioritizing sustainability, with increasing focus on reducing emissions and adopting eco-friendly technologies.

The Company continues to remain watchful of possible impact of changes in interest rates, vehicle prices, volatile geopolitical situation impacting economic & supply chain situations on end consumer & OEM demand. The BEV/ Hybrid/CNG (alternate fuel) vehicle penetration continues to increase due to Govt. push through various regulations & schemes and also increase in customer acceptability for clean or alternate fuel vehicles. Govt AC Mandate for Goods carrier (N2 & N3 category) will have immediate positive impact on our performance of FY 2025-26. Strong Order book for Railway Business will be a key driver for our top line as well as bottom line. The Company is also focused to develop segments like Bus AC with more variety of products and also EV AC kits. With a well-diversified thermal solution portfolio and strong manufacturing presence, export remains another focus area for the organization.

EXPANSION AND FUTURE PROSPECTS

The Company has increased its capacity in existing plant locations to meet the increasing customer demand. The Company has also sanctioned to setup green field project at Kharkhoda (Haryana). The Company has also introduced products for Railway Business, Goods Carrier vehicle (trucks), Hybrid & Electric Vehicle in FY 2024-25 and will continue to introduce more such products in coming years as per customer/ market requirements. Localization and cost optimization activities across all product segments to marginalize impact of global economic factors remains one of the core focus for operations team.

There is capacity & product optimization and enhancement plan with focus on Make in India along with increased local manufacturing to ensure sufficient capacity is available for all customers across locations in line with growing market demand across all the segments.

Subros' continuous investment to enhance design capability as we move forward, has ensured that the organization is ready to meet future customer demands in-line with Govt. regulations with strong focus on long term technology development. Currently, active work is being done for various OEMs of diverse vehicle application for Indian as well as Global Requirements. The long term growth prospects for the Company's product remains robust with passenger vehicle industry production likely to touch 7 million vehicles by 2030.

DIVIDEND

Your Company has earned a net profit (after tax) of Rs. 150.39 Crores as against Rs. 97.66 Crores in the previous year. The Board has recommended a dividend of Rs. 2.60 per share (130% on the face value of equity shares of Rs. 2 each) for the financial year ended March 31, 2025, as against Rs. 1.80 per share (90% on the face value of equity shares of Rs. 2 each) in the previous year.

The dividend, if approved by the Members at the ensuing Annual General Meeting (AGM), shall absorb a sum of Rs. 16.96 Crores.

The Dividend Distribution Policy of the Company is available on the Company's website at https://www.subros.com/investors/policies.

TRANSFER TO RESERVES

Your Company proposes to transfer Rs. 1.50 Crores to the General Reserve.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There were no material changes and commitments that affect the financial position of the Company subsequent to the date of financial statement.

CAPITAL STRUCTURE

During the year there is no change in the Capital Structure of your Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review the following changes took place in the Board and Key Managerial Personnel of your Company:

i. Mr. Parmod Kumar Duggal was re-appointed as the Whole-time Director designated as Executive Director & Chief Executive Officer of the Company for a period of 3 years with effect from 5th August, 2024.

ii. Ms. Shradha Suri was re-appointed as Chairperson & Managing Director of the Company for a period of 3 years with effect from 12th May, 2025.

iii. Mr. Naohisa Kuriyama, Nominee Director has resigned due to change in nomination of M/s DENSO Corporation, Japan with effect from 28th March, 2025.

iv. Dr. Yasuhiro Iida, Alternate Director to Mr. Naohisa Kuriyama has been vacated due to the resignation of Mr. Naohisa Kuriyama, the Original Director with effect from 28th March, 2025.

v. Mr. Yusuke Hara, appointed as Nominee Director of M/s DENSO Corporation, Japan with effect from 28th March, 2025.

vi. Dr. Yasuhiro Iida, appointed as Alternate Director to Mr. Yusuke Hara, the Original Director with effect from 28th March, 2025.

Pursuant to the provisions of Section 152, other applicable provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Hisashi Takeuchi (DIN: 07806180) Director of the Company retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

His brief resume as required under the Listing Regulations and Secretarial Standards is provided in the Notice of the 40th AGM of the Company. The requisite resolution pertaining to the re-appointment appears at the respective item of the Notice along with the Statement and is recommended to the Members for approval.

Declaration from Independent Directors:

The Company has received declaration(s) from all the Independent Director(s) of the Company as laid down under

Section 149(7) of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors), 2014 along with Regulation 16 and Regulation 26 of the listing Regulations, confirming that they meet the criteria as laid down under Section 149(6) of the Companies Act, 2013 and the Listing Regulations.

Board Meeting:

The Board of Directors met five times during the financial year 2024-25, the details of which are given in the Corporate Governance Report which forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

COMMITTEES OF THE BOARD

The Board has Committees i.e Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. The Composition, terms of reference and number of meetings of the Board Committees is described in Corporate Governance Report as stipulated under Listing Regulations, which forms integral part of this Report.

Policy on Directors' Appointment and Remuneration: The policy of the Company on Directors' and Senior Management appointment and remuneration including criteria for determining qualification, positive attributes and other matters is available on the website https://www.subros.com/investors/policies of the Company.

ANNUAL RETURN

The Annual Return as on March 31, 2025, in terms of provisions of Section 134(3) and other applicable provisions of the Companies Act, 2013, read with Rules thereto is available on website of the Company https://www.subros.com/investors/annual-returns and forms integral part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (5) of the Companies Act, 2013, your Directors hereby confirm that:

a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors have prepared the annual accounts on a going concern basis;

e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SUBSIDIARIES AND JOINT VENTURES

DENSO Subros Thermal Engineering Centre India Private Limited, a Joint Venture, achieved revenue of Rs. 17.95 Crores during the FY 2024-25 as against Rs. 17.48 Crores in the previous year. The Joint Venture achieved a profit of Rs. 0.75 Crores during the year as against Rs. 0.31 Crores increased by 141.94%. Your Company is holding 26% shares in this Joint Venture.

The Company does not have any subsidiary.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 and IND AS 110 - Consolidated Financial Statements read with IND AS 31 - Interest in Joint Ventures, your Directors have pleasure in attaching the Audited Consolidated Financial Statements, which forms a part of this Annual Report.

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

The information in terms of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Company (Accounts) Rules, 2014 relevant rules is annexed herewith as **Annexure-1** and forms integral part of this report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors: As per the provisions of Section 139 of the Companies Act, 2013, the shareholders have approved the re-appointment of M/s Price Waterhouse Chartered Accountants LLP, as Statutory Auditors of the Company for the second term of five consecutive years from the conclusion of the 37th Annual General Meeting till the conclusion of 42nd Annual General Meeting.

The Auditors' Report to the Members for the year under review does not contain any qualification, reservation or adverse remark. The observations of the Auditors and the relevant notes on accounts are self-explanatory and therefore do not call for any further comments.

Cost Auditors: The Company has re-appointed M/s. Chandra Wadhwa & Company, Cost Accountants, as Cost Auditors of the Company to conduct the audit of cost records maintained by the Company for the FY 2025-26 in accordance with Section 148(1) of the Companies Act 2013. The ratification of remuneration payable to Cost Auditors for the FY 2025-26 is being sought from the Members of the Company at the ensuing AGM.

Secretarial Auditors: As per the provisions of Regulation 24A of the SEBI Listing Regulations, and Section 204 of the Act and on the basis of Audit Committee recommendation, the Board of Directors approves and recommends for shareholders' approval for the appointment of M/s RSM & Co., (Firm Registration No P1997DE017000). The Company has appointed M/s. RSM & Co., Company Secretaries as

Secretarial Auditors to conduct the audit of secretarial and related records of the Company for the first term of Five Years from 01.04.2025 to 31.03.2030.

The Secretarial Audit Report for the financial year ended March 31, 2025 is annexed as **Annexure-2** and the same is self-explanatory. The said Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Statutory Auditors, Cost Auditors or Secretarial Auditors have not reported any frauds during the Financial Year 2024-25 under Section 143(12) of the Companies Act, 2013 and rules made thereunder.

DEPOSITS

During the year under review, your Company has neither invited nor accepted any deposits from the Public.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

No significant material order was passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

INTERNAL FINANCIAL CONTROLS

The adequacy of Internal Financial Controls is discussed in Management Discussion and Analysis, as stipulated under the Listing Regulations with the Stock Exchanges, which forms part of this Report.

LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any inter- corporate loans and/or provided any guarantees. Details related to the investments made by the Company are given in Note 5(a),(b)&(c) to the Standalone Financial Statements of the Company.

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of one time settlement with any Bank or Financial Institution(s).

CORPORATE SOCIAL RESPONSIBILITY

The Company has formulated a Corporate Social Responsibility (CSR) Policy to undertake CSR initiatives as specified in Schedule VII of the Companies Act, 2013. The Company has constituted a robust and transparent governance structure to oversee the implementation of CSR Policy, in compliance with the requirements of Section 135 of the Companies Act, 2013. The Annual Report on CSR activities is annexed as **Annexure-3** and forms integral part of this report. This Policy is placed on the website of the Company https://www.subros.com/zip/CSR%20Policy.pdf.

RISK MANAGEMENT

The Company has robust Risk Management framework in place which is aligned with ISO 31000: 2018 Risk Standard. Company's Risk Management policy is defined and reviewed periodically. ERM framework has detailed the process of Risk Identification, analysis, evaluation and treatment. ERM framework is certified after conducting audits by the external accredited agencies. Every year audits are done to review the appropriateness of the deployment of ERM framework in the organization and participation of the functional team.

Every year Company carries the Bench marking exercise by referring to the external agency reports and analyzing the risks identified by OEM / industry peers which enable us to stay ahead of curve. The risk management process and structure ensure the identification & mitigation of Strategic, Operational, Financial & Regulatory risk(s). The Risk Registers and mitigation action implementation is reviewed at fixed frequency by the management and commitments to resource allocation ensure that risk management remains a priority. The Risk Management Committee also review the progress of Risk identified & its mitigation plan on half yearly basis.

The Company is working to create a Risk averse and Opportunity focused culture that promotes principled decision making to establish acceptable risk Levels in the organization.

VIGIL MECHANISM

Pursuant to Section 177(9) of the Companies Act, 2013, the Company has established a Vigil Mechanism/ Whistle Blower Policy for directors, employees, suppliers, contractors and other stakeholders of the Company. The purpose and objective of this Policy is to cover serious concerns, unethical behavior, actual or suspected fraud that would have a larger impact on image and values of the Company due to incorrect financial reporting or improper conduct. The Whistle Blower Policy has been placed on the website of the Company https://www.subros.com/zip/Whistle%20Blower%20Policy.pdf

SEXUAL HARASSMENT

The Company has in place a Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Committee has been set up to redress complaints received regarding sexual harassment. During the year the Company did not receive any complaint.

RELATED PARTY TRANSACTIONS

The Board of Directors has formulated a Related Party Transaction Policy for determining material related party transactions. The Related Party Transaction Policy is available on the website of the Company https://www.subros.com/zip/Related%20Party%20Transaction%20Policy.pdf. A statement of all particulars of Contracts or Arrangements with material related parties referred to in Section 188(1) of the Companies Act, 2013, is annexed as **Annexure-4** and forms integral part of this report.

LISTING

The Equity Shares of your Company continue to be listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The listing fees for the financial year 2025-26 have been paid to the said stock exchanges.

ANNUAL EVALUATION

In compliance with the provisions of the Companies Act, 2013, Listing Regulations and Guidance Note issued by SEBI the Board has formulated a framework, inter alia, for formal evaluation of its performance and effective functioning of its

committees and the Board of Directors.

In this regard the Board has, inter alia, carried out an annual evaluation of the performance of all the independent director(s). The Nomination & Remuneration Committee ("NRC"), inter alia, reviewed the performance of every directors and the Board as a whole and its committee(s). The Independent Directors, inter alia, reviewed performance of non-independent directors, the Board as a whole and its committees and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.

The evaluation criteria of the performance of every director, Board & its committees included, inter alia, their structure/ composition, meeting availability and attendance, commitment, contribution, integrity, ability to function as a team, expertise drawn from diverse domains banking, administration, strategic and technical and bring specific knowledge & competencies relevant to the Company's business. The Board members participation and overall functioning was quite satisfactory and effective during the year under review. There are no specific observations on the Board evaluation carried out during the year as well as for the previous year.

CREDIT RATING

ICRA assigned the Long Term Ratings as [ICRA] AA "Stable" and the Short Term Ratings as [ICRA] A1+"Positive".

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosure in respect to remuneration and other details as per the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the **Annexure-5** to this Report having regard to the provisions of the second proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the said statement of employees under Section 197(12) of Companies Act, 2013 is being sent to the Members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any Member interested in obtaining said statement may write to the Company Secretary at the registered office of the Company.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

The Company is committed to maintain the highest standards of corporate governance. The Company has complied with the corporate governance requirements, as stipulated under the Listing Regulations. A report on Corporate Governance along with a Certificate from the Practicing Company Secretaries regarding compliance on the conditions of corporate governance prescribed under Listing Regulations is annexed herewith and forms integral part of this Report. All Policies of the Company are available on the website of the Company https://www.subros.com/investors/policies.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis, as required in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

A report on adoption of responsible business practices in the interest of the social, governance and environmental perspective are as vital as their financial and operational performance, conforming to the requirements of the clause (f) of sub-regulation (2) of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report for Financial Year 2024-25 is annexed herewith and forms integral part of this Report.

INVESTOR EDUCATION AND PROTECTION FUND

The disclosure of IEPF related activities during the year under review forms a part of the report on Corporate Governance.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all the mandatorily applicable Secretarial Standards issued by the Institute of Company Secretaries of India on meetings of Board of Directors, its Committee(s) and General Meetings.

ACKNOWLEDGMENT

The Board extends heartfelt gratitude to the Company's valued customers, Maruti Suzuki India Limited, Tata Motors Limited, Mahindra & Mahindra Limited, Ashok Leyland Limited, Force Motors Limited, Renault Nissan Automotive India Private Limited and many more, for the trust and confidence reposed by them in the Management for their co-operation and support provided to the Company.

The Board acknowledge cooperation and support of the supplier base, vendors and Company's bankers HDFC Bank, ICICI Bank, State Bank of India, Kotak Mahindra Bank & other Banks and our collaborators, DENSO Corporation, Japan and Suzuki Motor Corporation, Japan for their continued support.

The Board conveys appreciation to all the Company's employees for their hard work, support and commitment towards the achievement of the performance and overall growth of the Company.

Last but not the least, the Board wishes to thank all the shareholders, business associates and other stakeholders for their long association during the growth journey of the Company.

For and on behalf of the Board of Directors

SHRADHA SURI
Chairperson & Managing Director
(DIN: 00176902)

Place: New Delhi
Dated: May 22, 2025

ANNEXURE-1 TO THE DIRECTORS' REPORT

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 forming part of Directors' Report.

A)	**CONSERVATION OF ENERGY**	
(i)	The steps taken or impact on conservation of energy	The Company is working consistently towards energy conservation in all key areas related to manufacturing and administrative operations. Various measures are taken to optimize power costs associated with the manufacturing of products. The following are some of the measures initiated/ adopted for conservation and optimized utilization of energy during the year under review: • ETP & STP installed in Chennai plant • STP installed in PDC plant • Pune plant-Rain water harvesting installation In progress • Use of Day light sheet for Natural lighting in P#2 & P#1 plant is in progress
(ii)	The steps taken by the Company for utilizing alternate sources of energy	• Use of solar power (roof top) in following plants - Manesar Plant Solar power capacity increase by 264 KVA
(iii)	The Capital Investment on energy conservation equipment	• Investment is done for projects where ROI < 1 Years
B)	**TECHNOLOGY ABSORPTION**	
(i)	The efforts made towards technology absorption	• Extended range of Hydrogen Fuel Cell Bus Integrated Thermal Management systems development (9m & 12m Length Buses). • Railway LHB Coach AC design, development and production. • Design & development of thermal systems components for Electric car's, Electric Trucks and Electric Tractors application. • Design & Development of Thermal systems including control panel for Truck cabin AC mandate. • Cost reduction by alternate sourcing and localization in the field of Blower motor's, Automotive HVAC, Compressor, Heat Exchangers, Pipes & Hoses. • Development of new products based on system level application engineering for ECM, HVAC systems of Car, Bus, Truck & Railways and EVs. • In-house Software development for the controllers of thermal management systems. • New technology products developed to meet future market demand for features like low noise, low weight feature based HVAC, energy efficient and eco-friendly AC's.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	• Awards & appreciations received for innovative designs & faster development. • Cost reduction has been achieved by implementing VAVE ideas and new technology based products. • Import substitution has been achieved by in-house manufacturing of parts, localization of material and parts.
(iii)	In case of imported:	The Company has been importing technology in collaboration with DENSO Corporation, Japan and Suzuki Motor Corporation, Japan since 1986. Further, the Company under Technical Assistance Agreement(s) with DENSO Corporation, Japan for transfer of technology for HVACs, Compressors, Radiators and other thermal products manufactured by the Company.
(a)	Technology (Imported during the last three years reckoned from the beginning of the financial year) the details of technology imported	
(b)	The year of import	1986 onwards
(c)	Whether the technology has been fully absorbed	The technology has been absorbed within the period of applicable Technical Assistance Agreement(s). For new models of HVAC system, Radiators, Fans, Motors and Compressor models, the same is being implemented as a part of ongoing process.

<table>
<tr><td>(d)</td><td>If not fully absorbed, areas where absorption has not taken place, and the reason thereof</td><td>Not applicable</td></tr>
<tr><td>(iv)</td><td>The expenditure incurred on Research and Development</td><td>During the year, various major activities in the field of research and development were carried out by the Company in the areas of New Product Development, Application Engineering, Intellectual Property creation, Technical papers publication and presentations, Benchmarking, New capability development of Fan profile design, Participation in National & international Technical events, Technology Exhibitions, SAE Events, New Technology Development, Electric vehicle thermal management solutions, in house testing facility upgradation, Software lab establishment, startups engagements.
(Rs. in Lakhs)
<table><tr><th></th><th>2024-25</th><th>2023-24</th></tr><tr><td>Capital</td><td>55.85</td><td>17.21</td></tr><tr><td>Recurring</td><td>3178.79</td><td>2906.32</td></tr><tr><td>Total expenditure</td><td>3234.64</td><td>2923.53</td></tr><tr><td>Total R&D expenditure as a percentage of net turnover</td><td>0.96%</td><td>0.95%</td></tr></table></td></tr>
<tr><td>C)</td><td colspan="2">FOREIGN EXCHANGE EARNINGS AND OUTGO</td></tr>
<tr><td></td><td></td><td>(Rs. in Lakhs)
<table><tr><th></th><th>2024-25</th><th>2023-24</th></tr><tr><td>Total foreign exchange earned</td><td>27.69</td><td>6.71</td></tr><tr><td>Total foreign exchange outgo</td><td></td><td></td></tr><tr><td>(i) CIF value of imports (Recurring)</td><td>53,712.17</td><td>59,248.32</td></tr><tr><td>(ii) CIF value of imports (Capital Expenditure)</td><td>806.16</td><td>3041.11</td></tr><tr><td>(iii) Expenditure in foreign currency</td><td>6,353.40</td><td>5851.56</td></tr></table></td></tr>
</table>

ANNEXURE-2 TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2025

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

To,

The Members
SUBROS LIMITED
LGF, World Trade Centre, Barakhamba Lane,
New Delhi– 110 001

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board - Processes and Compliance - Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:–

1. The Companies Act, 2013 ("the Act") and rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and bye - laws framed thereunder;
4. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendment thereon;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendment thereon;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period);**
   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit Period);**
   (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period);**
   (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client;
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period);**
   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the audit period)** and
   (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment thereon.
6. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following laws as applicable specifically to the Company:
   i) The Factories Act 1948, and Rules made there under;
   ii) The Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder;
   iii) The Environment Protection Act, 1986 and Rules made thereunder;
   iv) The Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder;
   v) The Contract Labour (Regulation & Abolition) Act, 1970 and Rules made thereunder;
   vi) The Petroleum Act, 1934 and Rules made thereunder;
   vii) The Explosives Act, 1884 and Rules made thereunder;

viii) The Legal Metrology Act, 2009 and Rules made thereunder;

We have also examined compliance with the applicable clause of the following:

i) Secretarial Standard with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;

ii) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

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

7. We further report that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

8. We further report that:-

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting; and

The majority of decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of meetings of the Board of Directors or committee of the Board, as the case may be.

9. We further report that during the audit of the Company no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc.

This report is to be read with our letter of even date which is annexed as "**Annexure-1**" and form an integral part of this report.

For RSM & CO.
Company Secretaries

CS RAVI SHARMA
Partner
FCS: 4468 | COP No.: 3666
UDIN: F004468G000397520
Peer Review No. 978/2020

Date: May 22, 2025
Place: Delhi

Annexure-1

To,
The Members
SUBROS LIMITED

Our Report of even date is to be read along with this letter.

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

For RSM & CO.
Company Secretaries

CS RAVI SHARMA
Partner
FCS: 4468 | COP No.: 3666
UDIN: F004468G000397520
Peer Review No. 978/2020

Date: May 22, 2025
Place: Delhi

ANNEXURE - 3 TO THE DIRECTORS' REPORT

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

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

   Subros endeavors to integrate social and environment concerns in its business operations. The Company demonstrates an increased commitment at all levels in the organization to operate business in an economically, socially and environmentally sustainable manner. The objective of CSR policy is to actively contribute to the social, environmental & economic development of the society.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Vanaja Narayanan Sarna	Chairperson/ Independent, Non-executive	2	2
2	Mr. Arvind Kapur	Member / Independent, Non-executive	2	2
3	Ms. Shradha Suri	Member / Non-Independent, Executive	2	2

3. Provide the web-link(s) where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company**:** https://www.subros.com/investors/corporate-social-responsibility.

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: **Not Applicable**

5. a) Average net profit of the Company as per sub-section(5) of section 135 : **Rs. 8,534 Lakhs**
   b) Two percent of average net profit of the company as per sub-section (5) of section 135 : **Rs. 170.68 Lakhs**
   c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : **NIL**
   d) Amount required to be set-off for the financial year, if any : **NIL**
   e) Total CSR obligation for the financial year [(b)+(c)-(d)] : **Rs. 170.68 Lakhs**

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**Rs.162.68 Lakhs**
   b) Amount spent in Administrative Overheads : **Rs. 8.50 Lakhs**
   c) Amount spent on Impact Assessment, if applicable : **Not Applicable**
   d) Total Amount spent for Financial Year [(a)+(b)+(c)] : **Rs. 171.18 Lakhs**
   e) CSR amount spent or unspent for the Financial Year :

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (Rs. in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub- section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
170.68	NIL				

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

Sl. No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	170.68
(ii)	Total amount spent for the Financial Year	171.18
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	1.74
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	1.74

7. Details of Unspent CSR amount for the preceding three financial years : **NIL**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : **No**

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135 : **Not Applicable**

Parmod Kumar Duggal
(Executive Director & CEO)

Vanaja Narayanan Sarna
(Chairperson, CSR Committee)

Place: New Delhi
Date: March 31, 2025

ANNEXURE - 4 TO THE DIRECTORS' REPORT

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

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

Details of material contracts or arrangements or transactions not at arm's length basis : **Not Applicable**

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

S. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ transactions/ arrangements	Duration of contracts/ transactions Arrangements	Salient terms of contracts/ transactions/ arrangements including, value, if any (Rs. in Crores)	Date of approval by the Board/ Audit Committee	Amount paid as advance, if any
1.	Global Autotech Limited	Entities over which Director and/ or relative has control or joint control (As per Listing Regulations)	Transactions with respect to: (i) sale, purchase, lease and/ or transfer of components, parts, products, goods, materials, assets, services or resources, (ii) reimbursement of expenses including towards availing / providing for sharing/ usage of each other's resources and (iii) transfer of any resources, services or obligations to meet their business requirements.	Ongoing transactions (for details please refer Annexure-1 to the Notice)	281.55	29.01.2024	Nil
2.	Maruti Suzuki India Limited	In terms of Regulation 2(1)(zb)(b) (ii) of Listing Regulations and Common Director	Transactions with respect to: (i) sale, purchase, lease and/ or transfer of components, parts, products, goods, materials, toolings, assets, services or resources, (ii) reimbursement of expenses including towards availing / providing for sharing/ usage of each other's resources and (iii) transfer of any resources, services or obligations to meet their business requirements.	Ongoing transactions (for details please refer Annexure-1 to the Notice)	1751.03	29.01.2024	Nil

S. No.	Name(s) of the related party	Nature of relationship	Nature of contracts/ transactions/ arrangements	Duration of contracts/ transactions Arrangements	Salient terms of contracts/ transactions/ arrangements including, value, if any (Rs. in Crores)	Date of approval by the Board/ Audit Committee	Amount paid as advance, if any
3.	Suzuki Motor Gujarat Private Limited	In terms of Regulation 2(1)(zb)(b) (ii) of Listing Regulations.	Transactions with respect to: (i) sale, purchase, lease and/ or transfer of components, parts, products, goods, materials, assets, services or resources, (ii) reimbursement of expenses including towards availing / providing for sharing/ usage of each other's resources and (iii) transfer of any resources, services or obligations to meet their business requirements.	Ongoing transactions (for details please refer Annexure-1 to the Notice)	1086.61	29.01.2024	Nil

ANNEXURE – 5 TO THE DIRECTORS' REPORT

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

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of Director & Designation	Ratio to median remuneration
Ms. Shradha Suri– Chairperson & Managing Director	96.99%
Mr. Parmod Kumar Duggal, Executive Director & CEO	58.43%

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary, if any, in the financial year:

Name & Designation	Percentage increase in remuneration
Ms. Shradha Suri, Chairperson & Managing Director	Nil
Mr. Parmod Kumar Duggal, Executive Director & CEO	17.32%
Mr. Hemant K. Agarwal, CFO & SVP (Finance)	10.26%
Mr. Kamal Samtani, Company Secretary	4.12%

Notes: (i) The remuneration paid to Independent Directors/ Non-Executive Directors which includes sitting Fees is proportionate to their attendance in Board and Committee meetings and Commission based on Shareholder approval.

(ii) Commission/Performance linked incentive paid to the Executive Directors/KMPs have not been considered in calculation for the percentage increase.

(iii) The percentage increase/(decrease) in the median remuneration of employees in the financial year : **(1.07) %**

(iv) The number of permanent employees on the rolls of Company **3908** as on **31-03-2025.**

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Particulars	31.03.2025
% increase in median salary of employees	(1.07)%
% increase in average salary of managerial personnel	7.93%

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company: **Affirmed that the remuneration is as per remuneration policy of the Company.**

Report on Corporate Governance for the year ended March 31, 2025

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to achieve and maintain the highest standards of Corporate Governance. Subros philosophy on Corporate Governance envisages attainment of the highest levels of transparency in accounting policies, strong and independent Board, accountability and equity in all facets of its operations. It is with this conviction that Subros has formulated procedures, policies and systems that are promoting immaculate Corporate Governance Standards within the Company.

The Securities & Exchange Board of India (SEBI) has notified corporate governance provisions in Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has been complying with these provisions effectively. Your Company acknowledges and believes that all its actions must serve the main goal of enhancing overall stakeholders' value on a sustained basis.

BOARD OF DIRECTORS

The Board currently comprises of twelve Directors, out of which ten are Non-Executive Directors (including six Independent Directors). The Independent Directors have submitted declarations that they meet the criteria of "independence" laid under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as on March 31, 2025. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations.

Composition of Board of Directors and Directors attendance

The Composition and category of the Board of Directors, attendance, directorship and committee position during the financial year 2024-25 are given below:

Name of the Director(s)	Category	No. of Board Meetings attended	Whether attended last AGM	No. of Directorships in other Companies(1)	Committees positions held in other Public Companies (2)	
					Member	Chairperson
Ms. Shradha Suri Chairperson & Managing Director	Non Independent, Executive, Promoter	5 of 5	Yes	5	1	0
Dr. Jyotsna Suri	Non Independent, Non-executive,	4 of 5	Yes	5	1	0
Mr. Hisashi Takeuchi	Non Independent, Non-executive, Nominee Director (3)	5 of 5	No	2	1	0
Mr. Naohisa Kuriyama(6) (Attended by Alternate Director of Mr. Naohisa Kuriyama)	Non Independent, Non-executive, Nominee Director (4)	1 of 5	No	0	0	0
Mr. Yusuke Hara (5)	Non Independent, Non-executive, Nominee Director (4)	0 of 0	NA	0	0	0
Mr. Tomoaki Yoshimori	Non Independent, Non-executive, Nominee Director (4)	5 of 5	Yes	0	0	0
Mr. Parmod Kumar Duggal	Non Independent, executive	5 of 5	Yes	0	1	0
Mr. Arvind Kapur	Independent, Non-executive	5 of 5	Yes	4	2	1
Justice Arjan Kumar Sikri (Retd)	Independent, Non-executive	4 of 5	Yes	1	1	0
Ambassador Deepa Gopalan Wadhwa, IFS (Retd)	Independent, Non-executive	5 of 5	Yes	8	8	1
Mr. Ashok Lavasa, IAS (Retd)	Independent, Non-executive	5 of 5	Yes	1	2	1

Name of the Director(s)	Category	No. of Board Meetings attended	Whether attended last AGM	No. of Directorships in other Companies(1)	Committees positions held in other Public Companies (2)	
					Member	Chairperson
Mrs. Vanaja N. Sarna, IRS (Retd)	Independent, Non-executive	5 of 5	Yes	3	3	1
Ms. Smita Piyush Mankad	Independent, Non-executive	5 of 5	Yes	8	8	2

Notes:

- During the year under review, none of the Independent Directors has resigned from the Board of the Company.

(1) Other than Foreign & Private Companies.

(2) In accordance with Regulation 26 of the Listing Regulations, Membership/Chairpersonship of only Audit Committee and Stakeholders Relationship Committee in all public companies have been considered.

(3) Represents Suzuki Motor Corporation, Japan.

(4) Represents Denso Corporation, Japan.

(5) Mr. Yusuke Hara was appointed as Nominee Director of M/s DENSO Corporation, Japan in place of Mr. Naohisa Kuriyama w.e.f. March 28, 2025.

(6) Mr. Yasuhiro Iida was appointed as Alternate Director to Mr. Naohisa Kuriyama w.e.f. March 29, 2023. His office was vacated on March 28, 2025 due to change in nomination by Denso Corporation, Japan. Mr. Yasuhiro Iida was again appointed as Alternate Director to Mr. Yusuke Hara w.e.f. March 28, 2025.

Name of the listed entities where the person is a director as on March 31, 2025 and the category of directorship

Name of the Director	Directorships in other listed entity	Category of Directorship
Ms. Shradha Suri	Sona BLW Precision Forgings Limited	Non-Executive, Independent Director
Dr. Jyotsna Suri	-	-
Mr. Hisashi Takeuchi	Maruti Suzuki India Limited	Executive Director
Mr. Naohisa Kuriyama	-	-
Dr. Yasuhiro Iida	-	-
Mr. Tomoaki Yoshimori	-	-
Mr. Parmod Kumar Duggal	-	-
Mr. Arvind Kapur	Rico Auto Industries Limited	Executive Director
Justice Arjan Kumar Sikri (Retd)	Bharati Airtel Limited	Non-Executive, Independent Director
Mr. Ashok Lavasa, IAS (Retd)	-	-
Mrs. Vanaja N. Sarna, IRS(Retd)	Borosil Renewables Limited	Non-Executive,Independent Director
	Gujarat State Petronet Limited	Non-Executive,Independent Director
Ms. Smita Piyush Mankad	Swaraj Engines Limited	Non –Executive,Independent Director
	Bajaj Holdings & Investment Limited	Non -Executive,Independent Director
Ambassador Deepa Gopalan Wadhwa, IFS (Retd)	NDR Auto Components Limited	Non-Executive ,Independent Director
	Bengal & Assam Company Limited	Non-Executive,Independent Director
	Artemis Medicare Services limited	Non-Executive,Independent Director
	Sapphire Foods India Limited	Non-Executive,Independent Director
	J.K. Cement Limited	Non-Executive,Independent Director
	J.K Paper Limited	Non-Executive,Independent Director

Number of Board Meetings

During the year under review, five Board meetings were held on May 23, 2024, August 12, 2024, November 7, 2024, January 30, 2025, and March 28, 2025.The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

Disclosure of relationships between directors inter-se

Except Dr. Jyotsna Suri and Ms. Shradha Suri being related to each other, no other directors are inter-se related.

Number of shares and convertible instruments held by non-executive directors

All the non-executive Directors do not hold any equity share in the share capital of the Company except Mr. Arvind Kapur who holds 20986 equity shares. The Company has not issued any convertible instruments to them.

The familiarization programme(s) imparted to independent Directors from time to time is available at https://www.subros.com/investors/independent-directors

The Board has identified the following core skills/expertise/competencies as required in the context of Company's business(es) and sector(s) for it to function effectively and those actually available with the Board:

Name of the Director(s)	Independent/ Administration/ Industry knowledge/ experience	Strategy/Behavioural competencies	Finance/ Technical skills/experience	Risk Management/ Corporate Governance
	Ethics & Compliance	Global Affairs Marketing; Public Relations; CEO/ Senior management experience	Regulatory/ Strategy development and implementation	Environment Team player/ Collaborative; Sound judgment; Integrity and high ethical standards; Mentoring abilities
Ms. Shradha Suri	√	√	√	√
Dr. Jyotsna Suri	√	√	√	√
Mr. Hisashi Takeuchi	√	√	√	√
Mr. Yusuke Hara	√	√	√	√
Mr. Tomoaki Yoshimori	√	√	√	√
Mr. Yasuhiro Iida*	√	√	√	√
Mr. Parmod Kumar Duggal	√	√	√	√
Mr. Arvind Kapur	√	√	√	√
Justice Arjan Kumar Sikri (Retd)	√	√	√	√
Mr. Ashok Lavasa, IAS (Retd)	√	√	√	√
Mrs. Vanaja N. Sarna, IRS (Retd)	√	√	√	√
Ms. Smita Piyush Mankad	√	√	√	√
Ambassador Deepa Gopalan Wadhwa, IFS (Retd)	√	√	√	√

*Alternate to Mr. Yusuke Hara

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the Management.

None of the Independent Directors of the Company have resigned before the expiry of their tenure.

COMMITTEES OF THE BOARD

The Board has constituted a set of Committees with specific terms of reference/scope to focus effectively on the issues and ensure expedient resolution of diverse matters as detailed below:

AUDIT COMMITTEE

The Audit Committee of the Board was constituted on April 30, 2001. The terms of reference are in line with the requirements of Listing Regulations. The Audit Committee has the powers pursuant to Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations which include amongst others:

- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the appointment and removal of auditor, fixation of audit fee and also approval for payment for any other services;
- Reviewing with management the annual financial statements and auditor report before submission to the Board;
- Reviewing with management, performance of statutory and internal auditors and adequacy of internal control systems;
- Reviewing with the management the quarterly/half-yearly/annual Financial Results/ Statements before submission to Board of Directors for approval;

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing seniority, reporting structure coverage & frequency of internal audit;
- Review the functioning of Whistle Blower Policy/Vigil Mechanism.

The Committee reviews the management discussion and analysis of the financial condition and results of operations, statements of significant related party transactions, internal controls and any other matter which may be a part of its terms of reference or referred to by the Board of Directors. The composition of the Audit Committee as on March 31, 2025 along with the details of the meeting held and attended by the members of the Committee during the financial year 2024-25 are detailed below:

Name of Director(s)	Position	Category	Date of Audit Committee Meeting(s)			
			1	2	3	4
			22.05.2024	12.08.2024	07.11.2024	30.01.2025
Mr. Arvind Kapur	Chairman	Independent, Non-Executive	√	√	√	√
Mr. Ashok Lavasa, IAS (Retd)	Member	Independent, Non-Executive	√	√	√	√
Mr. Parmod Kumar Duggal	Member	Non-Independent, Executive	√	√	√	√

During the year, the Audit Committee met four times. The Statutory Auditors, Internal Auditors and Senior Executives of the Company are being invited to the meetings for discussions/deliberations. The Company Secretary acts as a Secretary to the Committee.

Ms. Smita Piyush Mankad was inducted as a Member of Audit Committee w.e.f. 24.04.2025.

NOMINATION AND REMUNERATION COMMITTEE

The Remuneration Committee of the Board of Directors was constituted on October 31, 2002 (renamed as "Nomination and Remuneration Committee" w.e.f. May 26, 2014). The terms of reference are in line with the requirement of Listing Regulations. The Nomination & Remuneration Committee has the powers as provided under Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations which include amongst others:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- Recommended to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and Senior Management;
- Fixation of salary, perquisites etc. of all Executive Directors of the Company at the time of their appointment/re-appointment;
- Deciding commission payable to the Executive Directors;
- Identify persons who qualify to become Directors and who may be appointed in senior management in accordance with criteria laid down and recommend to the Board for their appointment and removal.

The composition of the Nomination & Remuneration Committee as on March 31, 2025 along with the details of the meeting held and attended by the members of the committee during the financial year 2024-25 are detailed below:

Name of Director(s)	Position	Category	Date of Nomination & Remuneration Committee Meeting(s)		
			1	2	3
			16.05.2024	29.01.2025	21.03.2025
Justice Arjun Kumar Sikri (Retd)	Chairman	Independent, Non Executive	√	√	√
Ambassador Deepa Gopalan Wadhwa, IFS (Retd)	Member	Independent, Non-Executive	√	√	√
Ms. Smita Piyush Mankad	Member	Independent, Non-Executive	√	√	√

The Committee met three times during the financial year 2024-25.

The performance evaluation criteria for independent directors are determined by the Nomination & Remuneration Committee. The Nomination & Remuneration Committee has formulated the evaluation criteria for the Independent Directors (based on guidance note issued by SEBI) which is broadly based on qualification, experience, knowledge & competency, fulfillment of functions, ability to function as a team, initiate, availability and attendance, commitment, contribution and integrity.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to Regulation 20 of Listing Regulations and Section 178(5) of the Companies Act, 2013 the Company renamed the existing Shareholders/Investors Grievance Committee as "Stakeholders Relationship Committee". This Committee ensures speedy disposal of all grievances/complaints relating to shareholders/investors. The terms of reference of the Committee include the following:

- To specifically look into complaints received from the shareholders of the Company;
- To redress shareholders and investors complaints such as transfer of shares, non-receipt of shares, non receipt of dividend and to ensure expeditious share transfer process;
- Oversee and review all matters connected with the transfer of the Company's securities;
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

The composition of the Stakeholders Relationship Committee is as under:

Name of Director(s)	Position	Category	Date of Stakeholders Relationship Committee Meeting(s)		
			1	2	3
			29.07.2024	28.10.2024	28.01.2025
Mr. Ashok Lavasa	Chairman	Independent, Non-Executive	√	√	√
Ms. Smita Piyush Mankad	Member	Independent, Non-Executive	√	√	√
Ms. Shradha Suri	Member	Non-Independent, Executive	√	√	√

Mr. Kamal Samtani, Company Secretary is the Compliance Officer of the Company. For any clarification / complaint the shareholders may contact to the Company Secretary at 011-23414946-49, or at the Registered Office of the Company.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Board was constituted on May 26, 2014. The terms of reference of Risk Management Committee are as follows:

- To approve overall risk management framework of the Company;
- Identifying, Analyzing, Evaluating & Treating operational and strategic risks for internal/ external context & regulatory compliances;
- Building & promoting organization's risk work culture by creating Risk awareness through Training & Education of the Company's employees and Handling of conflicting interests;
- Integrating the risk management as part of management control systems.

The composition of the Risk Management Committee as on March 31, 2025 along with the details of the meetings held and attended by the members of the Committee during the financial year 2024-25 are as follows:

Name of Director(s)	Position	Category	Date of Risk Management Committee Meeting (s)	
			1	2
			10.09.2024	19.03.2025
Ambassador Deepa Gopalan Wadhwa, IFS (Retd.)	Chairperson	Independent, Non-Executive	√	√
Mrs. Vanaja N. Sarna, IRS (Retd)	Member	Independent, Non-Executive	√	√
Mr. Parmod Kumar Duggal	Member	Non-Independent, Executive	√	√

The Risk Management Committee met two times during the financial year 2024-25.

Senior Management: The particulars of the Senior Management Personnel:

S. No	Senior management (SMP)	Designations
1	Hemant Kumar Agarwal	CFO & SVP (Finance)
2	Amit Kumar Parashar	EVP & COO (Operations)
3	Sirini Dampur	EVP- Technical Centre
4	Kamal Samtani	Company Secretary

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted a Corporate Social Responsibility Committee (CSR Committee) as required under Section 135 of the Companies Act, 2013 on May 26, 2014. The prime responsibility of the Committee is to assist the Board in discharging its social responsibilities by way of formulating, recommending and monitoring of Annual Action Plan in pursuance of its Corporate Social Responsibility Policy from time to time. The terms of reference of the CSR Committee are as under:

To formulate and recommend to the Board Annual Action Plan in pursuance of its Corporate Social Responsibility Policy and its review from time to time;

To ensure effective implementation and monitoring of the CSR activities as per approved policy, plans and budget;

To ensure compliance with the laws, rules and regulations governing CSR and to periodically report to the Board of Directors;

To ensure compliance with Corporate Governance norms prescribed under Listing Agreement with Stock Exchanges, the Companies Act, 2013 and other statutes or any modification or re-enactment thereof.

The Composition of CSR Committee as on March 31, 2025 along with the details of the meeting held and attended by the members of the Committee during the financial year 2024-25 are as follows:

Name of Director(s)	Position	Category	Date of Corporate Social Responsibility Committee Meeting(s)	
			1	2
			21.10.2024	19.03.2025
Mr. Arvind Kapur	Chairman	Independent, Non-Executive	√	√
Mrs. Vanaja Narayanan Sarna	Member	Independent, Non-Executive	√	√
Ms. Shradha Suri	Member	Non-Independent, Executive	√	√

The CSR Committee met two times during the financial year 2024-25. The CSR Policy of the Company can be viewed on Company's website https://www.subros.com/investors/policies

SEBI Complaints Redressal Systems

SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD1/P/ CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login).

Investor Grievances Redressal

The number of complaints received and redressed during the year 2024-25 is as follows:

S. No.	Nature of complaint	No. of Shareholder's complaint received during 2024-25	Number of complaint during 2024-25 resolved	Number of pending complaints
1	Non-receipt of Dividend	6	6	0
2	Non-receipt of Split Share Certificate	7	7	0
3	Transmission	9	9	0
4	Duplicate	3	3	0
	Total	**25**	**25**	**0**

REMUNERATION OF DIRECTORS

The Non-Executive Directors of the Company are not being paid any remuneration other than the sitting fee(s) for attending the meetings. The detail of sitting fee(s) paid during the year 2024-25 is as given below:

Amount in (Rs.)

Name of Director	Sitting Fees for Board Meetings	Sitting Fees for other Meetings	Commission	Total
Dr. Jyotsna Suri	3,00,000	-	-	3,00,000
Ms. Deepa Gopalan Wadhwa	3,75,000	3,60,000	6,63,239	13,98,239
Mr. Ashok Lavasa	3,75,000	4,35,000	6,63,239	14,73,239
Ms. Vanaja N Sarna	3,75,000	1,75,000	6,63,239	12,13,239
Ms. Smita Mankad	3,75,000	3,60,000	6,63,239	13,98,239
Mr. Arvind Kapur	3,00,000	4,15,000	6,63,239	13,78,239
Mr. Arjan Kumar Sikri	3,00,000	3,00,000	6,63,239	12,63,239
TOTAL	**24,00,000**	**20,45,000**	**39,79,434**	**84,24,434**

Except for payment of rent and sitting fees to Dr. Jyotsna Suri, dividend to Mr. Arvind Kapur, Non-Executive Director, there is no pecuniary relationship or transactions with the non-executive directors.

The remuneration paid/payable to the Chairperson & Managing Director and Executive Director & CEO during the year 2024-25 is as given below:

(Rs. in Lakhs)

S. No.	Name of the Director	Salary & Allowances	Contributions (*)	Commission	Other Benefits (**)	Total
1	Ms. Shradha Suri, Chairperson & Managing Director	214.82	10.97	424.47	1.58	651.84
2	Mr. Parmod Kumar Duggal, Executive Director & CEO	151.72	3.41	0	3.45	158.58
	Total	**366.54**	**14.38**	**424.47**	**5.03**	**810.42**

(*) represents contribution to Provident Fund
(**) represents differential in actuarial gratuity valuation, perquisites and incentives as per rules & policies of the Company.

There is no obligation on the Company to pay severance fees to the Directors. The Company has not granted any stock options to any of its Directors.

GENERAL BODY MEETINGS

a) Particulars of the last three Annual General Meetings (AGM's) of the Company are given below:

S. No.	Particulars	Date	Venue	Time
1	39th AGM (in respect of the year 2023-24)	September 18,2024	Held through Video Conferencing/ Other Audio Visual Means	11.30 a.m.
2	38th AGM (in respect of the year 2022-23)	September 5,2023		11.30 a.m.
3	37th AGM (in respect of the year 2021-22)	August 5,2022		11.00 a.m.

b) The details of Special resolutions passed in AGM in the last 3 years are as follows:

S. No.	AGM	Subject
1	39th AGM (in respect of the year 2023-24)	-
2	38th AGM (in respect of the year 2022-23)	-
3	37th AGM (in respect of the year 2021-22)	Re-appointment of Ms. Shradha Suri as Chairperson & Managing Director of the Company

(a) During the financial year 2024-25, one special resolution was passed by the Shareholder(s) through Postal Ballot process dated 11-03-2025 and the details of voting pattern is as follows:

S. No	Resolutions	No. of Votes Polled	No. & % percentage of votes in favour	No. & % percentage of votes against
1.	Re-appointment of Ms. Shradha Suri (DIN: 00176902) as Chairperson & Managing Director of the Company	5,09,69,479	97.42%	2.58%

(a) Mr. Ravi Sharma (Membership No. FCS 4468 & Certificate of Practice No. 3666), Partner of M/s RSM & Co., Practicing Company Secretaries was appointed as the Scrutinizer for conducting the Postal Ballot/ E-voting process in a fair and transparent manner.

(b) **Details of special resolution proposed to be transacted through postal ballot: None**

(c) The Postal Ballot process was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013 read with the Rules framed there under and applicable circulars issued by the Ministry of Corporate Affairs and the Listing Regulations.

MEANS OF COMMUNICATION TO SHAREHOLDERS

(d) The quarterly, half-yearly and annual financial results of the Company are published in leading English and Hindi newspapers which includes Financial Express and Jansatta. These results are also displayed on the Company's website www.subros.com/investors.html.Officialnews/ press releases and official media releases sent to stock exchange(s) are being disseminated on the Company's website. The presentations are made to institutional investors and financial analysts and the schedule of such analyst or institutional investors meet are also being informed to the stock exchange(s) and put on the Company's website.

GENERAL SHAREHOLDERS INFORMATION

S. No.	Items	Particulars
(a)	Annual General Meeting for FY 2024-25 Day & Date Time Venue	Wednesday, the 17th September, 2025 11.30 A.M. The Company is conducting meeting through VC/ OAVM pursuant to the MCA Circular dated May 5, 2020, January 13, 2021, May 5, 2022, December 28, 2022, September 25, 2023 and September 19, 2024 and other applicable circulars. For details kindly refer to the Notice of this AGM.
(b)	Financial year	April 1, 2024 to March 31, 2025
(c)	Dividend Payment Date	October 16, 2025
(d)	Name and address of each stock exchange(s) Listing Fee(s)	BSE Limited ("BSE") Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 National Stock Exchange of India Limited ("NSE") Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400051 Listing Fee(s) have been paid to BSE and NSE for the FY 2024-25 and FY 2025-26
(h)	Trading of Securities	The securities of the Company are actively traded on BSE and NSE.
(i)	Registrar & Share Transfer Agents	M/s. MCS Share Transfer Agent Limited, 179-180, DSIDC Shed, 3rd Floor Okhla Industrial Area, Phase – 1 New Delhi – 110020
(j)	Share Transfer System	Request received for transmission of shares in physical form being dealt by the RTA within prescribed timelines. In respect of shares held in dematerialized mode, the transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit/credit of the accounts involved.

(k) Distribution of Shareholding as on March 31, 2025 (face value of Rs. 2/- per share)

Shareholdings of Nominal Value of Rs.	No. of Shareholders	%of Shares	No. of Equity Shares held	%of Shares
0001-500	45513	95.12	2588388	3.97
501-1000	1196	2.50	961553	1.47
1001-2000	654	1.36	1009191	1.55
2001-3000	148	0.31	374534	0.57
3001-4000	100	0.21	345878	0.53
4001-5000	57	0.12	273802	0.42
5001-10000	94	0.20	668663	1.03
Above 10000	86	0.18	59013741	90.46
Total	**47848**	**100.00**	**65235750**	**100.00**

(l) Shareholding Pattern as on March 31, 2025

Type	No. of Equity Shares in Demat		No. of Equity Shares in Physical	Total	% of shares
	NSDL (Demat)	CDSL (Demat)			
Promoters	24000000	0	0	24000000	36.79
Foreign Collaborators	20847150	0	0	20847150	31.96
Foreign Institutional Investors	547668	0	0	547668	0.84
Mutual Funds/UT	7296581	0	0	7296581	11.18
Corporate Bodies	2886467	120511	1852550	4859528	7.45
Non-Resident Indian	356654	62233	0	418887	0.64
Trust & Foundations	23402	1000	0	24402	0.04
Indian Public	4137039	2539720	229689	6906448	10.59
IEPF Account	0	335086	0	335086	0.51
TOTAL	**60094961**	**3058550**	**2082239**	**65235750**	**100.00**

S. No.	Items	Particulars
(m)	Dematerialisation of shares & liquidity	As at March 31, 2025 Demat: 46958 Shareholders (98.07% of the Total Shareholders) Demat: 63153511 Shares (96.81% of the Total Shares)
(n)	Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact one quity.	Not Applicable
(o)	Commodity price risk or foreign exchange risk and hedging activities	The Company has in place a Policy on Foreign Exchange Hedging to minimize the financial impact of fluctuating foreign currency exchange rates.
(p)	Plant locations	Noida, Manesar,Pune,Chennai, Karsanpura and Nalagarh
(q)	Address for correspondence	Registered & Corporate Office: LGF, World Trade Centre, Barakhamba Lane, New Delhi 110001.
(r)	Credit Rating	ICRA has upgraded the Long Term Ratings as [ICRA] AA "Stable" and revised Outlook from Positive to stable and re-affirmed the Short Terms Ratings as [ICRA] A1+"Positive".

OTHER DISCLOSURES:

a) The Company has formulated a policy on dealing with the Related Party Transactions. The necessary approval of the Audit Committee, Board of Directors and Shareholders of the Company, are taken, wherever required in accordance with the Policy and the provisions of law. The material Related Party Transaction details are enclosed as Annexure-4 to this Report.

b) The Company has duly complied with the requirement of Listing Agreements with Bombay Stock Exchange, National Stock Exchange, Listing Regulations and other statutory authorities of all matters. No penalty has been imposed on the Company by any of the Stock Exchange or SEBI, or any other statutory authority during the last 3 years relating to the above.

c) Pursuant to Section 177(9) of the Companies Act, 2013, the Company has established Vigil Mechanism/Whistle Blower Policy for its Employees, Vendors, Suppliers and Directors of the Company. The purpose and objective of this Policy is to cover serious concerns that would have a larger impact on image and values of the Company due to incorrect financial reporting or serious improper conduct. The details of the Whistle Blower Policy are explained in the Directors' Report and also posted on the website of the Company www.subros.com/policy.html. It is confirmed that no personnel has been denied access to the Audit Committee.

d) The Company has complied with all mandatory requirements prescribed under Regulation 27 of the Listing Regulations. The Company has not adopted any non-mandatory requirements of Regulation 27 of the Listing Regulations.

e) The Company has not adopted a policy on material subsidiaries as there is no operating subsidiary company.

f) The policy on related party is available on the website of the Company www.subros.com/policy.html.

g) The Company has minimal risks for the commodity prices movement as it is back to back compensated by the OEMs on periodical basis.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):Not applicable

i) A certificate of Company Secretary in practice confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed herewith as part of this report.

j) Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year: Nil

k) The details of fees paid to the Statutory Auditors are given in Note 21(a) to the Standalone Financial Statements and Note 21(a) to the Consolidated Financial Statements.

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

Number of complaints filed during the financial year: NIL

Number of complaints disposed off during the financial year: NIL

Number of complaints pending at end of the financial year: NIL

(m) The Company does not have any subsidiary. Details of Loans & Advances in the nature of Loans given by the Company to firms/companies in which directors are interested: NIL

NON COMPLIANCE OF ANY REQUIREMENT OF CGR

The Company has complied with all the requirements of corporate governance as stipulated in the Listing Regulations.

DISCRETIONARY REQUIREMENT

The Board: A non-executive chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his/her duties: The Chairperson of the Company is an Executive Director and hence this provision is not applicable on the Company.

Shareholder Rights: Quarterly Financial Statements are published in newspapers and uploaded on Company's website.

Modified opinion(s) in Audit Report: During the year under review, there is no audit qualification on the Company's financial statements and the statutory auditors have not issued any modified opinion.

Independent Directors: During the financial year ended 31st March, 2025 the Company conducted one meeting of the Independent Directors without the presence of Non-Executive Directors and members of the management. All the Independent Directors attended the said meeting.

Reporting of Internal Auditor: The internal auditors of the Company have direct access to the Audit Committee.

EQUITY SHARES IN THE SUSPENSE ACCOUNT

In accordance with the requirements of the Listing Regulations there are no equity shares in the suspense account.

Disclosure of certain types of agreements binding listed entities

(1) Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations.- None

COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS OF REGULATION 27 OF THE LISTING REGULATIONS

(2) The Company has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (I) of Sub-regulation (2) of Regulation 46 of the Listing Regulations.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

All Directors and senior management personnel of the Company have affirmed compliance with Company's Code of Conduct for the financial year ended March 31, 2025.

Parmod Kumar Duggal
Executive Director & CEO

Place: Noida
Dated: May 22, 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members
SUBROS LIMITED
LGF, World Trade Centre,
Barakhamba Lane,
NewDelhi–110001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SUBROS LIMITED having CIN L74899DL1985PLC020134 and having registered office at LGF, World Trade Centre, Barakhamba Road, New Delhi-110001 (herein after referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the Financial Year ended on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company, and our responsibility is to express an opinion on these based on our verification, This certificate is neither an assurance as to the future viability of the Company or of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RSM & Co.**
Company Secretaries
FRN: P1997DE017000
CS RAVI SHARMA
Partner
FCS: 4468 | C.P. No.:3666
UDIN: F004468F000428023
Peer Review No.: 978/2020

Date: 22nd May, 2025
Place: Delhi

COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE

To,

The Members
SUBROS LIMITED
CIN: L74899DL1985PLC020134
LGF, World Trade Centre, Barakhamba Lane,
New Delhi–110 001

We have examined the compliance of conditions of Corporate Governance by SUBROS LIMITED ("the Company") for the year ended 31st March, 2025, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

1. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
2. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable.
3. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RSM & Co.**
Company Secretaries
FRN: P1997DE017000
CS RAVI SHARMA
Partner
FCS: 4468 | C.P. No.:3666
UDIN: F004468F000428023
Peer Review No.: 978/2020

Date: 22nd May, 2025
Place: Delhi

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Company:	L74899DL1985PLC020134
2.	Name of the Company:	SUBROS LIMITED
3.	Year of Incorporation:	1985
4.	Registered Office Address:	LGF, World Trade Centre, Barakhamba Lane, New Delhi-110001
5.	Corporate Address:	LGF, World Trade Centre, Barakhamba Lane, New Delhi-110001
6.	E-mail id:	kamal.samtani@subros.com
7.	Telephone:	011-23414946 - 49
8.	Website:	www.subros.com
9.	Financial Year reported:	2024-25
10.	Name of the Stock Exchange(s) where shares are listed:	BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE)
11.	Paid-up Capital:	Rs. 13.05 Crores
12.	Name and contact detail (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Mr. Parmod Kumar Duggal Executive Director & CEO Tel. No. 0120-4021000 Email-pduggal@subros.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis(i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures in this report are prepared on a standalone basis.
14.	Name of assurance provider	Not Applicable
15.	Type of assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of Thermal Products	The Company manufacturers air conditioning systems/ parts and components (automotive/residential/ commercial) and are majorly sold to original equipment manufacturers	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacturing of Air Conditioning systems, including Compressors, HVAC System and radiators	34300	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	9	16	25
International	-	-	

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	15
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The exports are negligible (0.01%).

c. A brief on types of customers:

The sales follow a Business-to-Business (B2B) model, primarily catering to original equipment manufacturers (OEMs) in sectors such as passenger cars, commercial vehicles, air conditioners, railways, etc.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	1269	1200	95%	69	5%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total employees (D + E)**	**1269**	**1200**	**95%**	**69**	**5%**
	WORKERS					
4.	Permanent (F)	2639	2368	90%	271	10%
5.	Other than Permanent (G)	2102	2051	98%	51	2%
6.	**Total workers (F + G)**	**4741**	**4419**	**93%**	**322**	**7%**

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	6	4	67%	2	33.3%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees(D + E)**	**6**	**4**	**67%**	**2**	**33.3%**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	17	16	94%	1	5.9%
5.	Other than permanent (G)	0	0	0	0	0
6.	**Total differently abled workers (F + G)**	**17**	**16**	**94%**	**1**	**5.9%**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	12	5	41.67%
Key Management Personnel	4	1	25%

22. Turnover rate for permanent employees and workers: Trends for the past 3 years

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	19%	11%	19%	18%	22%	20%	19%	33%	26%
Permanent Workers	43%	74%	46%	31%	55%	43%	28%	47%	38%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ subsidiary/ associate/ joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in Business Responsibility initiatives of the listed entity? (Yes/No)
1	DENSO Subros Thermal Engineering Centre India Private Limited	Associate	26%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)- Yes
(ii) Turnover (in Rs.) : 3367.57 Crores
(iii) Net worth (in Rs.): 1093.93 Crores

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes**	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	Yes**	Nil	Nil	NA	Nil	Nil	NA
Shareholders	Yes*	Nil	Nil	NA	Nil	Nil	NA
Employees and workers	Yes*	Nil	Nil	NA	Nil	Nil	NA
Customers	Yes**	Nil	Nil	NA	Nil	Nil	NA
Value Chain Partners	Yes**	Nil	Nil	NA	Nil	Nil	NA
Other (please specify)	-	-	-	-	-	-	-

* https://www.subros.com/investors/policies
** The Grievance Redressal Policy is available on the Subros intranet platform.

26. Overview of the entity's material responsible business conduct issues –

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk Or opportunity (R/O)	Rationale for Identifying the risk / opportunity	In case of risk, Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	GHG Emission	R	Increased production and customer demand may result in higher emissions, impacting compliance and environmental performance.	Adoption of innovative, low-carbon technologies and emission-reduction practices.	Negative – Requires capital investment in emission-reduction technologies.
2.	Energy Management	O	Reduction in the power cost through investments in renewable energy, cost effective equipment and support environmental sustainability commitments.	NA	Positive – Operational cost reduction through optimization in energy consumption and cost.

S. No.	Material issue identified	Indicate whether risk Or opportunity (R/O)	Rationale for Identifying the risk / opportunity	In case of risk, Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Employee Health & Safety	R	Legal compliance. Accidents/ incidents in the plants. In hygiene food/water. Productivity degradation.	Regular safety trainings, regular health check-ups/ coverage through insurance, in house dispensary, ambulance, safety protocols in machine safety systems. fire extinguisher, safety audit.	Positive – Minimize productivity losses, high employee morale, Risk transfer improves long-term operational continuity.
4.	Waste Management	O	Environmental protection, public health improvements and economic advantages and reduce material costs.	Adopted the use of regrind materials, implemented paperless approval systems, and initiated year-on-year waste reduction programs. Additionally, we have contractual arrangements with the authorized waste disposal agencies. Also engaging with our supply chain partners to adhere the waste management guidelines.	Positive – Minimize pollution, conserve resources and reduces strain on landfill, cost optimization, and improve air and water quality
5.	Water Management	R	Water scarcity may pose operational challenge risks due to reduction in ground water level.	Use of treated and STP water, zero discharge efforts for plants and for other utilities. The Company has been working on process optimization to reduce consumption. Water harvesting measures taken to conserve ground water.	Positive – Enhances water stewardship and operational reliability.
6.	Labour Management	R	Labour availability, strikes, union, increased labour cost due to dynamic regulation changes/laws, retaining skilled manpower, and higher attrition.	Engaging, workforce through government schemes, ITI, polytech and other technical institutes. Matching salary/wages with the industry standards, robust legal compliance framework. And implementation of welfare activities.	Negative – Non-compliance may result in penalties or legal consequences.

S. No.	Material issue identified	Indicate whether risk Or opportunity (R/O)	Rationale for Identifying the risk / opportunity	In case of risk, Approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Supply Chain Management	R	Regulatory changes affecting the supply chain, anti dumping duties for imports, adverse global geopolitical situations, logistic issues, competitiveness and cost.	Rigorous plans for the localization, deployment of business continuity and Risk Management Plans to manage supply-related disruptions.	Positive – Dependence on imports will be reduced with localization. Strengthening of supply chain improves operational stability and cost-efficiency.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	(1)	(1)	(1)	(2)	(1)	(3)	(1)	(1)	(1)
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Note: 1. Code of the Company: http://www.subros.com/code-conduct-ethics.html 2. Policies: http://www.subros.com/policy.html 3. Environment Policy: http://www.subros.com/policy.html									
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	No	No	Yes	Yes	No	No	No
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	IATF-16949:2016 EMS- ISO-14001:2015 OH & SMS- ISO-45001:2018 ERM- ISO-31000: 2018								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has defined long-term goals and actively exploring opportunities in alignment of its short-term commitments and targets with clear and measurable timelines.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.	Sustainability lies at the core of the Company's values and shapes it's approach to product design. In addition to the Company's commitment to ethical business practices that create long-term value for the community and it's workforce, strategic plan includes a phased transition to renewable energy, with a goal of meeting upto 50% of the energy needs through renewable sources. Gases: R134a, R404a, R1234YF, and R32 have been selected for their low environmental impact and compatibility with renewable energy systems. Through the use of these gases, the Company actively works to minimize its environmental footprint while progressing toward its renewable energy target.								

	Scope 1 and 2 emissions: The Company focus on managing these emissions to ensure that it's operations are in line with it's renewable energy objectives, thereby supporting a more sustainable future.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Parmod Kumar Duggal (Executive Director and CEO)
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Mr. Parmod Kumar Duggal (Executive Director and CEO)

10. Details of Review of NGRBCs by the Company:

Subject for Review	**Indicate whether Review was Undertaken by Director/ Committee of the Board/ Any other Committee**									**Frequency (Annually/ Half yearly/ Quarterly/ Any other- please specify)**								
	P1	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Performance against above policies and follow up action	Yes, by the Board of Directors									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, by the Board of Directors									Quarterly								
11. Has the Company carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	**P1 No**	**P2 No**	**P3 No**	**P4 No**	**P5 No**	**P6 No**	**P7 No**	**P8 No**	**P9 No**	**P1 No**	**P2 No**	**P3 No**	**P4 No**	**P5 No**	**P6 No**	**P7 No**	**P8 No**	**P9 No**

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	**P1**	**P2**	**P3**	**P4**	**P1 P5**	**P1 P6**	**P7**	**P8**	**P9**
The Company does not consider the principles material to its business	Not Applicable								
The Company is not at a stage where it is in a position to formulate and implement the policies on specified principles									
The Company does not have the financial or/human and technical resources available for the task									
It is planned to be done in the next financial year									
Any other reason									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of people in respective category covered by the awareness programmes
Board of Directors	5	• Sustainability roadmap • ESG risks and opportunities • Regulatory updates (e.g., SEBI BRSR) • Environmental, Health & Safety (EHS) matters The training and awareness program have strengthened the governance framework, enabling informed, timely, and strategic decision-making aligned with sustainability and regulatory priorities, thereby enhancing stakeholder confidence and long-term value creation.	100%
Key Managerial Personnel	12	• ESG principles • Fire safety protocols • Information Security Management System (ISMS) • Enterprise Risk Management (ERM) • Six Sigma • Employee & Company Policies • Integrated Management System (IMS: IATF, EMS, OH&SMS) The training sessions strengthened leadership capabilities in strategic oversight, risk awareness, and integrated management systems. This enhanced compliance consciousness and operational excellence, resulting in improved regulatory adherence and mitigation of non-compliance risks.	100%
Employees other than BoD and KMPs	286	• Code of Conduct & Ethics • Company policies and procedures • Fire safety drills & workplace safety • Social responsibility and ESG principles • Risk management & waste management • 5S, DOJO, 7Quality control Tools, Process Failure Mode and Effects Analysis (PFMEA) The training program helped build a safety-conscious, responsible, and quality-driven workforce across operational and support functions, while also enhancing awareness of health and safety measures, ethical practices, and the legal rights of relevant stakeholders.	64%
Workers	178	• Code of Conduct & Company policies • Ethics and workplace behavior • Safety awareness and fire drills • Social responsibility and sustainability • Waste and risk management • 5S, DOJO, Daily Work Management (DWM) • Operational risk control • Factories Act awareness	41%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of people in respective category covered by the awareness programmes
		These initiatives were designed to foster a strong safety culture, promote operational discipline, and raise awareness of sustainable practices among workers on the shop floor. As a result, workers not only improved their skills but also contributed to minimizing accident risks, enhancing overall safety, and supporting the implementation of sustainable work habits.	

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:

Monetary					
	NGRBC Principle	**Name of regulatory/ enforcement agencies/judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/fine	Not Applicable				
Settlement					
Compounding fees					
Non-Monetary					
	NGRBC Principle	**Name of regulatory/ enforcement agencies/judicial institutions**		**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/fine	Not Applicable				
Settlement					
Compounding fees					

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company has a policy against corruption and bribery that applies to Directors, Senior Management, employees and all relevant stakeholders. This policy requires everyone to uphold the highest standards of ethical conduct and integrity, and to perform their duties to the best of their ability and judgment. web-link http://www.subros.com/investors/policies

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2024-25	FY 2023-24
Directors	None	None
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

	FY 2024-25		FY 2023-24	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Not applicable	Nil	Not Applicable

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Not applicable	Nil	Not Applicable

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

Not applicable

8. Number of days of accounts payables (Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25	FY 2023-24
Number of days of accounts payables	84.08	81.20

9. Open-ness of business;

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024- 25	FY 2023- 24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	None	None
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	3%	2.50%
	b. Number of dealers / distributors to whom sales are made	83	91
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	69%	52%
Share of RPTs in sales	a. Purchases (Purchases with related parties /Total Purchases)	19.90%	20.17%
	b. Sales (Sales to related parties / Total Sales)	85.31%	86.24%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.00	0.00
	d. Investments (Investments in related parties / Total Investments made)	1.48%	37.08%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year: -

Total number of awareness programmes held	Topics / principles covered under thetraining	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
None		

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Company has established policies and procedures to effectively manage conflicts of interest. These include a Vigil Mechanism, Corporate Gifting Policy, Code of Conduct, and Insider Trading Policy. Additionally, all employees are required to disclose any personal interest they have in material, financial, and commercial transactions that could potentially conflict with the interests of the Company.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D (recurring)	100%	100%	Development of the product energy efficiency and use of the Green Gases.
R&D (capex)	100%	100%	

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   Yes

   b. If yes, what percentage of inputs was sourced sustainably?

   100%. The Company is fully committed to green procurement, placing strong emphasis on the careful selection, evaluation, and auditing of suppliers based on their sustainability practices and regulatory compliance. Given the wide variety of materials sourced from multiple suppliers, accurately quantifying the percentage of recycled content is challenging. Nonetheless, decisions related to the use of recycled materials are made in consultation with OEMs, taking into account the scale and specific requirements of the business.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste. -**

   The Company's operations are guided by processes designed to reduce waste generation through the implementation of innovative technologies and ideas. These processes are systematically reviewed at each stage of the production cycle to maintain system effectiveness. However, since the Company's products are integrated into vehicles produced by Original Equipment Manufacturers (OEMs), accurately determining the product's exact lifespan remains a challenge; hence end-of-life recovery support is not provided by the Company as of now. Additionally, the Company has contractual arrangements with the authorized waste disposal agencies. The Company has been also engaging with it's supply chain partners to adhere the waste management guidelines.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Yes. The waste collection plans are in line with regulations and are applicable to one of the plants in the Consumer AC segment.

Leadership Indicators –

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain(Yes/No) If yes, provide the web-link.
Nil					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product /Service	Description of the risk /concern	Action Taken
Nil		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25	FY 2023-24
The input materials are being re-used/re-cycled in the manufacturing process, wherever feasible.		

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Waste, if any generated is disposed-off through approved agencies at the end of the life.					
E-waste						
Hazardous waste						
Other waste						

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. **a. Details of measures for the well-being of employees:-**

Category	% of employees covered by										
	Total(A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	1200	1200	100%	1189	99.08%	0	0	NA	NA	575	47.92%
Female	69	69	100%	69	100.00%	69	100%	NA	NA	35	50.72%
Total	**1269**	**1269**	**100%**	**1258**	**99.13%**	**69**	**100%**	**NA**	**NA**	**610**	**48.07%**
Other than Permanent employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	2368	2368	100%	1332	56.25%	0	0	NA	NA	1523	64.32%
Female	271	271	100%	186	68.63%	271	100%	NA	NA	219	80.81%
Total	**2639**	**2639**	**100%**	**1518**	**57.52%**	**271**	**100%**	**NA**	**NA**	**1742**	**66.01%**
Other than Permanent workers											
Male	2051	2051	100%	2051	100%	0	0	NA	NA	1329	64.80%
Female	51	51	100%	51	100%	51	100%	NA	NA	22	43.14%
Total	**2102**	**2102**	**100%**	**2102**	**100%**	**51**	**100%**	**NA**	**NA**	**1351**	**64.27%**

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the Company	0.09%	0.10%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	NA	100%	100%	NA
ESI	100%	100%	Yes	100%	100%	Yes
Others – Workmen Compensation*	100%	100%	NA	100%	100%	NA

* Wherever applicable

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company is dedicated to ensure that all its locations are accessible and inclusive for individuals with differently abled persons, promoting ease of access to office spaces. Measures implemented include the installation of ramps and handrails, availability of wheelchairs, and the designation of accessible seating and parking areas, tailored to the needs of each facility. Efforts are also underway to provide accessible washrooms across all locations.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company has established a framework that promotes equal opportunities, emphasizing gender equality, education, training, and innovation, free from any form of discrimination. It maintains an Equal Opportunities Policy, available to all employees via the intranet, which ensures non-discrimination on the basis of disability, race, gender, age, religion, sexual orientation, or other personal beliefs. The Company remains committed to advancing equal opportunities for individuals with disabilities across all aspects of employment, including recruitment, training, promotion, and workplace conditions. The policy is available at https://www.subros.com/investors/policies

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	-	-	-	-
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	The Company has implemented a comprehensive and fair online grievance redressal system, ensuring employee concerns are addressed transparently and promptly. The grievance system is supported by specialized committees, each focusing on specific aspects of workplace welfare: • **Internal Complaints Committee (ICC):** Handles cases of sexual harassment, providing a confidential platform for employees to raise concerns. • **Works Committee:** Facilitates communication between management and employees or workers on workplace conditions and operational issues. • **Safety Committee:** Focuses on maintaining a safe work environment, addressing concerns related to workplace safety and health standards. • **Canteen Committee:** Oversees the quality and availability of food services for employees. • **Transport Committee:** Ensures safe and efficient transport arrangements for workers. These committees collaborate to resolve grievances, promote employee well-being, and foster a positive organizational culture.

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees						
Male	1200	0	0%	1089	0	0%
Female	69	0	0%	38	0	0%
Total Permanent Workers						
Male	2368	192	8.11%	2378	204	8.58%
Female	271	0	0%	183	0	0%

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total(A)	On Health and safety measures		On Skill Upgradation		Total (D)	On Health and safety measures		On Skill Upgradation	
		No.(B)	% (B/A)	No.(C)	% (C/A)		No.(E)	% (E/D)	No. (F)	% (F / D)
Employees										
Male	1200	576	48.00%	1080	90.15%	1089	590	54.15%	1019	94%
Female	69	43	62.32%	64	91.43%	38	24	63.16%	33	87%
Total	**1269**	**619**	**48.78%**	**1144**	**90.22%**	**1127**	**614**	**54.48%**	**1052**	**93%**
Workers										
Male	2368	563	23.78%	1698	71.71%	2378	487	20.48%	1274	54%
Female	271	166	61.25%	271	100%	183	96	52.46%	174	95%
Total	**2639**	**729**	**27.62%**	**1969**	**74.61%**	**2561**	**583**	**22.76%**	**1448**	**57%**

9. Details of performance and career development reviews of employees and workers:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1200	1145	95.42%	1089	0	0%
Female	69	47	68.12%	38	0	0%
Total	**1269**	**1192**	**93.93%**	**1127**	**0**	**0%**
Workers						
Male	2368	2352	99.32%	2378	204	8.58%
Female	271	261	96.31%	183	0	0%
Total	**2639**	**2613**	**99.01%**	**2561**	**204**	**8.58%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

The Company has established a comprehensive Occupational Health and Safety Management System (OHSMS), incorporating documented policies and procedures, regular risk assessments, and ongoing training programs for employees and workers. The Company has robust emergency preparedness plans in place and conducts continuous monitoring and evaluation to ensure the system's effectiveness. Top management regularly reviews the OHSMS to assess its relevance and performance, fostering a culture of continuous improvement and active employee participation. Furthermore, The Company's operations are ISO 45001 certified, underscoring its commitment to the highest standards of health and safety for all stakeholders, including business partners and vendors.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company conducts regular internal and external audits to uphold a rigorous evaluation process and ensure compliance with regulatory standards. As part of its proactive risk management strategy, it has implemented Hazard Identification and Risk Assessment (HIRA) across all departments to detect potential hazards early and implement effective mitigation measures.

Departments are encouraged to identify key operational risks, integrating safety considerations into daily activities. Near-miss reporting is actively promoted as a critical tool for preventing accidents by addressing issues before they result in harm. This fosters a culture of transparency and continuous improvement in workplace safety.

All safety protocols are strictly enforced in line with applicable Factory and Labor Acts, reflecting the Company's unwavering commitment to legal compliance and employee well-being. Through these measures, the Company not only safeguards its workforce but also reinforces its dedication to responsible and sustainable operations.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the Company has established comprehensive procedures that empower employees to report work-related hazards and remove themselves from potentially dangerous situations without fear of retaliation. These protocols are part of a well-structured hazard reporting system designed to promote transparency and responsiveness. Employees and Workers are encouraged to actively engage in identifying risks, which are then assessed and addressed in a timely manner. In addition to the formal reporting channels, the Company promotes a culture of continuous improvement through regular Kaizen initiatives. These initiatives foster employee involvement and innovation, ensuring that workplace safety and operational efficiency are constantly being enhanced at all levels.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, Employees and Workers are covered under ESIC, medical insurance, or accidental insurance, ensuring access to essential healthcare services. The Company also offers non-occupational health support through on-site dispensaries at all locations for immediate medical care. This coverage is complemented by regular health check-ups, health awareness sessions, and wellness programs such as yoga, aimed at promoting physical and mental well-being.

Additionally, the Company collaborates with hospitals and pathology centers to provide employees and workers with seamless access to specialized care and diagnostic services. These initiatives reflect the Company's commitment to supporting employee health and wellness beyond occupational safety, fostering a culture of preventive care and ensuring employees/ workers overall well-being.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate(LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	0.1161	NIL
Total recordable work-related injuries	Employees	Nil	NIL
	Workers	1	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

* Including the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

To maintain a safe and healthy workplace, the Company has implemented a range of facilities and initiatives, as detailed below:

1. The Company has developed a comprehensive EHS policy to ensure consistent Occupational Safety and Health standards across all locations.
2. It foster a culture of safety through a Safety Rating system that evaluates plant performance and acknowledges top performers.
3. It's safety practices include hazard identification & risk assessment (HIRA), audits & inspections, incident reporting, work permit systems, Heinrich pyramid, Safety SOPs, check sheets, best practices & alerts, healthcare services, and regular health check-ups, all of which are supported by technology for enhanced effectiveness.
4. Safety month is celebrated, and awareness programs such as classroom training and Nukkad Natak are organized

5. The Company conducts regular workplace monitoring and adheres to the Factories Act 1948 and state-specific regulations to ensure the health and safety of all stakeholders.
6. The Company provide all workers involved in operations with personal protective equipment (PPE), ensuring full compliance.
7. To promote employee health and well-being, Subros organizes routine health check-ups and blood donation camps.
8. The Company has Occupational Health Centres (OHCs) on-site and partnerships with local hospitals to offer prompt medical care.
9. Safety weeks and safety months are observed to further embed a strong safety culture within the organization.

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	No complaints registered	-	-	No complaints registered
Health & Safety	-	-		-	-	

14. Assessments for the year:

	% of your plants and offices that were Assessed (by Company or Statutory Authorities or Third Parties)
Health and safety practices	100%
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company strictly adheres to behavior-based safety procedures, with a particular emphasis on incident and near-miss reporting. Safety-themed months and activities are often arranged, and safety is prominently mentioned in Long Term Settlement (LTS) and employee appointment letters. Furthermore, the Company has a zero-tolerance stance for safety practice infractions. Additionally, safety guards and human organ sensors are installed on each press machine, with safety guard rails placed where necessary to ensure the safe movement of personnel and machinery.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, specific benefits of insurance are provided to employees/workers in the event of mishaps, to support employees' families in the event of the death.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures the collection of all documentary evidence for the deduction and deposit of statutory dues, supported by management declarations. Additionally, it holds payments to value chain partners in case of defaults.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	-	-	-	-
Workers	1	-	1	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, the Company does not provide transition assistance programs. Instead, a lump sum amount is given to unionized members after their retirement to help them settle into post-retirement life.

5. **Details on assessment of value chain partners :** Nil

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

No such risks or concerns were identified during the year.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

Key stakeholders, including women, union-associated employees, trainees under skill-upgradation frameworks, and vendor partners, play a pivotal role in influencing the Company's business and driving value. Their contributions and interactions are fundamental to it's growth and success. By engaging with these groups, the Company align it's strategies with their expectations and needs, fostering strong, mutually beneficial relationships. These stakeholder groups are integrated into the Company's overall framework, governed by policies and procedures, ensuring that each is represented and actively involved in decision-making. Transparent communication and collaboration are prioritized, enabling us to identify opportunities, address challenges, and enhance overall performance. By recognizing the significance of these stakeholders, the Company ensure it's business remains responsive, resilient, and aligned with their interests, contributing to sustainable success.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholders Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement. Community Meetings, Notice Board, website, Others)	Frequency of engagement (Annually/ Half yearly/ quarterly/ others- please specify)	Purpose and scope of engagement including Key topics and concerns raised during such engagement
Employees and Workers	No	Emails, Internet/Intranet Meetings, Safety Meeting, Notice Board, Newsletters etc	Regular	Collective knowledge and experience, capacity building, productivity enhancement, Training and development, physical safety, work related safety, human and legal rights, work related issues, Workplace culture, industrial harmony, well beings, and facilities etc
Investors/ Shareholders	No	Annual report, Meetings, Calls, Newspaper, Advertisement, E-mail, SMS, Press releases, Stock exchanges and Company's website., CSR Initiatives	On-going /need basis	To nurture strong relationships, stay informed about market trends, enhance trust in the brand, and keep shareholders updated while gathering their feedback.
Regulatory Authorities	No	Various industry and regulatory forums, and meetings. One-on-one discussions with various executive officials at prudential meetings as well as onsite meetings.	As and when required	To maintain open, honest, and transparent relationships and ensure compliance with all legal and regulatory requirements.
Vendor Partners	No	Meetings, Emails, SMS, Website, extra net etc	On-going	To ensure a consistent and timely supply of goods and services for operations, RFQ management while promoting responsible practices throughout the supply chain.
Customers	No	Meetings, Website, Press releases, Stock Exchanges announcements, Regulatory filings, Conferences/calls, Social media etc.	On-going	Business awards negotiations, RFQ responses, Claim settlements, Design and Product approval and other activities associated with the business.
Communities	No	CSR Meetings, Emails, Website, Trade shows, Fairs etc	Regular	Community engagements, grievances, and feedback.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Stakeholder and Board consultations on economic, environmental, and social matters are managed through structured, delegated processes to ensure consistent communication and engagement. Management receives detailed monthly or quarterly summaries and meeting minutes, which are carefully reviewed to keep them informed on key issues and developments. These reports serve as an essential tool for monitoring progress and addressing concerns raised by stakeholders.

   Additionally, functional presentations are conducted to highlight critical topics, ensuring that relevant departments and teams provide comprehensive insights to the Board. Risk management committee discussions further facilitate the identification of potential risks and provide a platform for addressing them. Business reviews offer a strategic forum to relay feedback from consultations, allowing the Board to make informed decisions while aligning business goals with stakeholder expectations and broader societal considerations.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, the Company actively engages stakeholders through various channels, including surveys, audits, meetings, and feedback mechanisms. These platforms provide valuable insights into key areas of concern and opportunity, such as energy efficiency, workplace safety, and community development. The inputs received are carefully considered and integrated into the Company's policies and operational improvements to drive sustainability and enhance performance.

   Additionally, stakeholder feedback plays a significant role in shaping the Company's Corporate Social Responsibility (CSR) initiatives, ensuring that these efforts align with both business objectives and the broader needs of the community. This approach fosters a collaborative environment and ensures continuous improvement across operations.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   None

PRINCIPLE 5: Businesses should respect and promote human rights.

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:-**

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	1269	752	59.26%	1127	455	40%
Other than permanent	0	0	0	0	0	0
Total Employees	**1269**	**752**	**59.26%**	**1127**	**455**	**40%**
Workers						
Permanent	2639	1093	41.42%	2561	614	24%
Other than permanent	2102	0	0	1310	0	0
Total Workers	**4741**	**1093**	**23.05%**	**3871**	**0**	**24%**

2. **Details of minimum wages paid to employees and workers, in the following format: -**

Category	FY 2024-25					FY 2023-24				
	Total(A)	Equal Minimum Wage To		More than Minimum Wage		Total(D)	Equal Minimum Wage to		More than Minimum Wage	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No.(E)	%(E/D)	No.(F)	% (F/D)
Employees										
Permanent										
Male	1200	–	–	1200	100%	1089	–	–	1089	100%

Category	FY 2024-25					FY 2023-24				
	Total(A)	Equal Minimum Wage To		More than Minimum Wage		Total(D)	Equal Minimum Wage to		More than Minimum Wage	
		No.(B)	% (B/A)	No. (C)	% (C/A)		No.(E)	%(E/D)	No.(F)	% (F/D)
Employees										
Female	69	–	–	69	100%	38	–	–	38	100%
Other Than Permanent										
Male	–	–	–	–	–	–	–	–	–	–
Female	–	–	–	–	–	–	–	–	–	–
Workers										
Permanent										
Male	2368	–	–	2368	100%	2378	–	–	2378	100%
Female	271	–	–	271	100%	183	–	–	183	100%
Other than Permanent										
Male	2051	–	–	2051	100%	1310	–	–	1310	100%
Female	51	–	–	51	100%	–	–	–	–	100%

3. Details of remuneration/salary/wages

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors(BoD)	1**	139.37	1*	226.92
Key Managerial Personnel	2**	129.21	0	0
Employees otherthan BoD and KMP	1197	65050	69	54167
Workers	2368	16763	271	15234

* Represent remuneration (other than commission) of Chairperson & Managing Director (in Rs. Lakhs)

** Represent remuneration (other than performance linked incentives) (in Rs. Lakhs)

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	4.62%	2.00%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) -

Yes, the Company has established clear roles for managing human rights concerns across its operations. At each plant, Local Plant HR representatives and Plant Heads are tasked with handling initial issues and resolving them at the local level. If a matter cannot be addressed or requires further attention, it is escalated to Central HR at the corporate level for a more comprehensive review and resolution. This process ensures efficient handling of concerns while maintaining consistency across all locations.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company regards respect for human rights as a core value and is committed to actively supporting, protecting, and promoting these rights. It ensures fair and ethical practices in both business and employment. This commitment includes fostering a safe, inclusive workplace for all employees, irrespective of ethnicity, sexual orientation, gender, or disability. Employees are encouraged to voice concerns to their supervisors, HR, legal and compliance teams, or senior management, with a designated officer available to promptly address any issues. The Company firmly opposes child labor, forced labor, and any such practices.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour /Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human Rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company is committed to providing equal opportunities to all individuals and is intolerant of discrimination and/or harassment based on race, sex, nationality, religion, age, gender identification, expression etc. The Company's comprehensive framework includes policies on whistleblowing and the prevention of sexual harassment (POSH), designed to safeguard complainants from adverse consequences. These policies ensure impartial treatment for all employees, without prejudice based on disability, race, gender, age, religion, sexual orientation, or other beliefs.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the Company includes human rights provisions in all its agreements and contracts. These provisions cover essential aspects such as the implementation of safety measures, compliance with minimum wage standards, payment of statutory dues, and the employment of adult workers. By incorporating these provisions, the Company ensures that its operations are align with ethical standards and legal requirements, promoting fair treatment, safety, and well-being for all employees and workers, while fostering a responsible and compliant work environment.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

12. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

None.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

None

2. Details of the scope and coverage of any Human rights due-diligence conducted.

None

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Company is committed to offering equal opportunities to disabled visitors and is actively taking steps to establish infrastructure support for persons with disabilities across all offices and locations. Specifically, modifications such as stair modifications and the installation of ramps have been implemented in plants.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

* No assessment has been carried out

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

None

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format: -

Parameter	**FY 2024-25 (in Giga Joules)**	**FY 2023-24 (in Giga Joules)**
From renewable sources		
Total electricity consumption (A)	57,301	54,858
Total fuel consumption (B)		
Energy consumption through other sources (C)		
Total energy consumed from renewable sources (A+B+C)	**57,301**	**54,858**
From non-renewable sources		
Total electricity consumption (D)	1,29,162	1,16,288
Total fuel consumption (E)	77,955	68,106
Energy consumption through other sources (F)	-	0
Total energy consumed from non-renewable sources (D+E+F)	**2,07,117**	**1,84,395**
Total energy consumed (A+B+C+D+E+F)	**2,64,418**	**2,39,253**
Energy intensity per Crores rupees of turnover (GJ/CR) (Total energy consumed / Revenue from operations)	78	77
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (GJ/Rs) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0001622	0.0001745
Energy intensity (optional) – (Per employee)	44	47

* For the purpose of PPP adjustment, conversion rate of INR 22.401/ USD (for 2024) and INR 20.662/ USD (for 2025) and has been taken as per the latest information available on the Implied PPP Conversion Rate page of International Monetary Fund website.

* Physical output based intensity (by weight or units) cannot be determined due to the absence of a standardized unit of measurement and is not relevant considering the company's diversified business portfolio.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water, in the following format: -

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Ground water	1,89,608	1,77,609
(iii) Third party water	40,249	29,761
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	**2,29,857**	**2,07,370**
Total volume of water consumption (in kiloliters)	1,89,852	1,51,351
Water intensity per rupee of turnover Kiloliter / Cr (Total water consumption / Revenue from operations)	56	49
Water intensity per rupee ofturnover adjusted for Purchasing Power Parity (PPP)* Kiloliter / Cr (Total water consumption / Revenue from operations adjusted for PPP)	0.0001165	0.0001104
Water intensity (optional) – (per employee)	31.59	30.28

* For the purpose of PPP adjustment, conversion rate of INR 22.401/ USD (for 2024) and INR 20.662/ USD (for 2025) and has been taken as per the latest information available on the Implied PPP Conversion Rate page of International Monetary Fund website.

* Physical output based intensity (by weight or units) cannot be determined due to the absence of a standardized unit of measurement and is not relevant considering the company's diversified business portfolio.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Provide the following details related to water discharged: -

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – Secondary treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment		
(iv) Sent to third parties	0	0
- No treatment	0	0
- With treatment – primary treatment	0	0
- With treatment – Secondary treatment	40,005	56,019
(v) Others		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
Total water discharged (in kiloliters)	**40,005**	**56,019**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, the Company has implemented a zero liquid discharge system and is making concentrated efforts to utilize waste within the process itself. The Company is dedicated to responsible water discharge practices and minimizing its impact on water resources. Consequently, all Company's plants are equipped with comprehensive and advanced Sewage Treatment Plant (STP) facilities. These facilities ensure wastewater is treated to the most exigent standards prior to discharge,

preventing pollution and preserving local water ecosystems. This investment demonstrates the Company's proactive stance on environmental protection and regulatory compliance.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	KG	1486.01	2826.01
Sox	KG	165.37	2248.70
Particulate matter (PM)	KG	291.14	1034.28
Persistent organic pollutants (POP)	NA	-	-
Volatile organic compounds (VOC)	NA	-	-
Hazardous air pollutants (HAP)	NA	-	-
Others – (CO)	KG	504.52	288.73

Note: For FY 2023–24, we have revised the calculations under Principle 6 based on the updated data shared. Accordingly, regrouping and adjustments have been made wherever necessary to ensure the accuracy and consistency of the reported figures.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)If yes, name of the external agency.

No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format: -

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	14,134.78	6,765.16
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	26,083.46	26,714.02
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO2e/cr	11.94	10.90
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	tCO2e/cr	246.76	244.24
Total Scope 1 and Scope 2 emission intensity (optional) – (Per employee)	tCO2e/per employees	6.69	6.70

* For the purpose of PPP adjustment, conversion rate of INR 22.401/ USD (for 2024) and INR 20.662/ USD (for 2025) and has been taken as per the latest information available on the Implied PPP Conversion Rate page of International Monetary Fund website.

* Physical output based intensity (by weight or units) cannot be determined due to the absence of a standardized unit of measurement and is not relevant considering the company's diversified business portfolio.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes, the Company demonstrates a firm commitment to augmenting its utilization of renewable energy sources to diminish its environmental impact and foster a sustainable energy paradigm. Throughout the reporting period, the organization has achieved notable advancements in this domain. The Company's renewable energy endeavors encompass both capital expenditure (CAPEX) and operational expenditure (OPEX) models, yielding a considerable decrease in conventional power utilization. Specifically, renewable energy sources now constitute 31% of the Company's aggregate power consumption. This transition not only serves to mitigate climate change but also fortifies our long-term energy security.

The Company is dedicated to the reduction of energy consumption and the enhancement of energy efficiency throughout its operational framework. The Company has implemented a comprehensive suite of energy reduction initiatives, comprising over 20 distinct projects. These endeavors have resulted in substantial energy conservation. Across all facilities, a total energy saving exceeding 2,500,000 kWh (2.5 million kWh) has been realized. This significant curtailment of energy consumption

not only lowers the Company's operational expenditures but also lessens it's carbon footprint, thereby contributing to a more sustainable future.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	90.59	92.83
E-waste (B)	1.97	4.68
Bio-medical waste (C)	0.01	0.01
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste.Please specify, if any. (G)	159.31	322.92
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,935.31	3,566.15
Total (A+B + C + D + E + F + G + H)	**2,187.18**	**3,987.16**
Waste intensity per Cr of turnover (MT/Crore) (Total waste generated / Revenue from operations)	0.65	1.30
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity(PPP)* (MT/Crore) (Total waste generated / Revenue from operations adjusted for PPP)	13.42	29.09
Waste intensity (optional) – (Per employee)	0.36	0.80
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	92.56	98.08
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	**92.56**	**98.08**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.01	0.01
(ii) Landfilling	0	0
(iii) Other disposal operations	2,086.66	3,889.07
Total	**2,086.67**	**3,889.08**

Assessment has been carried out under the environment management system ISO 14001 Certification issued by Bureau Veritas Certification.

* For the purpose of PPP adjustment, conversion rate of INR 22.401/ USD (for 2024) and INR 20.662/ USD (for 2025) and has been taken as per the latest information available on the Implied PPP Conversion Rate page of International Monetary Fund website.

* Physical output based intensity (by weight or units) cannot be determined due to the absence of a standardized unit of measurement and is not relevant considering the company's diversified business portfolio.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

- No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicalsin your products and processes and the practices adopted to manage such wastes.

The Company is committed to the minimization of waste generation and the assurance of its responsible disposal. The organization has established clearly defined waste management protocols across all of its operational sites. Key achievements in this area include:

Hazardous Waste: All hazardous waste is processed through officially authorized waste disposal entities, ensuring adherence to all pertinent regulations and the minimization of environmental hazards.

Non-Hazardous Waste: The Company reports with satisfaction that 100% of non-hazardous waste is recycled. This outcome reflects a commitment to the principles of a circular economy and the conservation of resources.

These practices underscore Company dedication to minimizing its environmental impact and promoting sustainable waste management.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Types of operations	Whether the conditions of environmental approval/clearance are being complied with?
Not Applicable			

13. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of projects	EIA Notification No.	Date	Whether conducted by independent external agency	Results communicated in public domain	Relevant Web link
Not Applicable					

14. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Yes

S. No.	Specify the law/regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines /penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: All manufacturing locations
(ii) Nature of operations : Manufacturing
(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-25 (in Kiloliters)	FY 2023-24 (in Kiloliters)
Water withdrawal by source		
(i) Surface water	0	0
(ii) Groundwater	1,89,608	1,77,609
(iii) Third party water	40,249	29,761
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal	**2,29,857**	**2,07,370**
Total volume of water consumption	**1,89,852**	**1,51,351**
Water intensity per rupee of turnover (Water consumed / turnover)	56	492
Water intensity (optional) – (Per employee)	32	302
Water discharge by destination and level of treatment		
(i) In to Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) In to Groundwater		
- No treatment	0	0

Parameter	FY 2024-25 (in Kiloliters)	FY 2023-24 (in Kiloliters)
- With treatment – please specify level of treatment	0	0
(iii) In to Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – treatment	40,005	56,019
(v) Others		
- Secondary treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	**40,005**	**56,019**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	MT/Co2e	14,342.97	10,243.89
Total Scope 3 emissions per rupee of turnover	tCO2/ Cr	4.26	3.34
Total Scope 3 emission intensity (optional) – (per employee)	tCO2/ per employee	2.39	2.05

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	RE Energy implementation (As one of the SDG - Clean Energy)	Solar power installtion across location	Installed Solar capacity – 13437 KWp Total Power generated – 120 Lakh KWh / Year (2024-25) Carbon Emission reduction – 8887 tCo2 / Year (2024-25)
2	Waste Management Initiatives	- Recycle of Plastic & E-Waste -Material Reuse: Aluminium casting waste and recycled plastic granules in our manufacturing processes, reducing the need for virgin materials. - Efficient Resource Utilization: Wooden pallets are reused for inter-plant material transportation, and high-efficiency machine oils are used to minimize hazardous waste generation. - Food waste sent to piggery farms / Cattle farms for animal feed or State Authority (As per SPCB), reducing organic waste disposal.	- 100% Recycling of Plastic and E-Waste - 15-20% Non-Hazardous Waste Reduction

3	Water conservation and Water reduction	Fresh Water consumption reduction: - All plants are equipped with STP facility - 30-40% reduction in Ground Water usage through 3 R Reduce, Reuse and recycle method - Feasibility study for the reducing / recycling of RO Reject water - Online monitoring for ground water usage - Water Audit – Proposed in May-Jun'2025 - Water Reservoir restoration - Under discussion (POND restoration) - Rain Water Storage facility development across - Rain Water Harvesting pits enhancement across location for Ground recharge	- Approx. 30-40% water reduction
4	Reduction in Scope - 1 & 3 Emissions (As one of the SDG - Climate Action) Green Cover Initiatives	Scope -1: - Implementation of energy efficient equipment Scope-3 = - Conversion of 30 % logistics (Inbound & Outbound) and Employee Transport vehicles from Diesel to CNG Fleet across location - Tree Plantation across location – 70000 saplings (10000 saplings / plants / year) and monitoring - Development of Miyawaki forest @ Noida location	- 30% conversion of logistics fleet (covering inbound & outbound) - 1 no. of Miyawaki forest - 20000 saplings across plant
5	Digitalization (As one of the SDG - Industry Innovation & Technology)	Automation done w.r.t : - OEE online monitoring for productivity enhancement - Bin Traceability system development @ Press Shop - Online Energy monitoring system (Digital cockpit for utility equipment)	- 100% OEE monitoring
6	Energy Savings (As one of the SDG - Clean Energy)	- Central controller for Air compressors for power saving (05 nos) - Helium recovery system development for Virgin Helium Gas saving - Nitrogen recovery system for Virgin Nitrogen Gas saving - Double decar system in single brazing furnace to energy - 15-20% saving in non-process energy by Natural & optimized lighting, occupancy sensors, HVAC, Building automation, investment in high efficiency motors, Pump, equipment's, furnaces, etc.) - Machine Efficiency Enhancements - Energy-Efficient Pumps: Utilizing Variable Frequency Drives (VFDs) for high-pressure pumps in Reverse Osmosis (RO) plants, allowing precise speed control and energy savings. - Air Compressor Optimization: Deploying high-efficiency air compressors to minimize energy losses and operational costs. - Cooling Tower Efficiency: Incorporating high-efficiency pumps in cooling towers to reduce both energy and water usage.	- 07~10% Energy savings plant wise

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Company has instituted a comprehensive business continuity and disaster management plan. Specifically, a detailed disaster recovery plan has been formulated to mitigate the organization's business risk arising from unforeseen disruptions to critical information technology functions or operations indispensable for business continuity. This plan delineates precise actions, allocated resources, and prescribed procedures to be executed in the event of a disaster. Furthermore, the information technology department conducts regular data recovery exercises to evaluate the efficacy of the established process and plan.

Moreover, the Company's supply chain management also incorporates measures to ensure business continuity during natural calamities, socio-political instability, and supply shortages, implementing diverse strategies to minimize potential supply disruptions, thereby safeguarding uninterrupted business operations.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

None

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Not Applicable

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. **a. Number of affiliations with trade and industry chambers/ associations.**

The Company has affiliations with four trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Automotive Component Manufacturers Association (ACMA)	National
2.	Confederation of Indian Industry (CII)	National
3.	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
4.	Society of Automotive Engineers India (SAE INDIA)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

Leadership Indicators

1. **Details of public policy positions advocated by the entity**

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether Information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others–please specify)	Web Link, if available
Not Applicable					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
The Company has not undertaken any Social Impact Assessments (SIAs) in the current financial year.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S.No.	Name of Project for which R&R is Ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company has launched a wide range of CSR initiatives tailored to address the specific needs of communities. Additionally, there is a mechanism in place across all the plants for redressal of grievances of the public at large.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers: -**

The Company supports local and small suppliers (MSMEs) by procuring goods and services in proximity to its offices/ locations. First Preference is given to local vendors to the extent possible.

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	1.54%	0.39%
Directly from within India	78.00%	77.00%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis)in the following location, as % of total wage cost-**

Location	FY 2024-25	FY 2023-24
Rural	9.40%	7.92%
Semi-urban	5.59%	4.98%
Urban	83.72%	85.81%
Metropolitan	1.29%	1.29%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
None	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In INR)
None			

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?** (Yes/No) - No
   (b) From which marginalized /vulnerable groups do you procure? – Not Applicable
   (c) What percentage of total procurement (by value) does it constitute? - Not Applicable

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable				

5. **Details of corrective actions taken or underway, based on any adverse order inintellectual property related disputes where in usage of traditional knowledge is involved.**

Name of authority	Brief of the Case	Corrective action taken
None		

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Enhancing Vocational Skills Benefits	1756	100%
2.	Project Prayas	5900	100%
	Total	**7656**	**100%**

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The Company has a Complaint Management System in place to address and resolve grievances, ensuring timely resolution.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. **Number of consumer complaints in respect of the following:**

	FY 2024-25		Remarks	FY 2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil			Nil		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reason for recall
Voluntary recalls	–	–
Forced recalls	–	–

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

   Yes, the policy is available at https://www.subros.com/investors/policies.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Not Applicable

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches - NIL

   b. Percentage of data breaches involving personally identifiable information of customers - NIL

   c. Impact, if any, of the data breaches - NA

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   Details available at https://www.subros.com/products

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company has adopted a step-by-step approach to inform and educate consumers about the safe and responsible usage of products and/or services. These efforts are entirely focused on ensuring safety.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   Not Applicable

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?**

   (Yes/No)

   Being undertaken as part of the process.

Independent Auditor's Report

To the Members of Subros Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Subros Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, and 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 for the year then ended, and notes to the Standalone Financial Statements, including material accounting policy information and other explanatory information.

2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 Matters

4. 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.

Key audit matter	How our audit addressed the key audit matter
Appropriateness of capitalisation of internal development costs in relation to intangible assets under development [Refer Note 4 to the Standalone Financial Statements for Intangible assets under development] During the year ended March 31, 2025, the Company has capitalised significant costs incurred on internal development of intangible assets amounting to Rs. 2,941.97 Lakhs under the head 'Intangible assets under development'. These intangible assets are predominantly in relation to the projects awarded by original equipment manufacturers. The costs mainly comprise technical know how, employees' payroll and other costs. The capitalisation of internal development costs was a key audit matter due to the amount of the internal development costs capitalized and judgement involved in assessing whether the criteria for capitalisation set out in the Indian Accounting Standard (Ind AS) 38 "Intangible Assets" had been met. Significant judgement was made by the management in the determination of – i) whether the costs incurred is towards development of product or in the nature of research, ii) the costs, including payroll costs, were directly attributable to relevant projects, and iii) key assumptions such as future revenue, margins and the discount rate used to assess the future cash flows from the expected use of such assets once developed and capitalised.	Our audit procedures included the following: - Understood and evaluated the design and tested the operating effectiveness of the Company's internal financial controls relating to the capitalisation of internal development costs in relation to intangible assets under development. - Assessed the appropriateness of capitalisation of product development costs with the criteria to capitalise product development costs and held inquiries with the management to understand their assessment to support the product's commercial viability. - Tested the accuracy and allocation of capitalised payroll and other costs and assessed whether these are directly attributable to the development as against research. - Assessed appropriateness of the assumptions underlying cash flow forecasts including the future revenue, expected margins to be achieved with reference to historical data and management approved margins in the AOP (Annual Operating Plan), inputs used by the Management to calculate the discount rate applied by comparing this to the cost of capital for the Company. We also involved experts to evaluate the reasonability of cost of capital of the Company used to discount the future cash flows expected from the asset once developed and capitalised. - Performed a sensitivity analysis over the key assumptions which included assessing the impact of change in those assumptions that would be required for future economic benefits falling short of the carrying value of capitalised internal development costs.

Other Information

5. 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, Directors' Report including Annexures to Directors' Report, Report on Corporate Governance and Business Responsibility &Sustainability Reporting, 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. 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 Standalone Financial Statements

6. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian 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 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.

7. 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.

8. 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

9. 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.

10. As part of an audit in accordance with SAs, we exercise professional judgement 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 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 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.

11. 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.

12. 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.

13. 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

14. 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, to the extent applicable.

15. 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 paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(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 Indian 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, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above on reporting under Section 143(3)(b) and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) 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".

(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 26 to the Standalone Financial Statements.

ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any long-term derivative contracts as at March 31, 2025.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note33(vii) 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, 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, as disclosed in the Note 33(vii) 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, 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 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 10(b) to the Standalone Financial Statements, 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 dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log at the application level is not maintained in case of modification by certain users with specific access for certain data recorded in the software up to February 17, 2025 which was enabled with effect from February 18, 2025, and audit trail has not been enabled at the database level to log any direct data changes throughout the year. During the course of performing our procedures, other than the aforesaid instances where the question of our commenting on the audit trail feature being tampered with does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sahil Arora
Partner
Membership Number: 506483
UDIN: 25506483BMLGBB4096

Place: Gurugram
Date: May 22, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of Subros Limited on the Standalone Financial Statements as of and for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to Standalone Financial Statements of Subros Limited ("the Company") as of March 31, 2025 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

2. 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 ("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 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

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 Guidance Note and the Standards on Auditing specified 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 Standalone Financial Statements was 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 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 amaterial 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 providea 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 financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. 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

8. In our opinion, the Company has, in all material respects, 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, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sahil Arora
Partner
Membership Number: 506483
UDIN: 25506483BMLGBB4096

Place: Gurugram
Date: May 22, 2025

Annexure B to Independent Auditor's Report

Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Subros Limited on the Standalone Financial Statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report 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 is maintaining proper records showing full particulars of intangible assets.

(b) The property, plant and equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) 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), as disclosed in Note 3 to the Standalone Financial Statements, are held in the name of the Company.

(d) The Company has chosen cost model for its property, plant and equipment (including right of use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment (including right of use assets) or intangible assets does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the Standalone Financial Statements does not arise.

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

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks which are not in agreement with the unaudited books of accounts, however such differences between the amounts disclosed to the banks and those as per the books of accounts as given in the table below have been reconciled. (Also, refer Note 35 to the Standalone Financial Statements).

Name of Banks	Aggregate working capital limits sanctioned (Secured) (Amount in Rs. Lakhs)	Nature of current assets offered as security	Nature of current assets/liabilities where differences were noted	Quarter ended	Amount disclosed as per quarterly return/ statement (Amount in Rs. Lakhs)	Amount as per books of accounts (Amount in Rs. Lakhs)	Difference (Amount in Rs. Lakhs)	Reason for difference
HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	June 2024	36,832.97	36,904.38	(71.41)	Inter-plant goods in transit not considered in return submitted to banks.
ICICI Bank	2,000							
Kotak Mahindra Bank	1,000		Trade payables	June 2024	51,352.85	52,857.43	(1,504.58)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but shown separately as Supplier's credit in the Standalone Balance Sheet.
State Bank of India	7,500							
HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	September 2024	41,709.36	41,758.84	(49.48)	Inter-plant goods in transit not considered in return submitted to banks.
ICICI Bank	2,000							
Kotak Mahindra Bank	1,000		Trade payables	September 2024	50,010.41	56,200.77	(6,190.36)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but shown separately as Supplier's credit in the Standalone Balance Sheet.
State Bank of India	7,500							
HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	December 2024	39,991.43	40,091.27	(99.84)	Inter-plant goods in transit not considered in return submitted to banks.
ICICI Bank	2,000							
Kotak Mahindra Bank	1,000		Trade payables	December 2024	52,543.99	51,293.70	1,250.29	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but shown separately as Supplier's credit in the Standalone Balance Sheet.
State Bank of India	7,500							
HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	March 2025	37,344.50	37,385.08	(40.58)	Inter-plant goods in transit not considered in return submitted to banks.
ICICI Bank	2,000							
Kotak Mahindra Bank	1,000		Trade payables	March 2025	56,020.66	56,030.78	(10.12)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but shown separately as Supplier's credit in the Standalone Balance Sheet.
State Bank of India	7,500							

iii. (a) The Company has made investments in 2 mutual funds, 9 non-convertible debentures and 1 alternate investment fund, and granted unsecured loans to 164 employees. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to parties other than subsidiaries, joint ventures and associates are as per the table given below:

Particulars	Loans (Amount in Rs. Lakhs)
Aggregate amount granted during the year - Others (employees)	179.05
Balance outstanding as at balance sheet date in respect of the above case - Others (employees)	95.70

(Also, refer Note 5 (g) to the Standalone Financial Statements)

The Company has not made any other investments, granted secured/ unsecured loans/advances in nature of loans to companies / firms / limited liability partnerships/ or any other parties, or stood guarantee, or provided security to companies / firms / limited liability partnerships/ or any other parties.

(b) In respect of the aforesaid investments and loans (which are interest free), the terms and conditions under which such investments were made or loans were granted are not prejudicial to the Company's interest.

(c) In respect of the aforesaid loans, the schedule of repayment of principal has been stipulated, and the parties are repaying the principal amounts, as stipulated.

(d) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) There were no loans/ advances in nature of loans which were granted during the year, including to promoters/ related parties, that were repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of the investments made. Further, the Company has not granted any loans or provided any guarantees or security to the parties covered under Sections 185 and 186 and therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company to that extent.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

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

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, duty of customs and other statutory dues, as applicable, with the appropriate authorities. Also, refer Note 38 to the Standalone Financial Statements regarding management's assessment on certain matters relating to provident fund.

(b) There are no statutory dues of provident fund and employees' state insurance as at March 31, 2025 which have not been deposited on account of any dispute. The particulars of income tax, duty of customs, sales tax, duty of excise and goods and services tax as at March 31, 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in Lakhs)	Amount paid under protest (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	135.23	-	Assessment Year 2003-04	Hon'able High Court of Delhi
The Income Tax Act, 1961	Income Tax	19.41	19.41	Assessment Year 2015-16	Assessing Officer*
The Income Tax Act, 1961	Income Tax	23.40	23.40	Assessment Year 2016-17	Assessing Officer*
The Income Tax Act, 1961	Income Tax	166.35	49.75	Assessment Year 2017-18	Assessing Officer*
The Income Tax Act, 1961	Income Tax	1,072.17	-	Assessment Year 2018-19	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	151.69	2.93	Assessment Year 2020-21	Assessing Officer*
The Income Tax Act, 1961	Income Tax	94.59	13.33	Assessment Year 2021-22	Assessing Officer**
The Income Tax Act, 1961	Income Tax	19.86	-	Assessment Year 2015-16	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	6.04	-	Assessment Year 2016-17	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	14.38	-	Assessment Year 2017-18	Commissioner of Income Tax (Appeals)
The Customs Act, 1962	Custom Duty	1,183.82	-	June 2012 to July 2017	Hon'ble Customs, Excise and Service Tax Appellate Tribunal, Allahabad***
The Customs Act, 1962	Custom Duty	15.19	-	July 2017 to March 2019	Commissioner of Customs, Maharashtra
The Customs Act, 1962	Custom Duty	3.06	-	2018-19	Deputy Commissioner of Customs, Manarashtra
The Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	79.74	79.74	2002-03 to 2004-05	Hon'ble High Court of Andhra Pradesh
The Central Excise Act, 1944	Central Excise Duty	75.81	-	December 2013 to May 2016	Joint Commissioner, Pune
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	24.32	-	2017-18	Superintendent of CGST and Central Excise, Chennai
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	4.27	-	2017-18	Additional Commissioner of Commercial Taxes (Appeals-II)
The Central Goods and Services Tax Act, 2017	Goods and Services Tax	2.93	-	2020-21	Assistant Commissioner of GST and Central Excise

* During the year ended March 31, 2025, Income Tax Appellate Tribunal passed order dated October 9, 2024 in favour of the Company and referred back to Assessing Officer to pass an appeal effect order.

** During the year ended March 31, 2024, Commissioner of Income Tax (Appeals) passed order dated October 16, 2023 in favour of the Company and referred back to Assessing Officer to pass an appeal effect order.

*** Subsequent to the year ended March 31, 2025, the Company has received a favourable order from Hon'ble Customs, Excise and Service Tax Appellate Tribunal, Allahabad vide order dated April 4, 2025.

viii. There are no transactions previously unrecorded in the books of account that 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 to any lender during the year.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by 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 utilised for long-term purposes by the Company.

(e) 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. Further, the Company does not have any subsidiary or associate and hence, reporting under clause 3(ix)(e) of the Order is not applicable to the Company to that extent.

(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. Further, the Company does not have any subsidiary or associate and hence, reporting under clause 3(ix)(f) of the Order is not applicable to the Company to that extent.

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

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures 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, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

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

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

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

xiii. 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 related party transactions have been disclosed in the Standalone Financial Statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

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

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

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

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

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

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

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

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

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sahil Arora
Partner
Membership Number: 506483
UDIN: 25506483BMLGBB4096

Place: Gurugram
Date: May 22, 2025

CIN: L74899DL1985PLC020134

STANDALONE BALANCE SHEET AS AT MARCH 31, 2025

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	55,553.20	58,652.75
Right-of-use assets	27	3,280.40	3,609.25
Capital work-in-progress	3	4,992.77	4,053.45
Intangible assets	4	13,051.53	12,244.85
Intangible assets under development	4	2,876.28	3,978.79
Financial assets			
i) Investment in joint venture	5(a)	176.80	176.80
ii) Other Investments	5(b)	2,894.30	299.98
iii) Loans	5(g)	19.03	11.81
iv) Other financial assets	5(h)	1,237.03	964.11
Non-current tax assets (net)	9	118.73	211.71
Other non-current assets	7	355.37	179.50
Total non-current assets		**84,555.44**	**84,383.00**
Current assets			
Inventories	8	37,385.08	37,505.60
Financial assets			
i) Other Investments	5(c)	8,546.07	-
ii) Trade receivables	5(d)	45,132.23	28,318.47
iii) Cash and cash equivalents	5(e)	3,636.04	3,915.70
iv) Bank balances other than cash and cash equivalents	5(f)	4,020.65	8,319.42
v) Loans	5(g)	76.67	65.48
vi) Other financial assets	5(h)	652.94	323.00
Other current assets	7	1,837.90	2,266.30
Total current assets		**101,287.58**	**80,713.97**
TOTAL ASSETS		**185,843.02**	**165,096.97**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10 (a)	1,304.71	1,304.71
Other equity	10 (b)	108,088.12	94,279.89
Total equity		**109,392.83**	**95,584.60**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Lease liabilities	27	10.07	440.50
Provisions	12	1,704.23	1,353.16
Deferred tax liabilities (net)	6	4,096.34	5,086.19
Other non-current liabilities	11 (d)	911.08	-
Total non-current liabilities		**6,721.72**	**6,879.85**
Current liabilities			
Financial liabilities			
i) Lease liabilities	27	58.46	45.65
ii) Supplier's credit	11 (e)	4,025.21	2,971.60
iii) Trade payables			
(a) Total outstanding dues of micro and small enterprises	11 (b)	363.35	79.53
(b) Total outstanding dues of creditors other than micro and small enterprises	11 (b)	55,667.43	50,357.97
iv) Other financial liabilities	11 (a)	3,950.38	4,698.57
Contract liabilities	13 (a)	330.29	809.66
Provisions	12	796.78	653.02
Current tax liabilities	11 (c)	619.57	89.67
Other current liabilities	13 (b)	3,917.00	2,926.85
Total current liabilities		**69,728.47**	**62,632.52**
TOTAL LIABILITIES		**76,450.19**	**69,512.37**
TOTAL EQUITY AND LIABILITIES		**185,843.02**	**165,096.97**

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes.

This is the Standalone Balance Sheet referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

Sahil Arora
Partner
Membership No.: 506483

Place : Gurugram
Date : May 22, 2025

For and on behalf of the Board of Directors of Subros Limited

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Executive Director &
Chief Executive Officer
DIN : 02382912

Hemant Kumar Agarwal
Chief Financial Officer &
Senior Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 22, 2025

CIN: L74899DL1985PLC020134

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Rs. Lakhs, unless otherwise stated)

	Particulars	Note no	For the year ended March 31, 2025	For the year ended March 31, 2024
I	Revenue from operations	14	336,757.47	307,057.06
II	Other income	15	2,077.88	1,467.11
III	**Total income (I + II)**		**338,835.35**	**308,524.17**
IV	**Expenses**			
	Cost of material consumed	16	242,864.68	227,860.05
	Changes in inventories of finished goods and work-in-progress	17	353.61	(1,132.80)
	Employee benefits expense	18	32,244.84	28,409.14
	Finance costs	19	1,148.29	1,167.22
	Depreciation and amortization expense	20	12,816.77	11,650.71
	Other expenses	21	29,060.95	26,499.73
	Total expenses (IV)		**318,489.14**	**294,454.05**
V	**Profit before tax (III - IV)**		**20,346.21**	**14,070.12**
VI	Tax expense:	6		
	-Current tax		6,275.94	2,506.96
	-Deferred tax		(970.31)	1,796.87
	Total tax expense (VI)		**5,305.63**	**4,303.83**
VII	**Profit for the year (V-VI)**		15,040.58	9,766.29
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Loss on remeasurements of post employment benefit obligations	28	(77.65)	(323.13)
	Income tax relating to the above item	6	19.54	81.32
	Other comprehensive income for the year, net of tax (VIII)		(58.11)	(241.81)
IX	**Total comprehensive income for the year (VII + VIII)**		14,982.47	9,524.48
	Earning per equity share (in Rs.) [Face value Rs. 2 each (March 31, 2024 : Rs. 2 each)]	30		
	Basic and Diluted		23.05	14.97

The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes.
This is the Standalone Statement of Profit and Loss (including other comprehensive income) referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

Sahil Arora
Partner
Membership No.: 506483

Place : Gurugram
Date : May 22, 2025

For and on behalf of the Board of Directors of Subros Limited

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Executive Director &
Chief Executive Officer
DIN : 02382912

Hemant Kumar Agarwal
Chief Financial Officer &
Senior Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 22, 2025

CIN: L74899DL1985PLC020134

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

A. Equity share capital

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	Amount
Balance as at April 1, 2023	10 (a)	**1,304.71**
Changes in equity share capital during 2023-24		-
Balance as at March 31, 2024		**1,304.71**
Changes in equity share capital during 2024-25		-
Balance as at March 31, 2025		**1,304.71**

B. Other equity

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	Reserves and surplus			Total Other equity
		Securities premium	General reserve	Retained earnings	
Balance as at April 1, 2023	**10 (b)**	**20,817.44**	**12,725.48**	**51,864.85**	**85,407.77**
Profit for the year		-	-	9,766.29	9,766.29
Other comprehensive income					
Loss on remeasurements of post employment benefit obligations		-	-	(323.13)	(323.13)
Income tax relating to the above item		-	-	81.32	81.32
Total comprehensive income for the year		**-**	**-**	**9,524.48**	**9,524.48**
Transactions with owners in their capacity as owners					
Dividends paid		-	-	(652.36)	(652.36)
Transfer to/(from) retained earnings		-	150.00	(150.00)	-
Balance as at March 31, 2024		**20,817.44**	**12,875.48**	**60,586.97**	**94,279.89**
Balance as at April 1, 2024		20,817.44	12,875.48	60,586.97	94,279.89
Profit for the year		-	-	15,040.58	15,040.58
Other comprehensive Income					
Loss on remeasurements of post employment benefit obligations		-	-	(77.65)	(77.65)
Income tax relating to the above item		-	-	19.54	19.54
Total comprehensive income for the year		**-**	**-**	**14,982.47**	**14,982.47**
Transactions with owners in their capacity as owners					
Dividends paid		-	-	(1,174.24)	(1,174.24)
Transfer to/(from) retained earnings		-	150.00	(150.00)	-
Balance as at March 31, 2025		**20,817.44**	**13,025.48**	**74,245.20**	**108,088.12**

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Changes in Equity referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

Sahil Arora
Partner
Membership No.: 506483

Place : Gurugram
Date : May 22, 2025

For and on behalf of the Board of Directors of Subros Limited

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Executive Director &
Chief Executive Officer
DIN : 02382912

Hemant Kumar Agarwal
Chief Financial Officer &
Senior Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 22, 2025

CIN: L74899DL1985PLC020134

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flow from operating activities			
Profit before tax		**20,346.21**	**14,070.12**
Adjustments for:			
Depreciation and amortization expense	20	12,816.77	11,650.71
Net loss on disposal of property, plant and equipment	21	59.62	92.42
Interest income on financial assets at amortized cost and others	15	(643.54)	(674.82)
Unwinding of discount on financial asset	15	(5.55)	(6.07)
Finance costs	19	1,148.29	1,167.22
Provision for inventory obsolescence made / (written back)	8	8.57	(150.70)
Unrealized foreign currency (gain)/ loss (net)		(148.82)	(92.08)
Loss allowance for trade receivables	21	50.00	-
Dividend income from investment in joint venture	15	(6.62)	(12.58)
Net gain on sale of investments in mutual funds	15	(367.59)	(240.82)
Gain on maturity of investment in debentures	15	(1.08)	-
Net fair value gains on financial assets measured at fair value through profit or loss	15	(47.64)	-
Government grant	15	(230.73)	-
Gain on termination of lease	15	(158.00)	-
Fair value changes on derivatives	15	(29.48)	194.80
Operating profit before changes in operating assets and liabilities		**32,790.41**	**25,998.20**
Adjustments for changes in operating assets and liabilities:			
(Increase)/ Decrease in loans		(12.86)	12.04
(Increase)/ Decrease in other financial assets		(26.64)	58.47
(Increase)/ Decrease in inventories		111.94	(3,490.43)
(Increase)/ Decrease in trade receivables		(16,863.76)	(7,513.89)
(Increase)/ Decrease in other assets		428.40	434.73
Increase/ (Decrease) in provisions		417.18	50.08
Increase/ (Decrease) in other liabilities		990.15	564.54
Increase/ (Decrease) in trade payables		5,742.10	1,658.01
Increase/ (Decrease) in contract liabilities		(479.37)	(28.69)
Increase/ (Decrease) in other financial liabilities		39.30	1,432.03
Cash generated from operations		**23,136.85**	**19,175.09**
Income tax paid (net)		(5,653.07)	(2,625.21)
Net cash inflow from operating activities (A)		**17,483.78**	**16,549.88**
Cash flow from investing activities			
Payments for property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development		(11,792.71)	(11,971.85)
Payment for investment in debentures and bonds		(4,592.04)	-
Proceeds from maturity of investment in debentures		1,000.00	-
Proceeds from sale / Payment for purchase of mutual funds (net)		(7,132.04)	2,240.82
Proceeds from sale of property, plant and equipment		150.87	90.14
Proceeds from government grant		842.84	-
Proceeds from maturity of deposits with banks		6,300.00	2,550.00
Payment for investments in deposits with banks		(2,000.00)	(2,600.00)
Dividend received from joint venture		6.62	12.58
Interest received		761.05	480.46
Net cash (outflow) from investing activities (B)		**(16,455.41)**	**(9,197.85)**
Cash flow from financing activities			
Repayment of long term borrowings		-	(1,335.81)
Principal element of lease payments		(40.80)	(41.03)
Increase/(decrease) in supplier's credit (net)		1,053.61	(3,302.98)
Interest paid		(1,146.60)	(1,170.77)
Dividend paid	10(b)(iii)	(1,174.24)	(652.36)
Net Cash (outflow) from financing activities (C)		**(1,308.03)**	**(6,502.95)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**(279.66)**	**849.08**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash and cash equivalents at the beginning of the financial year		3,915.70	3,066.62
Cash and cash equivalents at the end of the financial year	**5(e)**	**3,636.04**	**3,915.70**
Cash and cash equivalents as per above comprise of the following:			
Cash on hand	5(e)	9.43	8.38
Balances with banks - In current accounts	5(e)	3,626.61	3,907.32
		3,636.04	**3,915.70**
Non-cash investing activities:			
Acquisition of right-of-use assets	27	105.32	-
Derecognition of right-of-use assets	27	324.14	-

Note: The above Standalone Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 " Statement of Cash Flows".

The above Standalone Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Standalone Statement of Cash Flows referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

Sahil Arora
Partner
Membership No.: 506483

Place : Gurugram
Date : May 22, 2025

For and on behalf of the Board of Directors of Subros Limited

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Executive Director &
Chief Executive Officer
DIN : 02382912

Hemant Kumar Agarwal
Chief Financial Officer &
Senior Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 22, 2025

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

1. Background

Subros Limited ("the Company") is a public limited company incorporated in 1985 and domiciled in India, listed on the Bombay Stock Exchange (BSE) Limited and the National Stock Exchange of India Limited (NSE). The address of its registered office is LGF, World Trade Centre, Barakhamba Lane, New Delhi – 110001. The Company is the leading manufacturer of thermal products for automotive applications in India, in technical collaboration with Denso Corporation, Japan. The Company is engaged primarily in the business of manufacturing and sale of thermal products for automotive and home air-conditioning original equipment manufacturers. The Company is a joint venture with 36.79% ownership by Suri family of India, 20% ownership by Denso Corporation, Japan and 11.96% ownership by Suzuki Motor Corporation, Japan.

2. Basis of preparation, critical estimates and judgements

2(a). Basis of preparation

(i) Compliance with Ind AS
The standalone financial statements comply in 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] and other relevant provisions of the Act.

(ii) Historical cost convention
The standalone financial statements have been prepared on the historical cost convention except for certain items that are measured at fair values, as explained in the accounting policies.

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

(iii) New and amended standards adopted by the Company
The Ministry of Corporate Affairs vide notification dated September 9, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 1, 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2(b). Critical estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities on the date of the standalone financial statements and reported amounts of revenues and expenses for the years presented. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods affected.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the significant effect to the carrying amount of assets and liabilities within the next financial year is included in other notes to the standalone financial statements as mentioned below:

a. Measurement of employee defined benefit obligations – Refer note 28
b. Measurement and likelihood of occurrence of provisions and contingencies – Refer note 26
c. Estimation of provision for warranty – Refer note 12
d. Estimated useful life of property, plant and equipment and intangible assets – Refer note 3 & 4
e. Appropriateness of capitalization of internal development costs related to Intangible assets under development – Refer note 4
f. Impairment of trade receivables – Refer note 5(d)
g. Provision for inventory obsolescence – Refer note 8

CIN: L74899DL1985PLC020134

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

3. Property, plant and equipment and capital work-in-progress

Accounting policy

Freehold land is carried at historical cost. All other property, plant and equipment is recognised at historical cost less depreciation.

Depreciation methods, estimated useful lives and residual value

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 Schedule II of the Companies Act, 2013 except in respect of the below mentioned assets where useful life is determined through technical evaluation and is different than those prescribed in schedule II of the Companies Act, 2013.

Plant and machinery : 5-20 years

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The residual values are not more than 5% of the original cost of the assets. Depreciation methods, useful lives and residual values are reviewed at least at each financial year end.

Refer note 40(xii) and 40(xxii) for the other accounting policies relevant to property, plant and equipment and note 40(viii) for the accounting policy relevant of impairment of property, plant and equipment.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Freehold land	Buildings (Refer note (vi) below)	Plant and machinery	Furniture and fixtures	Vehicles	Office equipments	Total	Capital work-in-progress (CWIP) [Refer note (ii)]
Gross carrying amount								
Balance as at April 1, 2023	4,142.38	22,326.40	62,456.58	550.91	536.53	998.83	91,011.63	**5,572.41**
Additions	0.48	-	-	26.96	268.78	301.70	597.92	**10,050.19**
Transfer from CWIP	-	305.82	11,261.66	0.36	-	1.31	11,569.15	**(11,569.15)**
Disposals / adjustments (Refer note (v) below)	-	(3.01)	(1,531.74)	(33.02)	(206.28)	(146.20)	(1,920.25)	-
Balance as at March 31, 2024	**4,142.86**	**22,629.21**	**72,186.50**	**545.21**	**599.03**	**1,155.64**	**101,258.45**	**4,053.45**
Additions	-	-	-	31.39	180.27	434.41	646.07	**7,220.91**
Transfer from CWIP	-	513.83	5,675.95	16.42	-	75.39	6,281.59	**(6,281.59)**
Disposals / adjustments	-	(854.14)	(1,423.93)	(9.39)	(159.64)	(181.25)	(2,628.35)	-
Balance as at March 31,2025	**4,142.86**	**22,288.90**	**76,438.52**	**583.63**	**619.66**	**1,484.19**	**105,557.76**	**4,992.77**
Accumulated depreciation Balance as at April 1, 2023	-	3,745.69	31,221.03	277.75	115.83	438.76	35,799.06	-
Depreciation charge during the year	-	730.53	7,096.05	46.78	90.95	212.51	8,176.82	-
Disposals / adjustments	-	(0.12)	(1,049.23)	(30.54)	(150.99)	(139.30)	(1,370.18)	-
Balance as at March 31, 2024	**-**	**4,476.10**	**37,267.85**	**293.99**	**55.79**	**511.97**	**42,605.70**	**-**
Depreciation charge during the year	-	729.97	8,293.18	48.08	98.20	252.53	9,421.96	-
Disposals / adjustments	-	(461.76)	(1,276.48)	(7.93)	(103.35)	(173.58)	(2,023.10)	-
Balance as at March 31,2025	**-**	**4,744.31**	**44,284.55**	**334.14**	**50.64**	**590.92**	**50,004.56**	**-**
Net carrying amount As at March 31, 2024	**4,142.86**	**18,153.11**	**34,918.65**	**251.22**	**543.24**	**643.67**	**58,652.75**	**4,053.45**
Net carrying amount As at March 31, 2025	**4,142.86**	**17,544.59**	**32,153.97**	**249.49**	**569.02**	**893.27**	**55,553.20**	**4,992.77**

Notes-

i) Depreciation pertaining to machineries used for manufacture of moulds has been capitalized during the year amounting to Rs 46.27 Lakhs (Previous year Rs 55.46 Lakhs).

ii) Capital work-in-progress mainly comprises of freehold land pending approval for its intended use, building and plant and machinery.

iii) Refer note 25 to these Standalone Financial Statements for disclosure of contractual commitments for the acquisition of property, plant and equipment.

iv) In terms of IND AS - 16 on "Property, plant and equipment", the Company has reviewed the useful lives and residual values of property, plant and equipment. On such reviews, it was found that few plant and machinery (mainly comprising of dies, moulds, jigs etc.) had reached the end of their useful lives with no tangible future economic benefits. Accordingly, this has resulted in an incremental depreciation charge amounting to Rs. 495.12 Lakhs (Previous year Rs. 392.93 Lakhs) during the year ended March 31, 2025 with a consequential impact on "Profit before tax" of an equal amount.

v) Includes Rs. Nil (Previous year Rs. 367.51 Lakhs) in plant and machinery on account of government grant received. Refer note 11(d).

vi) The Company has leased out a part of building having net carrying amount of Rs. 211.27 Lakhs as at March 31, 2025 (March 31, 2024: Rs. 587.35 Lakhs). Refer note 27.

vii) Capital work-in-progress (CWIP)

(a) Ageing:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2025

Particulars	Amount in CWIP for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,645.36	344.91	2.50	-	4,992.77
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2024

Particulars	Amount in CWIP for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,929.50	117.34	6.61	-	4,053.45
Projects temporarily suspended	-	-	-	-	-

(b) Completion schedule for capital work-in-progress whose completion is overdue compared to its original plan:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2025

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
(i) Projects pertaining to development of new models for *					
- Heating, ventilation, and air conditioning (HVAC) system	357.41	-	-	-	357.41
- Hose & Tubes	152.13				152.13
- Compressor	6.70	-	-	-	6.70
- Condensor	264.78	-	-	-	264.78
(ii) Plant Utility	346.26	-	-	-	346.26
Total	**1,127.28**	**-**	**-**	**-**	**1,127.28**

*The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

As at March 31, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
(i) Projects pertaining to development of new models for *					
- Heating, ventilation, and air conditioning (HVAC) system	460.22	-	-	-	460.22
- Hose & Tubes	36.27	-	-	-	36.27
- Compressor	4.43	-	-	-	4.43
- Condensor	72.00	-	-	-	72.00
(ii) Plant Utility	-	-	-	-	-
Total	**572.92**	**-**	**-**	**-**	**572.92**

*The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

viii) Significant estimate

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors such as the stability of the industry and known technological advances.

4. Intangible assets and intangible assets under development

Accounting policy

Technical knowhow

Technical knowhow comprises of costs of acquired technical knowledge from technology partner to develop the products required to manufacture air conditioning systems and related products for new models to be launched by original equipment manufacturers.

Product development cost

Product development costs comprises of costs incurred to design and develop the products required to manufacture air conditioning systems and related products for new models to be launched by original equipment manufacturers. The costs which can be capitalized include the cost of material, employee payroll costs and other overheads that are directly attributable to preparing the asset for its intended use.

Technical knowhow are capitalized along with product development costs when technical and commercial feasibility of the products developed is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the products and the cost can be measured reliably, in other cases such costs are taken to the Standalone Statement of Profit and Loss.

Capitalized technical knowhow and product development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date they are available for use. Estimated useful lives of intangible assets are as follows:

Technical knowhow	: 8 years
Product development	: 8 years
Software	: 3 years

Amortization methods and useful lives are reviewed periodically including at each financial year end.

Refer note 40(xiii) and 40(xxii) for the other accounting policies relevant to intangible assets and note 40(viii) for the accounting policy relevant of impairment of intangible assets.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Software	Technical knowhow	Product development cost [Refer note (ii)]	Total	Intangible assets under development [Refer note (iii)]
Gross carrying amount					
Balance as at April 1, 2023	402.85	15,540.68	21,882.92	37,826.45	3,029.75
Additions	37.97	-	-	37.97	3,239.04
Transfer from intangible assets under development	1.05	737.11	1,502.36	2,240.52	(2,240.52)
Disposals / adjustments	(0.27)	-	-	(0.27)	(49.48)
Balance as at March 31, 2024	**441.60**	**16,277.79**	**23,385.28**	**40,104.67**	**3,978.79**
Additions	94.43	-	-	94.43	2,941.97
Transfer from intangible assets under development	22.30	757.42	3,264.76	4,044.48	(4,044.48)
Disposals / adjustments	-	-	-	-	-
Balance as at March 31, 2025	**558.33**	**17,035.21**	**26,650.04**	**44,243.58**	**2,876.28**
Accumulated amortization					
Balance as at April 1, 2023	**305.80**	**9,324.92**	**14,809.00**	**24,439.72**	**-**
Amortization charge for the year	53.03	1,531.01	1,836.33	3,420.37	-
Disposals / adjustments	(0.27)	-	-	(0.27)	-
Balance as at March 31, 2024	**358.56**	**10,855.93**	**16,645.33**	**27,859.82**	**-**
Amortization charge for the year	61.15	1,484.63	1,786.45	3,332.23	-
Disposals / adjustments	-	-	-	-	-
Balance as at March 31, 2025	**419.71**	**12,340.56**	**18,431.78**	**31,192.05**	**-**
Net carrying amount As at March 31, 2024	**83.04**	**5,421.86**	**6,739.95**	**12,244.85**	**3,978.79**
Net carrying amount As at March 31, 2025	**138.62**	**4,694.65**	**8,218.26**	**13,051.53**	**2,876.28**

Notes-

i) Amortization pertaining to software used for manufacture of moulds has been capitalized during the year amounting to Rs 1.22 Lakhs (Previous year Rs 1.22 Lakhs).

ii) Consists of capitalised product development costs being an internally generated intangible asset.

iii) Intangible assets under development comprises of technical know how and product development cost incurred by the Company.

iv) Intangible assets under development

(a) Ageing:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2025

Particulars	Amount in intangible assets under development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,099.87	543.00	171.02	62.39	2,876.28
Projects temporarily suspended	-	-	-	-	-
Total	**2,099.87**	**543.00**	**171.02**	**62.39**	**2,876.28**

As at March 31, 2024

Particulars	Amount in intangible assets under development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,161.79	680.42	794.96	341.62	3,978.79
Projects temporarily suspended	-	-	-	-	-
Total	**2,161.79**	**680.42**	**794.96**	**341.62**	**3,978.79**

(b) Completion schedule for intangible assets under development whose completion is overdue compared to its original plan:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2025

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for *					
- Air conditioning kit	-	-	-	-	-
- Heating, ventilation, and air conditioning (HVAC) system	831.49	-	-	-	831.49
- Compressor	-	-	-	-	-
- Hose & Tubes	350.35	-	-	-	350.35
- Condensor	30.41	-	-	-	30.41
- Radiator	190.67	-	-	-	190.67
Total	**1,402.92**	**-**	**-**	**-**	**1,402.92**

* The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

As at March 31, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for*					
- Air conditioning kit	508.52	-	-	-	508.52
- Heating, ventilation, and air conditioning (HVAC) system	774.12	24.55	-	-	798.67
- Compressor	242.46	-	-	-	242.46
- Hose & Tubes	-	-	-	-	-
- Condensor	90.95	492.08	-	-	583.03
- Radiator	-	-	-	-	-
Total	**1,616.05**	**516.63**	**-**	**-**	**2,132.68**

* The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

Significant estimates:

A. Appropriateness of capitalization of internal development costs related to Intangible assets under development

In relation to capitalisation of internal development costs in relation to intangible assets under development, significant judgement has been made by the management in the determination of –

i) whether the costs incurred is towards development of product or in the nature of research,

ii) the costs, including payroll costs, were directly attributable to relevant projects, and

iii) key assumptions such as future revenue, margins and the discount rate used to assess the future cash flows from the expected use of such assets once developed and capitalised.

B. Estimated useful life of intangible assets

The estimated useful lives of intangible assets are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) to obtain the expected future cash flows from the asset.

5. Financial assets

Accounting policies

(i) Classification of financial assets at amortised cost

The Company classifies its financial assets at amortised cost only if both of the following criteria are met:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets classified at amortised cost comprise trade receivables, loans, investment in bond and debentures, bank deposits and security deposits.

(ii) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities (listed and unlisted) which are not held for trading, and for which the Company has irrevocably elected at initial recognition to recognise changes in fair value through OCI rather than profit or loss. There are currently no equity securities which are carried at FVOCI.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets. There are currently no debt securities which are carried at FVOCI.

(iii) Classification of financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss (FVTPL):

– investment in mutual funds and

– equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Derivatives

The Company enters into foreign exchange forward contracts and certain other derivative financial instruments to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The resulting gain or loss is recognised in Standalone Statement of Profit and Loss immediately.

Offsetting:
Financial assets and financial liabilities are offset and the net amount presented in the Standalone 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.

Refer note 40(xi) for the remaining relevant accounting policies and refer note 40(ii) for the accounting policy related to investment in joint venture.

5(a). Non-current investments - Investment in joint venture

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Investment in equity instruments (fully paid- up)		
Unquoted		
Investment in joint venture (carried at cost)		
Denso Subros Thermal Engineering Centre India Private Limited	176.80	176.80
1,767,999(March 31, 2024: 1,767,999) Fully paid up equity shares of Rs. 10 each		
Total investment in joint venture	**176.80**	**176.80**
Aggregate value of unquoted investments	**176.80**	**176.80**
Aggregate amount of impairment in the value of unquoted investments	**-**	**-**

5(b) Non-current investments - Other

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Investment in equity instruments (at fair value through profit or loss)		
Unquoted (fully paid- up)		
Amplus Green Power Private Limited	299.98	299.98
1,719,061 (March 31, 2024: 1,719,061) Fully paid up equity shares of Rs. 17.45 each		
Investment in debentures and bonds (at amortised cost)		
Quoted (fully paid- up)	2,384.32	-
Unquoted (fully paid- up)	210.00	-
Total non-current investments - other	**2,894.30**	**299.98**
Aggregate amount of quoted investments	**2,384.32**	**-**
Aggregate market value of quoted investments	**2,369.63**	**-**
Aggregate amount of unquoted investments	**509.98**	**299.98**
Aggregate amount of impairment in the value of unquoted investments	**-**	**-**

5(c). Current investments - Other

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Investment in mutual funds (at fair value through profit or loss)		
Unquoted		
5,116,215.615 (March 31, 2024: Nil) units of Nippon India Overnight Fund - Direct Growth Plan	7,016.27	-
1,565,817.746 (March 31, 2024: Nil) units of Invesco India Arbitrage Fund-Direct Growth Plan	531.00	-
Investment in debentures and bonds (at amortised cost)		
Quoted (fully paid- up)	998.80	-
Total current investments - other	**8,546.07**	**-**
Aggregate amount of quoted investments	**998.80**	**-**
Aggregate market value of quoted investments	**997.89**	**-**
Aggregate amount of unquoted investments	**7,547.27**	**-**
Aggregate amount of impairment in the value of unquoted investments	**-**	**-**

5(d). Trade receivables

Accounting policy

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less loss allowance.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Refer note 22(b) for a description of the Company's impairment policies.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Trade receivables from contract with customers - billed	41,014.44	24,216.16
Trade receivables from contract with customers - unbilled*	4,076.79	3,849.37
Trade receivables from contract with customers - related parties (Refer note 24)	188.99	350.93
Less: Loss allowance	(147.99)	(97.99)
Total trade receivables	**45,132.23**	**28,318.47**
Current portion	45,132.23	28,318.47
Non-current portion	-	-

* The receivable is unbilled because Company has not yet issued an invoice, however, the balance has been included under trade receivables (as opposed to contact assets) because it is an unconditional right to consideration.

Breakup of security details *(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2025	As at March 31,2024
Trade receivables considered good - Secured	17.65	-
Trade receivables considered good - Unsecured	45,212.29	28,358.18
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	50.28	58.28
Total	**45,280.22**	**28,416.46**
Loss allowance	(147.99)	(97.99)
Total trade receivables	**45,132.23**	**28,318.47**

Ageing of Trade receivables as on March 31, 2025 *(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	Unbilled	Not Due	Outstanding for following periods from the 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								
– considered good	4,076.79	38,971.85	1,765.38	370.83	33.14	11.95	-	**45,229.94**
– which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
– credit impaired	-	-	-	-	-	-	-	**-**
Disputed trade receivables								**-**
– considered good	-	-	-	-	-	-	-	**-**
– which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
– credit impaired	-	-	-	-	-	-	50.28	**50.28**
Total	**4,076.79**	**38,971.85**	**1,765.38**	**370.83**	**33.14**	**11.95**	**50.28**	**45,280.22**

Ageing of Trade receivables as on March 31, 2024 *(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	Unbilled	Not Due	Outstanding for following periods from the 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								
– considered good	3,849.37	23,233.18	1,167.86	76.12	24.80	3.84	3.01	**28,358.18**
– which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
– credit impaired	-	-	-	-	-	-	-	**-**
Disputed trade receivables								
– considered good	-	-	-	-	-	-	-	**-**
– which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
– credit impaired	-	-	-	-	-	-	58.28	**58.28**
Total	**3,849.37**	**23,233.18**	**1,167.86**	**76.12**	**24.80**	**3.84**	**61.29**	**28,416.46**

5(e). Cash and cash equivalents

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- In current accounts	3,626.61	3,907.32
Cash on hand	9.43	8.38
Deposit with original maturity of less than 3 months	-	-
Total cash and cash equivalents	**3,636.04**	**3,915.70**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

5(f) Bank balances other than cash and cash equivalents

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Earmarked balances with banks		
Unpaid dividend account	20.65	19.42
Others		
Deposits with original maturity of more than three months but less than 12 months	4,000.00	8,300.00
Total bank balances other than cash and cash equivalents	**4,020.65**	**8,319.42**

5(g). Loans

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31,2024	
	Current	Non-current	Current	Non-current
Loans to employees	76.67	19.03	65.48	11.81
Total loans	**76.67**	**19.03**	**65.48**	**11.81**

Breakup of security details

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Loans considered good - Secured	-	-
Loans considered good - Unsecured	95.70	77.29
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**95.70**	**77.29**
Loss allowance	-	-
Total loans	**95.70**	**77.29**

5(h) Other financial assets

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31,2024	
	Current	Non-current	Current	Non-current
Security deposits				
Related parties (refer note 24)	-	256.89	-	263.46
Others	17.03	728.22	13.27	700.65
Interest accrued on bank deposits	192.22	-	309.73	-
Government grant receivable (refer note 11(d))	298.97	-	-	-
Insurance claim recoverable	1.89	-	-	-
Recoverable from sale of property plant and equipment	142.83	251.92	-	-
Total other financial assets	**652.94**	**1,237.03**	**323.00**	**964.11**

6. Tax expense

a) Income tax expense in the Standalone Statement of Profit and Loss comprises:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Tax expense		
Current tax		
Current tax on profits for the year	6,149.85	2,506.02
Adjustments for current tax of prior year	126.09	0.94
Total current tax expense	**6,275.94**	**2,506.96**
Deferred tax		
Minimum Alternate Tax (MAT) credit utilisation	-	2,736.87
Decrease / (increase) in deferred tax assets	(261.12)	242.62
(Decrease) / increase in deferred tax liabilities	(709.19)	(1,182.62)
Total deferred tax expense / (credit)	**(970.31)**	**1,796.87**
Total tax expense / (credit)	**5,305.63**	**4,303.83**

b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before tax	**20,346.21**	**14,070.12**
Computed tax expense at applicable tax rate of 25.168% (previous year 34.944%)	**5,120.73**	**4,916.66**
Tax effect of :		
Tax effects of the amounts which are not deductible in calculating taxable income	50.02	50.82
Adjustment on account of remeasurement (Refer note 2 below)	-	(664.59)
Adjustment on account of lower tax rate	8.79	-
Adjustment for current tax of prior year	126.09	0.94
Tax expense recognized in Standalone Statement of Profit and Loss	**5,305.63**	**4,303.83**

The tax impact of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Opening balance	Recognized in Profit or loss-Credit/(charge)	Recognized in Other Comprehensive Income-Credit/ (charge)	Closing Balance
2023-24				
Deferred tax liability in relation to:				
Property, plant and equipment and intangible assets	8,211.99	2,457.48	-	5,754.51
Right-of-use assets	74.88	66.18	-	8.70
Adjustment on account of remeasurement (net) (Refer note 2 below)	(1,341.04)	(1,341.04)	-	-
Total deferred tax liability(A)	**6,945.83**	**1,182.62**	**-**	**5,763.21**
Deferred tax assets in relation to:				
Expenses deductible in future years	516.49	(180.75)	-	335.74
Lease liabilities	184.22	(61.87)	-	122.35
Remeasurement of post employment benefit obligations	137.61	-	81.32	218.93
Total deferred tax assets (B)	**838.32**	**(242.62)**	**81.32**	**677.02**
Deferred tax liability(net) (C) = (A) - (B)	**6,107.51**	**940.00**	**81.32**	**5,086.19**
Minimum alternate tax credit (D)	2,736.87	(2,736.87)	-	-
Deferred tax liabilities/(assets) (net) (C) -(D)	**3,370.64**	**(1,796.87)**	**81.32**	**5,086.19**

2024-25				
Deferred tax liability in relation to:				
Property, plant and equipment and intangible assets	5,754.51	662.68	-	5,091.83
Right-of-use assets	8.70	47.64	-	(38.94)
Others	-	(1.13)	-	1.13
Total deferred tax liability(A)	**5,763.21**	**709.19**	**-**	**5,054.02**
Deferred tax assets in relation to:			-	
Expenses deductible in future years	335.74	366.22	-	701.96
Lease liabilities	122.35	(105.10)	-	17.25
Remeasurement of post employment benefit obligations	218.93	-	19.54	238.47
Total deferred tax assets (B)	**677.02**	**261.12**	**19.54**	**957.68**
Deferred tax liability(net) (C) = (A) - (B)	**5,086.19**	**970.31**	**19.54**	**4,096.34**
Minimum alternate tax credit (D)	-	-	-	-
Deferred tax liabilities/(assets) (net) (C) -(D)	**5,086.19**	**970.31**	**19.54**	**4,096.34**

Note

1. Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.
2. In financial year (FY) 2019-20, the tax laws were amended, providing an option to pay tax at 22% plus applicable surcharge and cess ("New Rate") effective April 1, 2019, with a condition to surrender specified deductions / incentives.

   During the FY 2023-24, the Company had utilized the entire Minimum Alternate Tax credit balance and decided to opt for the New Rate from FY 2024-25. The Company re-measured its deferred tax balances accordingly with an impact (deferred tax credit) of Rs. 664.59 Lakhs for the year ended March 31, 2024. Accordingly, the Company has recognised provision for income tax and measured its deferred tax balance basis the rate prescribed thereby and the related impact is recognised in the Standalone Statement of Profit and Loss.

   Subsequent to the year ended March 31, 2025, the Company has filed requisite form with Income Tax authority for opting New rate within the prescribed timeline.

7. Other assets

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31,2024	
	Current	Non-current	Current	Non-current
Capital advances	-	355.37	-	179.50
Advances other than capital advances:				
Advance to suppliers				
-Related party (refer note 24)	1.66	-	0.56	-
-Others	644.83	-	752.07	-
Prepaid expenses	571.52	-	719.29	-
Recoverable from statutory authorities	619.89	-	794.38	-
Total other assets	**1,837.90**	**355.37**	**2,266.30**	**179.50**

8. Inventories

Accounting policy

Assigning costs to inventories

The costs of individual items of inventory are determined on a weighted average cost basis.

Refer note 40(x) for the other accounting policies relevant to inventories.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw material and spares *	28,598.33	28,585.62
Work-in progress	4,647.29	4,808.46
Finished goods	776.30	968.74
Stores	3,363.16	3,142.78
Total Inventories	**37,385.08**	**37,505.60**

* Net of provision for inventory obsolescence amounting to Rs. 439.76 Lakhs as at March 31, 2025 (March 31, 2024: Rs. 431.19 Lakhs). An amount of Rs. 8.57 Lakhs has been provided for during the year ended March 31, 2025 (Rs. 150.70 Lakhs has been written back during the year ended March 31, 2024) and included in 'cost of material consumed' in Standalone Statement of Profit and Loss.

Inventory includes in transit inventory of:-

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Raw material and spares	**5,185.04**	**3,166.70**
Finished goods	**305.38**	**396.55**

Significant estimate:

The provision for inventory obsolescence is based on assumptions about usability / saleability of inventory. The Company reviews the provision for inventory obsolescence at the end of each reporting period.

9. Non-current tax assets (net)

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Advance tax (net of provisions - March 31, 2025: Rs 13,543.74 Lakhs; March 31, 2024: Rs 9,664.76 Lakhs)	118.73	211.71
Total non-current tax assets	**118.73**	**211.71**

10. Equity

10(a) Equity share capital

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Authorized share capital		
125,000,000 (as at March 31, 2024 : 125,000,000) equity shares of Rs. 2 each	2,500.00	2,500.00
Issued share capital		
65,241,450 (as at March 31, 2024 : 65,241,450) equity shares of Rs. 2 each	1,304.83	1,304.83
Subscribed and paid up share capital		
65,235,750 (as at March 31, 2024 : 65,235,750) equity shares of Rs. 2 each, fully paid up	1,304.71	1,304.71
Total	**1,304.71**	**1,304.71**

A. Reconciliation of the shares outstanding at the beginning and at the end of the year

(All amounts in Rs. Lakhs, unless otherwise stated)

Equity shares	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	65,235,750	1,304.71	65,235,750	1,304.71
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	**65,235,750**	**1,304.71**	**65,235,750**	**1,304.71**

B. Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. 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. 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.

C. Details of shares held by each shareholder holding more than 5% shares

Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	% of holding	Number of shares held	% of holding
Deeksha Holding Limited	10,137,760	15.54%	10,137,760	15.54%
Jyotsna Holding Private Limited	3,448,000	5.29%	3,448,000	5.29%
Shradha Suri	5,587,040	8.56%	5,587,040	8.56%
Denso Corporation	13,047,150	20.00%	13,047,150	20.00%
Suzuki Motor Corporation	7,800,000	11.96%	7,800,000	11.96%

D. Details of shareholding of promoters:

Name of the promoter	As at March 31, 2025			As at March 31, 2024		
	Number of shares	% total shares	% Change during the year	Number of shares	% total shares	% Change during the year
Shradha Suri	5,587,040	8.56%	0.00%	5,587,040	8.56%	0.00%
Deeksha Holding Limited	10,137,760	15.54%	0.00%	10,137,760	15.54%	0.00%
Jyotsna Holding Private Limited	3,448,000	5.29%	0.00%	3,448,000	5.29%	0.00%
R.R. Holdings Private Limited	3,208,000	4.92%	0.00%	3,208,000	4.92%	0.00%
JS Family Trust	1,619,200	2.48%	0.00%	1,619,200	2.48%	0.00%

10(b) Other equity

Reserves and surplus

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Securities premium	20,817.44	20,817.44
General reserve	13,025.48	12,875.48
Retained earnings	74,245.20	60,586.97
Total other equity	**108,088.12**	**94,279.89**

i) Securities premium

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	20,817.44	20,817.44
Issue of equity shares	-	-
Closing balance	**20,817.44**	**20,817.44**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

ii) General reserve

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	12,875.48	12,725.48
Transfer from retained earnings	150.00	150.00
Closing balance	**13,025.48**	**12,875.48**

General reserve is the retained earnings of a Company which is kept aside out of the Company's profits to meet future (known or unknown) obligations.

iii) Retained earnings

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	60,586.97	51,864.85
Add: Profit for the year	15,040.58	9,766.29
Less: Remeasurement loss on post employment benefit obligation, net of tax	(58.11)	(241.81)
Less: Appropriations		
Transfer to general reserve	(150.00)	(150.00)
Dividend on equity shares	(1,174.24)	(652.36)
Closing balance	**74,245.20**	**60,586.97**

During the year, a dividend of Rs. 1.8 per share, total dividend Rs. 1,174.24 Lakhs (previous year: Rs. 1 per share, total dividend Rs. 652.36 Lakhs) was paid to equity shareholders.

The Board of Directors recommended a final dividend of Rs. 2.60 per share (nominal value of Rs. 2 per share) for the financial year 2024-25 (March 31, 2024: Rs. 1.80 per share for the financial year 2023-24). This dividewnd is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these Standalone Financial Statements. The total estimated dividend to be paid is Rs. 1,696.13 Lakhs (March 31, 2024: Rs. 1,174.24 Lakhs).

11. Financial liabilities

11(a) Other financial liabilities (current)

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Capital creditors*	614.68	1,375.60
Interest accrued	11.50	9.82
Security deposit received		
-Related party (refer note 24)	6.14	6.14
-Others	53.49	50.99
Unclaimed dividend**	20.65	19.42
Derivative liability	197.47	226.95
Others		
Due to directors (refer note 24)	460.28	301.55
Payable to employees	2,586.17	2,708.10
Total	**3,950.38**	**4,698.57**

* Includes Rs. 124.96 Lakhs (March 31, 2024: Rs. 104.31 Lakhs) payable to related parties. Refer note 24.

** The Company has deposited an amount of Rs. 3.26 Lakhs (Previous year Rs. 4.93 Lakhs) during the year in Investor Education and Protection Fund. Further, no amount is pending for deposition in Investor Education and Protection Fund as at March 31, 2025 and March 31, 2024.

11(b) Trade payables

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Trade payables: micro and small enterprises (refer Note 37)	363.35	79.53
Trade payables: others	45,733.60	40,958.45
Trade payables to related parties (refer note 24)	9,933.83	9,399.52
Total	**56,030.78**	**50,437.50**

Ageing of trade payables as at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date of payment				Total
			less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
- Micro and small enterprises	74.87	288.48	-	-	-	-	**363.35**
- Others	6,518.38	44,184.36	4,881.18	34.38	35.07	14.06	**55,667.43**
Disputed trade payables							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
Total	**6,593.25**	**44,472.84**	**4,881.18**	**34.38**	**35.07**	**14.06**	**56,030.78**

Ageing of trade payables as at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date of payment				Total
			less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
- Micro and small enterprises	1.55	77.98	-	-	-	-	79.53
- Others	5,775.73	39,050.13	5,451.21	61.97	12.34	6.59	50,357.97
Disputed trade payables							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
Total	**5,777.28**	**39,128.11**	**5,451.21**	**61.97**	**12.34**	**6.59**	**50,437.50**

11 (c) Current tax liabilities

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	89.67	237.76
Current tax payable for the year	6,149.85	2,506.02
Less:- Taxes paid	5,619.95	2,654.11
Closing balance	**619.57**	**89.67**

11(d) Other non-current liabilities

Accounting policy

Government grants

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented as net of the related expense.

Government grants relating to the purchase of property, plant and equipment are deducted from the cost of the related assets in arriving at the carrying value of the assets. Further, government grants related to assets which is not similar in nature to the other grant, is presented in the Standalone Balance Sheet by setting up the grant as deferred income. The grant set up as deferred income is recognised in profit or loss on a systematic basis over the useful life of the assets and presented within other income.

Refer note 40(v) for the other accounting policies relevant to government grant.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Government grants		
Opening balance	-	248.27
Grants during the year	1,141.81	379.21
Less: Released to profit or loss (Refer note 15)	(230.73)	(259.97)
Less: Adjusted from the cost of the related assets (Refer note 3)	-	(367.51)
Closing balance	**911.08**	**-**
Current portion	-	-
Non-current portion	911.08	-

Note:

a) During the year ended March 31, 2025, the Company has recognised government grant relating to Gujarat Industrial Incentive Scheme 2016-21 for Karsanpura plant. The conditions relating to the grant required the Company to set up new industrial undertaking in specified areas along with compliance with various other specified conditions in the scheme. These conditions have been complied with and there is reasonable assurance that the grant will be received.

Accordingly, the Company has recognized a grant receivable of Rs 1,133.33 Lakhs with a corresponding credit to deferred income to be recognized as income on a systematic basis over the useful life of the assets. Further, out of this, Rs. 230.73 Lakhs has been recognized as income in the Standalone Statement of Profit and Loss for the year ended March 31, 2025 corresponding to the useful life elapsed up to that date. Furthermore, the out of the total grant receivable, the Company has received Rs. 834.36 Lakhs during the year ended March 31, 2025.

b) During the year ended March 31, 2025, the Company has also received government grant amounting to Rs. 8.48 Lakhs received from Ozone Cell (Ministry of Environment, Forest and Climate Change, Government of India) related to property, plant and equipment to be procured at Nalagarh plant under the scheme 'India HCFC Phase-out Management Plan Stage III' to phase out the consumption of HCFCs (Hydrochlorofluorocarbons). As on March 31, 2025, the Company is yet to comply with the conditions attached to this grant with respect to installation of property, plant and equipment and other conditions stated in the scheme.

c) During the previous year ended March 31, 2024, the Company has recognised the government grant received from Ozone Cell, Ministry of Environment, Forest and Climate Change, Government of India related to 'India HCFC Phase-out Management Plan Stage II' at Nalagarh plant. The conditions relating to the grant required the Company to invest in acquisition of property, plant and equipment under the scheme and also incur incremental operating costs to phase out the consumption of HCFCs (Hydrochlorofluorocarbons). These conditions have been complied with during the year ended March 31, 2024.

Accordingly, part of the grant received has been netted off from cost of property, plant and equipment included in plant and machinery amounting to Rs. 367.51 Lakhs and an amount of Rs. 52.61 Lakhs received has been recognized in Other income (Refer note 15) as it relates to cost of property, plant and equipment already depreciated and costs expensed off in the Statement of Profit and Loss in earlier years.

Further, an amount of Rs. 207.36 Lakhs has been received during the year ended March 31, 2024 as a part of the aforesaid grant pertaining to compensation for incremental operating costs incurred for reduction of consumption of HCFCs and recognized in Other income (Refer note 15).

The Company has also benefited from other forms of government assistance as mentioned in note 18.

11(e) Supplier's credit (current)

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Supplier's credit	4,025.21	2,971.60
Total	**4,025.21**	**2,971.60**

Note: Supplier's credit represents the arrangement where suppliers of goods and services are initially paid by Receivables Exchange of India/ bank and settlement with the Receivables Exchange of India/bank are normally effected within a period of 90 days.

12. Provisions

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Current	Non-Current	Current	Non-Current
Provision for employee benefits:				
Provision for leave encashment (refer note 28)	473.78	-	389.83	-
Provision for gratuity (refer note 28)	-	1,325.05	-	1,177.70
Provision for long service award	67.63	208.93	-	-
Provision for warranty	255.37	170.25	263.19	175.46
Total	**796.78**	**1,704.23**	**653.02**	**1,353.16**

i) Information about individual provisions and critical estimates

Provision for employee benefits:

The provision for employee benefits include leave encashment, long service award and gratuity (refer note 40(xviii) for accounting policies).

Provision for warranty:

Significant estimate: Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. The Company generally offers 24 months warranties for its products. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. The assumptions made in relation to the current period are consistent with those in the prior years. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives.

ii) Movement in provision for warranty

(All amounts in Rs. Lakhs, unless otherwise stated)

For the year ended March 31, 2024	
Balance as at April 1, 2023	**426.22**
Charged/(credited) to profit or loss	
Additional provisions recognized	249.14
Unwinding of discount on provision for warranty	10.68
Discounting of additional provision recognized	(11.18)
Amounts utilized during the year	(236.21)
As at March 31, 2024	**438.65**
For the year ended March 31, 2025	
Balance as at April 1, 2024	**438.65**
Charged/(credited) to profit or loss	
Additional provisions recognized	398.62
Unwinding of discount on provision for warranty	8.48
Discounting of additional provision recognized	(8.75)
Amounts written back during the year	(83.00)
Amounts utilized during the year	(328.38)
As at March 31, 2025	**425.62**

Sensitivity analysis

As at March 31, 2025, provision for warranty had a carrying amount of Rs. 425.62 Lakhs (March 31, 2024: Rs. 438.65 Lakhs). Were warranty claim costs to differ by 10% of the management's estimates, the provision would be an estimated Rs. 42.56 Lakhs higher or lower (March 31, 2024: Rs. 43.87 Lakhs higher or lower).

13 (a). Contract liabilities (current)

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Contract liabilities	330.29	809.66
Total	**330.29**	**809.66**

Notes:

a) Contract liabilities represent payments received from the customers in excess of the goods sold by the Company.

b) During the year ended March 31, 2025, the Company recognised revenue of Rs. 516.40 Lakhs arising from opening contract liabilities as of April 1, 2024. During the previous year, the Company recognised revenue of Rs. 433.71 Lakhs arising from opening contract liabilities as at April 1, 2023.

13 (b) Other current liabilities

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues	3,917.00	2,926.85
Total	**3,917.00**	**2,926.85**

14. Revenue from operations

Accounting policy

a) Sale of goods

The Company manufactures and sells thermal products for automotive and home air-conditioning original equipment manufacturers. Revenue from sale of goods is recognized when control of the goods has transferred, being when the goods are delivered to the customer, the customer has full discretion over the channel and price to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the customer location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from sale of goods is recognized based on the price specified in the contract, net of the estimated rebates / discounts.The goods are sold to after-market customers with rebates / discounts based on sales targets over a 12 months period. Accumulated experience is used to estimate and provide for the rebates / discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

The Company's obligation to repair or replace faulty products under the standard warranty terms is recognized as a provision, see note 12.

A receivable is recognized when the goods are delivered and accepted by the Customer as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is received.

b) Sale of services

Income from services rendered is recognized based on agreements/arrangements with the customers on the performance of service. Revenue from services is recognized in the accounting period in which the services are rendered. Revenue is recognised to the amount to which the Company has a right to invoice.

If the services rendered by the Company exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

c) Financing component

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. The sales are made with credit terms, which vary from 30 days to 60 days, which is consistent with market practice. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from contracts with customers		
- Sale of products	335,390.86	305,941.63
- Sale of services	309.58	147.30
Other operating revenues		
- Sale of scrap	1,057.03	968.13
Total	**336,757.47**	**307,057.06**

Note 1: Unsatisfied contracts:

The following table shows unsatisfied performance obligation resulting from contracts:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at reporting date	330.29	809.66

Management expects that transaction price allocated to unsatisfied contracts as of March 31, 2025 will be recognized as revenue during the next reporting period.

Note 2: Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contract Price	337,084.18	308,217.89
Adjustments for:		
- Rebate/discounts	(326.71)	(1,160.83)
Revenue from Operations	**336,757.47**	**307,057.06**

Note 3: The Company has disaggregated revenue from contracts with customers based on nature of revenue i.e. sale of products and sale of services. The Company does not have reportable segment. Refer note 23.

Note 4: The Company derives revenue from transfer of goods and services at a point of time after acceptance from customers.

Note 5: No significant judgements have been made by the Company in applying Ind AS 115 that significantly affect the determination of the amount and timing of revenue from contracts with customers.

15. Other income

Accounting policy

Refer note 11(d) and 40(v) for the accounting policy related to government grant and note 40(xxi) for accounting policy related to interest and dividend income.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income on:		
a) Financial assets at amortized cost	622.58	646.17
b) Others	20.96	28.65
Exchange variation on foreign currency transactions (net)	468.41	314.08
Fair value changes on derivatives	29.48	(194.80)
Unwinding of discount on financial asset	5.55	6.07
Rental income	35.57	76.99
Dividend income from investment in joint venture	6.62	12.58
Net gain on sale of investments in mutual funds	367.59	240.82
Gain on maturity of investment in debentures	1.08	-
Government grant (Refer note 11(d))	230.73	259.97
Gain on termination of lease	158.00	-
Net fair value gains on financial assets measured at fair value through profit or loss	47.64	-
Other miscellaneous income	83.67	76.58
Total	**2,077.88**	**1,467.11**

16. Cost of material consumed

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Raw material and spares		
Raw material and spares at the beginning of the year	28,585.62	26,380.50
Add: Purchase of raw material and spares	242,877.39	230,065.17
Less: Raw material and spares at the end of the year	28,598.33	28,585.62
Total	**242,864.68**	**227,860.05**

Refer note 31 for expenses capitalized during the year ended March 31, 2025 and March 31, 2024.

17. Changes in inventories of finished goods and work in progress

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance		
Finished goods	968.74	938.31
Work-in-progress	4,808.46	3,706.09
Total opening balance (a)	**5,777.20**	**4,644.40**
Closing balance		
Finished goods	776.30	968.74
Work-in-progress	4,647.29	4,808.46
Total closing balance (b)	**5,423.59**	**5,777.20**
Total changes in inventories of finished goods and work-in-progress (a-b)	**353.61**	**(1,132.80)**

18. Employee benefits expense

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus*	27,640.61	24,425.48
Contribution to provident and other funds (refer note 28)**	1,211.61	1,087.52
Gratuity (refer note 28)	356.56	304.36
Staff welfare expenses	3,036.06	2,591.78
Total	**32,244.84**	**28,409.14**

Note:

(i) Government grants

* Net of government grants related to refund of 50% of minimum stipend prescribed by Board of Apprenticeship Training (Northern Region) amounting to Rs. 152.60 Lakhs (March 31, 2024: Rs. 152.16 Lakhs).

** Net of government grants related to payment of employer's contribution towards Employees Provident Fund and Employees Pension Scheme for the new employment, paid by government of India under the Pradhan Mantri Rojgar Protsahan Yojana amounting to Rs. Nil (March 31, 2024: Rs. 7.38 Lakhs).

There are no unfulfilled conditions or other contingencies attached to these grants. The Company did not benefit directly from any other forms of government assistance except as disclosed in Note 11(d).

(ii) Refer note 31 for expenses capitalized during the year ended March 31, 2025 and March 31, 2024.

19. Finance costs

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest costs:		
- Loans from banks	116.95	481.52
- Other financing arrangements	711.27	381.76
Exchange differences regarded as an adjustment to borrowing costs	255.30	233.45
Interest on lease liabilities (refer note 27)	37.22	45.10
Other finance costs	27.55	25.39
Total	**1,148.29**	**1,167.22**

20. Depreciation and amortization expense

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment (refer note 3)	9,375.69	8,121.36
Depreciation of right-of-use assets (refer note 27)	110.07	110.20
Amortization of intangible assets (refer note 4)	3,331.01	3,419.15
Total	**12,816.77**	**11,650.71**

Also refer note 31 for expenses capitalized during the year ended March 31, 2025 and March 31, 2024.

21. Other expenses

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores	5,768.56	5,548.50
Power and fuel	4,279.95	3,832.32
Rent (refer note 27)	358.18	329.20
Repair and maintenance: Building	521.51	497.80
Repair and maintenance: Plant and machinery	2,652.82	2,347.12
Repair and maintenance: Others	502.00	495.32
Rates, taxes and fees	59.47	63.13
Insurance	620.25	614.64
Royalty	5,076.93	4,153.67
Warranty expenses	306.87	237.96
Selling and distribution expenses	5,068.05	4,781.20

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Legal and professional charges	491.24	405.57
Vehicle running and maintenance	159.62	152.54
Travelling and conveyance	624.35	709.12
Payment to auditors [refer note 21(a) below]	71.91	64.31
Net loss on disposal of property, plant and equipment	59.62	92.42
Loss allowance for trade receivables	50.00	-
Corporate social responsibility expenses [refer note 21(b) below]	171.18	120.01
Director's sitting fees and commission	84.24	59.55
Other miscellaneous expenses	2,134.20	1,995.35
TOTAL	**29,060.95**	**26,499.73**

Also refer note 31 for expenses capitalized during the year ended March 31, 2025 and March 31, 2024.

21(a). Details of payment to auditors

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Payment to auditors*		
As auditor:		
Audit fees (including limited review)	57.50	50.50
Tax audit fee	1.50	1.50
Certification fee	6.50	6.00
Reimbursement of expenses	6.41	6.31
Total	**71.91**	**64.31**

* Excluding applicable taxes

21(b). Corporate social responsibility expenses

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to green plantations	13.50	2.05
Contribution to education for under-privileged children	52.84	54.60
Contribution to skills developments	87.63	58.44
Contribution to social campaign	-	1.67
Contribution to paralympic sports	6.32	1.00
Contribution to preventive healthcare	9.31	-
Contribution to technology development	1.58	2.25
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	-	-
Total	**171.18**	**120.01**
Amount required to be spent as per Section 135 of the Act	**170.68**	**120.01**
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(i) On purpose other than above	171.18	120.01
Total	**171.18**	**120.01**

Details of ongoing CSR projects under Section 135(6) of the Act

Balance as at April 1, 2024		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2025	
With the Company	In Separate CSR Unspent account		From the Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent account
-	-	170.68	171.18	-	-	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at April 1, 2024	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2025
-	-	-	-	-

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 1, 2024	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2025
-	-	-	-

Details of ongoing CSR projects under Section 135(6) of the Act

Balance as at April 1, 2023		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2024	
With the Company	In Separate CSR Unspent account		From the Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent account
-	-	120.01	120.01	-	-	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at April 1, 2023	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2024
-	-	-	-	-

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 1, 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2024
-	-	-	-

22. Financial instruments and risk management

22(a) Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2025 is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	FVOCI	FVTPL	Amortized cost	Total
Financial assets				
i) Investments	-	7,847.25	3,593.12	11,440.37
ii) Trade receivables	-	-	45,132.23	45,132.23
iii) Cash and cash equivalents	-	-	3,636.04	3,636.04
iv) Bank balance other than cash and cash equivalents	-	-	4,020.65	4,020.65
v) Loans	-	-	95.70	95.70
vi) Other financial assets	-	-	1,889.97	1,889.97
Total financial assets	**-**	**7,847.25**	**58,367.71**	**66,214.96**
Financial liabilities				
i) Supplier's credit	-	-	4,025.21	4,025.21
ii) Trade payables	-	-	56,030.78	56,030.78
iii) Other financial liabilities	-	197.47	3,752.91	3,950.38
Total financial liabilities	**-**	**197.47**	**63,808.90**	**64,006.37**

The carrying value and fair value of financial instruments by categories as of March 31, 2024 is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	FVOCI	FVTPL	Amortized cost	Total
Financial assets				
i) Investment	-	299.98	-	299.98
ii) Trade receivables	-	-	28,318.47	28,318.47
iii) Cash and cash equivalents	-	-	3,915.70	3,915.70
iv) Bank balance other than cash and cash equivalents	-	-	8,319.42	8,319.42
v) Loans	-	-	77.29	77.29
vi) Other financial assets	-	-	1,287.11	1,287.11
Total financial assets	**-**	**299.98**	**41,917.99**	**42,217.97**
Financial liabilities				
i) Supplier's credit	-	-	2,971.60	2,971.60
ii) Trade payables	-	-	50,437.50	50,437.50
iii) Other financial liabilities	-	226.95	4,471.62	4,698.57
Total financial liabilities	**-**	**226.95**	**57,880.72**	**58,107.67**

The following tables provides an analysis of financial assets and liabilities that are measured at fair value - recurring fair value measurements, grouped into level 1 to level 3, as described below:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2025			
		Level 1	Level 2	Level 3	Total
Financial assets					
Investments	5(b) & (c)	7,547.27	-	299.98	7,847.25
Total financial assets		**7,547.27**	**-**	**299.98**	**7,847.25**
Financial liabilities					
Derivative liability	11(a)	-	197.47	-	197.47
Total financial liabilities		**-**	**197.47**	**-**	**197.47**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2024			
		Level 1	Level 2	Level 3	Total
Financial assets					
Investments	5(b)	-	-	299.98	299.98
Total financial assets		**-**	**-**	**299.98**	**299.98**
Financial liabilities					
Derivative liability	11(a)	-	226.95	-	226.95
Total financial liabilities		**-**	**226.95**	**-**	**226.95**

The following tables provides an analysis of financial assets and liabilities that are measured at amortized cost for which fair values are disclosed, grouped into level 1 to level 3, as described below:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2025			
		Level 1	Level 2	Level 3	Total
Financial assets					
Investments	5(b) & (c)	3,367.52	-	210.00	3,577.52
Security deposits	5(h)	-	-	1,002.14	1,002.14
Loans to employees	5(g)	-	-	95.70	95.70
Trade receivables	5(d)	-	-	45,132.23	45,132.23
Cash and cash equivalents	5(e)	-	-	3,636.04	3,636.04
Deposits with original maturity of more than three months but less than 12 months	5(f)	-	-	4,000.00	4,000.00
Unpaid dividend account	5(f)	-	-	20.65	20.65
Interest accrued on bank deposits	5(h)	-	-	192.22	192.22
Recoverable from sale of property plant and equipment	5(h)	-	-	394.75	394.75
Government grant receivable	5(h)	-	-	298.97	298.97
Insurance claim recoverable	5(h)	-	-	1.89	1.89
Total financial assets		**3,367.52**	**-**	**54,984.59**	**58,352.11**
Financial liabilities					
Supplier's credit	11(e)	-	-	4,025.21	4,025.21
Trade payables	11(b)	-	-	56,030.78	56,030.78
Capital creditors	11(a)	-	-	614.68	614.68
Interest accrued	11(a)	-	-	11.50	11.50
Security deposit received	11(a)	-	-	59.63	59.63
Unclaimed dividend	11(a)	-	-	20.65	20.65
Others					
Due to directors	11(a)	-	-	460.28	460.28
Payable to employees	11(a)	-	-	2,586.17	2,586.17
Total financial liabilities		**-**	**-**	**63,808.90**	**63,808.90**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2024			
		Level 1	Level 2	Level 3	Total
Financial assets					
Security deposits	5(h)	-	-	977.38	977.38
Loans to employees	5(g)	-	-	77.29	77.29
Trade receivables	5(d)	-	-	28,318.47	28,318.47
Cash and cash equivalents	5(e)	-	-	3,915.70	3,915.70
Deposits with original maturity of more than three months but less than 12 months	5(f)	-	-	8,300.00	8,300.00
Unpaid dividend account	5(f)	-	-	19.42	19.42
Interest accrued on bank deposits	5(h)	-	-	309.73	309.73
Recoverable from sale of property plant and equipment	5(h)	-	-	-	-
Government grant receivable	5(h)	-	-	-	-
Insurance claim recoverable	5(h)	-	-	-	-
Total financial assets		**-**	**-**	**41,917.99**	**41,917.99**
Financial liabilities					
Supplier's credit	11(e)	-	-	2,971.60	2,971.60
Trade payables	11(b)	-	-	50,437.50	50,437.50
Capital creditors	11(a)	-	-	1,375.60	1,375.60
Interest accrued	11(a)	-	-	9.82	9.82
Security deposit received	11(a)	-	-	57.13	57.13
Unclaimed dividend	11(a)	-	-	19.42	19.42
Others					
Due to directors	11(a)	-	-	301.55	301.55
Payable to employees	11(a)	-	-	2,708.10	2,708.10
Total financial liabilities		**-**	**-**	**57,880.72**	**57,880.72**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in the active market. This includes listed equity instruments and bonds & debentures that have quoted price and open ended mutual funds that have NAV (Net Assets Value) price available in the active market. The fair value of all equity instruments, investment in bonds and debentures and mutual funds which are traded in the stock exchanges and open market, respectively, is valued using the closing price as at the reporting period end.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There has been no transfer between level 1, level 2 and level 3 for the years ended March 31, 2025 and March 31, 2024.

Valuation technique used to determine fair value : The Company has entered into variety of foreign currency forward contracts to manage its exposure to fluctuations in foreign exchange rates. These financial exposures are managed in accordance with the Company's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data. Further, Investment in equity shares included in Level 3 of the fair value hierarchy have been valued using the income approach to arrive at their fair value. In this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of this investment.

All short term financial assets and liabilities like trade receivables, investments, cash and cash equivalents, deposit with banks, government grant receivable, insurance claim recoverable, trade payables, supplier's credit, capital creditors, security deposit received, payable to employees are stated at amortized cost which is approximately equal to their fair value.

The fair value of loans to employees, security deposits and recoverable from sale of property plant and equipment are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

22. (b) Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimize operating, financial and strategic risks. The note explains the sources of risk which the entity is exposed to and how the entity manages the risks :

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, investments in debentures and bonds, deposits with banks, trade receivables, derivative financial instruments, other financial assets measured at amortized cost.	Ageing analysis, credit rating	Diversification of bank deposits and investments, factoring of trade receivables, credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk- foreign exchange	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts

Credit risk

The 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 towards the Company and arises principally from the Company's receivables from customers, investment in bonds and debentures and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

For banks and financial institutions, only high rated banks/institutions are accepted. The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian banks. In long term credit ratings, these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognized commercial banks and are not past due.

The Company has formulated a investment policy to govern its investments made in bonds, non-convertible debentures and other instruments. Investments is made only in those instruments, as approved in policy, issued by entities considering credit rating by agencies. Exposure to any single issuer or scheme is limited to reduce concentration risk. All credit exposures are reviewed periodically. The policy also includes ongoing monitoring of market developments, issuer financials, and macroeconomic conditions to proactively manage credit risks.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers and Air-conditioner manufacturer (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of payment due dates is closely monitored on an on-going basis for all customers, thereby practically eliminating the risk of default.

A default on a financial asset is when the counterparty, fails to make contractual payments within the agreed number of days of when they fall due. This definition is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company's historical experience of collecting receivables, supported by the level of default, is that credit risk is low. All customer balances which are overdue for more than 180 days are evaluated for provisioning and considered for impairment on an individual basis. The customer balances are written-off as bad debts, when legal remedies available to the Company are exhausted and / or it becomes certain that said balances will not be recovered.

Reconciliation of loss allowance - Trade receivables:

Particulars	As at March 31, 2025	As at March 31, 2024
Loss allowance at the beginning of the year	97.99	152.87
Add / (Less): Changes during the year	50.00	(54.88)
Loss allowance at the end of the year	**147.99**	**97.99**

Loss allowance as at March 31, 2025 and March 31, 2024 was determined as follows under the simplified approach:

As at March 31, 2025	Unbilled / Not due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - considered good	43,048.64	858.77	906.61	138.87	231.96	95.37	45,280.22
Expected loss rate	0.04%	0.36%	1.72%	4.68%	14.71%	77.26%	
Expected credit losses - Trade receivables	15.07	3.11	15.59	6.49	34.10	73.63	147.99
Carrying amount of trade receivables (net of impairment)	43,033.57	855.66	891.02	132.38	197.86	21.74	45,132.23

As at March 31, 2024	Unbilled / Not due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - considered good	27,082.55	1,118.67	49.19	65.17	10.95	89.93	28,416.46
Expected loss rate	0.11%	0.57%	1.46%	3.05%	14.06%	64.81%	
Expected credit losses - Trade receivables	29.03	6.43	0.72	1.99	1.54	58.28	97.99
Carrying amount of trade receivables (net of impairment)	27,053.52	1,112.24	48.47	63.18	9.41	31.65	28,318.47

Significant estimate: The loss allowance for trade receivables disclosed above 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.

Liquidity risk

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, the Company's finance division monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet the operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The Company raises short term rupee borrowings for cash flow mismatches and hence carries no significant liquidity risk.

(i) Financing arrangements

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

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
Floating rate:		
- Expiring within one year (cash credit, working capital loans and other facilities)	30,504.28	30,729.98

(ii) Maturities of financial liabilities

The table below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Upto 1 year	1-5 years	More than 5 years	Total
As at March 31, 2025				
Non-derivatives				
Supplier's credit	4,025.21	-	-	4,025.21
Trade payables	56,030.78	-	-	56,030.78
Other financial liabilities	3,752.91	-	-	3,752.91
Lease liabilities (including interest)	53.27	21.30	-	74.57
Total non-derivatives liabilities	**63,862.17**	**21.30**	**-**	**63,883.47**
Derivatives (net settled)				
Foreign exchange forward contracts	197.47	-	-	197.47
Total derivatives liabilities	**197.47**	**-**	**-**	**197.47**
As at March 31, 2024				
Non-derivatives				
Supplier's credit	2,971.60	-	-	2,971.60
Trade payables	50,437.50	-	-	50,437.50
Other financial liabilities	4,471.62	-	-	4,471.62
Lease liabilities (including interest)	44.78	184.32	835.58	1,064.68
Total non-derivatives liabilities	**57,925.50**	**184.32**	**835.58**	**58,945.40**
Derivatives (net settled)				
Foreign exchange forward contracts	226.95	-	-	226.95
Total derivatives liabilities	**226.95**	**-**	**-**	**226.95**

Market risk

(i) Foreign currency risk

The Company has exposure to foreign currency risk on account of its payables. The Company has a foreign currency exchange risk policy to mitigate this risk by entering into appropriate hedging instruments depending on the future outlook on currencies as considered necessary from time to time for which it has entered into derivative financial instruments such as foreign exchange forward contracts.

Foreign currency derivative contracts outstanding as at the reporting date:

Particulars/Purpose	Amount	As at March 31, 2025	As at March 31, 2024
Hedge of foreign currency payables	USD (In Lakhs)	43.00	56.00
	Rs. (in Lakhs)	3,694.99	4,680.05
	JPY (in Lakhs)	8,350.00	8,709.00
	Rs. (in Lakhs)	4,830.30	4,900.24
	CNH (in Lakhs)	143.00	-
	Rs. (in Lakhs)	1,695.71	-
	USD (In Lakhs)	1.83	-
	JPY (in Lakhs)	276.34	-
	Rs. (in Lakhs)	156.78	-

Particulars of unhedged foreign currency exposure as at the reporting date:

Particulars/Purpose	Amount	As at March 31, 2025	As at March 31, 2024
Trade payables and capital creditors	USD (In Lakhs)	6.71	-
	Rs. (in Lakhs)	573.18	-
	JPY (in Lakhs)	831.21	2,283.51
	Rs. (in Lakhs)	471.57	1,323.32
	CNH (in Lakhs)	6.56	-
	Rs. (in Lakhs)	77.10	-
	EUR (in Lakhs)	0.25	-
	Rs. (in Lakhs)	22.63	-

Foreign currency sensitivity analysis

The Company is mainly exposed to USD, JPY, CNH and EUR (March 31, 2024: JPY) since it is unhedged as at reporting date.

The following table details the Company's sensitivity to a 10% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit and vice-versa.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	INR strengthens by 10%	INR weakens by 10%	INR strengthens by 10%	INR weakens by 10%
Impact on profit for the year				
USD impact	57.32	(57.32)	-	-
JPY impact	47.16	(47.16)	132.33	(132.33)
CNH impact	7.71	(7.71)	-	-
EURO impact	2.26	(2.26)	-	-

(ii) Price risk

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company. Due to the competitive market, major OEMs demand price cuts which in turn may affect the profitability of the Company.

The Company has arrangements with its major customers for passing on the price impact. The Company is regularly taking initiatives like VA VE (value addition, value engineering) to reduce its raw material costs to meet targets set up by its customers for cost downs. In respect of customer nominated parts, the Company has back to back arrangements for cost savings with its suppliers.

22.(c) Capital management

The Company's objectives when managing capital are to:

a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
b) maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors Net Debt to EBIDTA ratio i.e., Net Debt (supplier's credit and lease liabilities net of cash and cash equivalents) divided by EBIDTA (Profit before tax plus depreciation and amortization expense plus finance costs).

The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBIDTA ratios were as follows:

Particulars	March 31, 2025	March 31, 2024
Net Debt (In Lakhs)	457.70	(457.95)
EBIDTA (In Lakhs)	34,311.27	26,888.05
Net Debt to EBITDA	**0.01**	**(0.02)**

The Net debt to EBIDTA ratio for the current year increased from 0.01 to (0.02) due to increase in debt on account of supplier's credit availed during the year ended March 31, 2025.

Dividends

Particulars	As at March 31, 2025	As at March 31,2024
On Equity shares of Rs. 2 each		
Final dividend		
Dividend paid (Rs. In Lakhs)	1,174.24	652.36
Dividend per equity share	1.80	1.00

The Board of Directors recommended a final dividend of Rs. 2.6 per share (nominal value of Rs. 2 per share) for the financial year 2024-25 (March 31, 2024: Rs. 1.80 per share for the financial year 2023-24). This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these Standalone Financial Statements. The total estimated dividend to be paid is Rs. 1,696.13 Lakhs (March 31, 2024: Rs. 1,174.24 Lakhs).

23. Segment information

The Company is primarily in the business of manufacturing of thermal products.

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is no reportable segment for the Company. Export sales constitute an insignificant portion of total business of the Company. Hence, there is no geographical segment as well.

Entity wide disclosures *(All amounts in Rs. Lakhs, unless otherwise stated)*

	Domestic	Overseas	Total
Revenue from operations			
For the year ended March 31, 2025	336,729.78	27.69	**336,757.47**
For the year ended March 31, 2024	307,050.35	6.71	**307,057.06**
Non current segment assets			
As at March 31, 2025	80,109.55	-	**80,109.55**
As at March 31, 2024	82,718.59	-	**82,718.59**

a) Domestic information includes sales and services rendered to customers located in India.

b) Overseas information includes sales and services rendered to customers located outside India.

c) Non current segment assets includes property, plant and equipment, right-of-use assets, capital work- in- progress, intangible assets, intangible assets under development and capital advances.

d) Revenue from transactions with a single external customer amounting to 10 per cent or more of the Company's revenues is Rs. 283,249.87 Lakhs from one customer (previous year: Rs. 259,914.13 Lakhs).

24. Related party disclosures

Entity having significant influence over the Company

Denso Corporation, Japan

Joint venture

Denso Subros Thermal Engineering Centre India Private Limited, India

Key management personnel

Ms. Shradha Suri, Chairperson and Managing Director

Mr. Parmod Kumar Duggal, Chief Executive Officer and Executive Director

Ms. Jyotsna Suri, Director

Mr. Mohammed Asad Pathan, Independent Director (Upto March 31, 2024)

Late Mr. Kuttalam Rajagopalan Ramamoorthy, Independent Director (Upto March 31, 2024)

Mr. Girish Narain Mehra, Independent Director (Upto March 31, 2024)

Mr. Shailendra Swarup, Independent Director (Upto March 31, 2024)

Ms. Meena Sethi, Independent Director (Upto March 31, 2024)

Mr. Arvind Kapur, Independent Director

Mr. Arjan Kumar Sikri, Independent Director (From April 1, 2024)

Ms. Deepa Gopalan Wadhwa, Independent Director (From April 1, 2024)

Mr. Ashok Lavasa, Independent Director (From April 1, 2024)

Ms. Vanaja Narayanan Sarna, Independent Director (From April 1, 2024)

Ms. Smita Piyush Mankad, Independent Director (From April 1, 2024)

Mr. Hisashi Takeuchi, Nominee Director

Mr. Naohisa Kuriyama, Nominee Director (Upto March 28, 2025)

Mr. Tomoaki Yoshimori, Nominee Director

Mr. Yasuhiro Iida, Alternate Director (From January 25, 2023 to March 28, 2025)

Mr. Yasuhiro Iida, Alternate Director (From March 28, 2025)

Ms. Yusuke Hara, Nominee Director (From March 28, 2025)

Mr. Hemant Kumar Agarwal, Chief Financial Officer

Mr. Kamal Samtani, Company Secretary (From April 28, 2023)

Close family members of key management personnel

Mr. Keshav Suri, Son of Ms. Jyotsna Suri

Ms. Pia Marwah, Daughter of Shradha Suri

Ms. Bani Marwah, Daughter of Shradha Suri

Master Vir Marwah, Son of Shradha Suri

Entities over which key management personnel and/or their close family members have control or joint control:

SHS Transport Private Limited, India

Rohan Motors Limited, India

Hemkunt Service Station Private Limited, India

Prima Infratech Private Limited, India

Primatel Fibcom Limited, India

Deeksha Holding Limited, India

Jyotsna Holding Private Limited, India

RR Holdings Private Limited, India

Global Autotech Limited, India
JS Family Trust

List of other related parties - Post employment benefit plan of the Company
Subros Employees Group Gratuity Cum Life Assurance Trust, India
Subros Employees Group Superannuation Cum Life Assurance Trust, India

Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties:
(a) Transactions with related parties

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of goods		
Entity having significant influence over the Company, Denso Corporation	15.17	3.52
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	-	1.15
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	2.63	3.19
- Global Autotech Limited	505.12	502.03
	522.92	**509.89**
Rental income		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	32.50	32.50
	32.50	**32.50**
Other income		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	-	0.80
	-	**0.80**
Dividend received		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	6.62	12.58
	6.62	**12.58**
Reimbursement of expenses received		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	9.07	10.53
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	1.48	-
- Global Autotech Limited	1.22	2.46
	11.77	**12.99**
Purchase of materials		
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	27,649.01	27,074.97
- Hemkunt Service Station Private Limited	9.48	8.54
	27,658.49	**27,083.51**
Purchase of property, plant and equipment		
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	117.54	127.85
- Primatel Fibcom Limited	2.50	-
	120.04	**127.85**
Purchase of intangible assets (Technical knowhow)		
Entity having significant influence over the Company, Denso Corporation	322.42	896.90
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	680.93	622.91
	1,003.35	**1,519.81**
Receiving of services		
Entities over which key management personnel and/or their close family members have control or joint control		
- SHS Transport Private Limited	740.42	658.48
- Rohan Motors Limited	22.27	10.71
	762.69	**669.19**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Royalty expenses		
Entity having significant influence over the Company, Denso Corporation	5,076.93	4,153.67
	5,076.93	**4,153.67**
Dividend paid		
Entity having significant influence over the Company, Denso Corporation	234.85	130.47
Entities over which key management personnel and/or their close family members have control or joint control		
- Deeksha Holding Limited	182.48	101.38
- Jyotsna Holding Private Limited	62.06	34.48
- RR Holdings Private Limited	57.74	32.08
- JS Family Trust	29.15	16.19
- SHS Transport Private Limited	17.63	9.80
- Rohan Motors Limited	0.12	0.06
Key management personnel		
- Ms. Shradha Suri	100.57	55.87
- Mr. Arvind Kapur	0.38	0.21
	684.98	**380.54**
Rent paid		
Entities over which key management personnel and/or their close family members have control or joint control		
- Prima Infratech Private Limited	286.59	269.97
- Rohan Motors Limited	-	5.34
- SHS Transport Private Limited	5.13	4.90
Key management personnel		
- Ms. Shradha Suri	8.00	7.64
- Ms. Jyotsna Suri	30.00	30.00
Close family members of key management personnel		
- Mr. Keshav Suri	3.29	3.14
- Ms. Pia Marwah	9.60	9.60
- Ms. Bani Marwah	9.60	9.60
- Master Vir Marwah	9.60	9.60
	361.81	**349.79**
Reimbursement of expenses paid		
Entities over which key management personnel and/or their close family members have control or joint control		
- Prima Infratech Private Limited	0.96	-
	0.96	**-**
Contribution to funds		
Post employment benefit plan of the Company		
- Subros Employees Group Gratuity Cum Life Assurance Trust	18.81	12.89
	18.81	**12.89**
Key management personnel compensation		
Short term benefits	1,020.45	823.38
Post employment benefits	23.12	21.58
Other long term employee benefits	0.94	2.12
	1,044.51	**847.08**
Short term benefits		
- Ms. Shradha Suri	639.68	516.76
- Mr. Parmod Kumar Duggal	153.62	127.34
- Mr. Hemant Kumar Agarwal	102.42	87.88
- Mr. Kamal Samtani	40.50	31.85
Other short term benefits (sitting fees and commision)		
- Ms. Jyotsna Suri	3.00	3.00
- Mr. Mohammed Asad Pathan	-	9.45

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
- Late Mr. Ramamoorthy Rajagopalan Kuttalam	-	8.25
- Mr. Girish Narain Mehra	-	15.50
- Mr. Shailendra Swarup	-	7.95
- Ms. Meena Sethi	-	9.55
- Mr. Arvind Kapur	13.78	5.85
- Mr. Ashok Lavasa	14.73	-
- Ms. Deepa Gopalan Wadhwa	13.98	-
- Ms. Vanaja Narayanan Sarna	12.13	-
- Ms. Smita Piyush Mankad	13.98	-
- Mr. Arjan Kumar Sikri	12.63	-
	1,020.45	**823.38**
Post employment benefits		
- Ms. Shradha Suri	11.71	11.70
- Mr. Parmod Kumar Duggal	4.56	4.23
- Mr. Hemant Kumar Agarwal	4.88	4.45
- Mr. Kamal Samtani	1.97	1.20
	23.12	**21.58**
Other long term employee benefits		
- Ms. Shradha Suri	0.45	-
- Mr. Parmod Kumar Duggal	0.40	0.39
- Mr. Hemant Kumar Agarwal	0.08	1.24
- Mr. Kamal Samtani	0.01	0.49
	0.94	**2.12**

(b) Outstanding balances :

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	0.53	1.51
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	188.24	347.73
- Rohan Motors Limited	0.22	1.69
	188.99	**350.93**
Other financial assets (security deposit)		
Entities over which key management personnel and/or their close family members have control or joint control		
- Prima Infratech Private Limited	236.75	236.75
- SHS Transport Private Limited	2.33	2.33
- Rohan Motors Limited	-	6.57
- Hemkunt Service Station Private Limited	0.10	0.10
Key management personnel		
- Ms. Shradha Suri	3.30	3.30
Close family members of key management personnel		
- Master Vir Marwah	4.35	4.35
- Ms Pia Marwah	4.35	4.35
- Ms Bani Marwah	4.35	4.35
- Sh Keshav Suri	1.36	1.36
	256.89	**263.46**
Other assets (advances to suppliers)		
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	1.10	-

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Post employment benefit plan of the Company		
- Subros Employees Group Superannuation Cum Life Assurance Trust, India	0.54	0.54
- Subros Employees Group Gratuity Cum Life Assurance Trust, India	0.02	0.02
	1.66	**0.56**
Trade payables		
Entity having significant influence over the Company, Denso Corporation	2,419.78	2,221.27
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	7,364.59	7,042.58
- SHS Transport Private Limited	146.85	125.87
- Prima Infratech Private Limited	1.13	0.93
- Rohan Motors Limited	0.77	6.83
- Hemkunt Service Station Private Limited	0.71	2.04
	9,933.83	**9,399.52**
Other financial liabilities (capital creditors)		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	121.76	92.44
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	-	11.87
- Primatel Fibcom Limited	3.20	-
	124.96	**104.31**
Other financial liabilities (security deposit)		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	6.14	6.14
	6.14	**6.14**
Other financial liabilities (due to directors)		
Key management personnel:		
- Ms. Shradha Suri	424.46	301.55
- Mr. Arvind Kapur	5.97	-
- Mr. Ashok Lavasa	5.97	-
- Ms. Deepa Gopalan Wadhwa	5.97	-
- Ms. Vanaja Narayanan Sarna	5.97	-
- Ms. Smita Piyush Mankad	5.97	-
- Mr. Arjan Kumar Sikri	5.97	-
	460.28	**301.55**

Terms and conditions:

a) All transactions with related parties are in ordinary course of business and on arm's length basis.

b) All outstanding balances are unsecured and will be settled in cash.

c) All transactions are exclusive of applicable taxes for which input credit is allowed.

25. Capital commitments

Estimated value of contracts on capital account remaining to be executed and not provided for (net of advances) amounting to Rs. 3,076.23 Lakhs (March 31, 2024: Rs. 1,405.52 Lakhs).

26. Contingent liabilities

Claims against the Company not acknowledged as debts

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Sales tax matters	79.74	79.74
Goods and services tax matters	131.78	28.59
Excise matters	75.81	75.81
Custom matters	1,905.49	15.19
Income tax matters	1,814.57	1,494.08
Claims made by workmen	777.34	903.47
Total	**4,784.73**	**2,596.88**

Notes:

i. It is not practicable for the Company to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

ii. The Company does not expect any reimbursements in respect of the above contingent liabilities.

Significant estimate: The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events requires best judgement by management considering the probability of exposure to potential loss. Judgement includes consideration of experts opinion, facts of the matter, underlying documentation and historical experience. Changes in assumptions about these factors could affect the reported value of contingencies and provisions.

27. Leases

Accounting policy

As a lessee

The Company leases certain premises and plant and machinery. The lease term is for 11 months - 35 years except in case of leasehold land where lease term is upto 99 years, but may have an extension option as described in (ii)(b) below.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Company obtains the interest rate from its bankers for borrowings for a tenure that is substantially similar to the lease terms, with a similar security and the similar economic environment for leases held by the Company.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short term leases are recognised on a straight-line basis as an expense in Standalone Statement of Profit and Loss. Short-term leases are leases with a lease term of 12 months or less.

Refer note 40(vii) for the other accounting policies relevant to leases.

(i) Amounts recognised in Standalone Balance Sheet

The Standalone Balance Sheet shows the following amounts relating to leases:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Right-of-use assets		
Leasehold land	3,214.44	3,264.89
Buildings	65.96	344.36
Total	**3,280.40**	**3,609.25**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities		
Current	58.46	45.65
Non-current	10.07	440.50
Total	**68.53**	**486.15**

Additions to the right-of-use assets during the current financial year were Rs. 105.32 Lakhs (March 31, 2024: Rs. Nil). The Company has de-recognised lease liability amounting to Rs. 482.14 Lakhs (March 31, 2024: Rs. Nil) and corresponding right-of-use assets amounting to Rs. 324.14 Lakhs (March 31, 2024: Rs. Nil) on account of lease termination resulting in net gain of Rs. 158.00 Lakhs (March 31, 2024: Rs. Nil).

(ii) Amount recognised in the Standalone Statement of Profit and Loss

The Standalone Statement of Profit and Loss shows the following amounts relating to leases:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of right-of-use assets (refer note 20)		
Leasehold land	50.45	50.45
Buildings	59.62	59.75
Total	**110.07**	**110.20**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense (included in finance costs - refer note 19)	37.22	45.10
Expense relating to short term leases (included in other expenses - refer note 21)	358.18	329.20
Total	**395.40**	**374.30**

The total cash outflow for leases (including interest on lease liabilities) for the year ended March 31, 2025 was Rs. 436.20 Lakhs (March 31, 2024: Rs. 415.33 Lakhs).

(a) Variable lease payments

The Company does not have any leases with variable lease payments.

(b) Extension and termination options

Extension and termination options are included in number of leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

(c) Residual value guarantees

The Company does not provide any residual value guarantee in relation to its leases.

The Company as a lessor

One office premise and one leased factory premise is let out by the Company on operating lease and its cancellable in nature. Lease rental income is set out in note 15 to these Standalone Financial Statements as "Rental income" in "Other income".

The table below sets out the maturity analysis of lease payments showing the undiscounted lease payments to be received after the reporting period: -

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Upto 1 year	33.72	78.53
1-5 years	28.03	248.45
More than 5 years	-	112.66
Total	**61.75**	**439.64**

28. Employee benefits

The various benefits provided to employees by the Company are as under:

a) Defined contribution plans

During the year, the Company has recognized the following amounts in the Standalone Statement of Profit and Loss :

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employer's contribution to Provident Fund*	1,026.36	923.32
Employer's contribution to Employees State Insurance Scheme*	185.25	164.20

* Included in "Contribution to provident and other funds" in Note 18.

b) Defined benefit plans

Contribution to gratuity funds - The Company provides for gratuity for employees 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 payable on retirement / termination is the employees 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 Company makes contribution to recognized funds in India.

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

Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

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 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 is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

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

PARTICULARS	Gratuity (Funded)
As at March 31, 2025	
Discount rate (per annum)	7.04%
Rate of increase in compensation level (per annum)	7.00%
As at March 31, 2024	
Discount rate (per annum)	7.25%
Rate of increase in compensation level (per annum)	7.00%

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

Components of expenses recognized in the Standalone Statement of Profit and Loss in respect of:

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	
Current service cost	271.18
Past service cost	-
Actuarial loss/(gain)	-
Net interest cost/(income) or the net defined benefit liability/(asset)	85.38
Expenses recognized in Standalone Statement of Profit and Loss	**356.56**
For the year ended March 31, 2024	
Current service cost	238.26
Past service cost	-
Actuarial loss/(gain)	-
Net interest cost/(income) or the net defined benefit liability/(asset)	66.10
Expenses recognized in Standalone Statement of Profit and Loss	**304.36**

Components of expenses recognized in the other comprehensive income in respect of:

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	**(77.65)**
Actuarial gains/(loss) on:	
-changes in demographic assumptions	-
-changes in financial assumptions	(54.04)
-experience variance	(26.36)
-plan asset	2.75
For the year ended March 31, 2024	**(323.13)**
Actuarial gains/(loss) on:	
-changes in demographic assumptions	-
-changes in financial assumptions	(58.13)
-experience variance	(267.04)
-plan asset	2.04

Actuarial (gain) / loss on obligations

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	
Actuarial (gain) / loss arising from change in demographic assumption	-
Actuarial (gain) / loss arising from change in financial assumption	54.04
Actuarial (gain) / loss arising from experience adjustment	26.36
For the year ended March 31, 2024	
Actuarial (gain) / loss arising from change in demographic assumption	-
Actuarial (gain) / loss arising from change in financial assumption	58.13
Actuarial (gain) / loss arising from experience adjustment	267.04

Actuarial gain / (loss) on plan assets

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	
Return on plan assets, excluding amount recognized in net interest expense	117.31
Remeasurement for actuarial (gain)/loss arising because of change in effect of asset ceiling	(120.06)
Component of defined benefit costs recognized in other comprehensive income	(2.75)
For the year ended March 31, 2024	
Return on plan assets, excluding amount recognized in net interest expense	112.76
Remeasurement for actuarial (gain)/loss arising because of change in effect of asset ceiling	(114.80)
Component of defined benefit costs recognized in other comprehensive income	(2.04)

The current service cost and the interest expense for the year are included in the "Employee benefits expense" in the Standalone Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the Standalone Balance Sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
As at March 31, 2025	
Present value of obligation	3,063.75
Fair value of plan assets	1,738.70
Surplus/(deficit)	**(1,325.05)**
Asset ceiling	-
Net asset/(liability)	**(1,325.05)**
As at March 31, 2024	
Present value of obligation	2,795.79
Fair value of plan assets	1,618.09
Surplus/(deficit)	**(1,177.70)**
Asset ceiling	-
Net asset/(liability)	**(1,177.70)**

Note: The Company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions.

Movement in the present value of the defined benefit obligation are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	
Present value of the obligation as at the beginning	2,795.79
Current service cost	271.18
Interest cost	202.70
Remeasurement (or actuarial) (gain)/loss arising from:	
-Change in demographic assumptions	54.04
-Change in financial assumptions	26.36
-experience variance	-
Past service cost	-
Benefits paid	(286.32)
Present value of the obligation as at the end	**3,063.75**

For the year ended March 31, 2024	
Present value of the obligation as at the beginning	2,384.78
Current service cost	238.26
Interest cost	178.86
Remeasurement (or actuarial) (gain)/loss arising from:	
-Change in demographic assumptions	58.13
-Change in financial assumptions	267.04
-experience variance	-
Past service cost	-
Benefits paid	(331.28)
Present value of the obligation as at the end	**2,795.79**

Movement in the fair value of the plan assets are as follows:

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	
Fair value of plan assets at the beginning	1,618.09
Interest income	120.06
Employer contribution	0.55
Benefits paid	-
Actuarial gain/(loss) on plan assets	-
Fair value of plan assets at the end	**1,738.70**
For the year ended March 31, 2024	
Fair value of plan assets at the beginning	1,503.29
Interest income	114.80
Employer contribution	-
Benefits paid	-
Actuarial gain/(loss) on plan assets	-
Fair value of plan assets at the end	**1,618.09**

Major categories of plan assets (as % of total plan assets):

PARTICULARS	Gratuity (Funded)
As at March 31, 2025	
Funds managed by insurer	100%
Total	**100%**
As at March 31, 2024	
Funds managed by insurer	100%
Total	**100%**

Since it is a funded plan with insurer, hence break up of investment by insurer is not available with the Company, hence not given.

Sensitivity analysis

Significant actuarial assumptions for the determination of employee defined benefit obligation using projected unit credit method are discount rate and expected salary growth rate. The sensitivity analysis below has been determined based on reasonably possible changes in respective assumption occurring at the end of reporting period, while holding all other assumptions constant. Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated. The method and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
As at March 31, 2025	
	Change in defined benefit obligation
Increase in discount rate by 0.5%	Decrease by 127.60
Decrease in discount rate by 0.5%	Increase by 137.70
Increase in expected salary growth rate by 0.5%	Increase by 133.82
Decrease in expected salary growth rate by 0.5%	Decrease by 125.48
As at March 31, 2024	
	Change in defined benefit obligation
Increase in discount rate by 0.5%	Decrease by 115.45
Decrease in discount rate by 0.5%	Increase by 124.52
Increase in expected salary growth rate by 0.5%	Increase by 121.77
Decrease in expected salary growth rate by 0.5%	Decrease by 114.65

The fair value of the plan assets is taken as per the account statements of the insurance companies.

The average duration of the employee defined benefit obligation of gratuity fund as at March 31, 2025 is 13.24 years (March 31, 2024 is 13.37 years).

The Company expects that benefit paid during the next financial year would be Rs. 413.83 Lakhs (March 31, 2024: Rs. 371.81 Lakhs).

Maturity Profile of Defined Benefit Obligation

(All amounts in Rs. Lakhs, unless otherwise stated)

Year	Gratuity (Funded)
As at March 31, 2025	
April 1, 2025 - March 31, 2026	201.57
April 1, 2026 - March 31, 2027	547.82
April 1, 2027 - March 31, 2028	540.06
April 1, 2028 - March 31, 2029	378.52
April 1, 2029 - March 31, 2030	304.52
April 1, 2030 - March 31, 2031	242.90
April 1, 2031 Onwards	848.36
Total	**3,063.75**
As at March 31, 2024	
April 1, 2024 - March 31, 2025	210.70
April 1, 2025 - March 31, 2026	177.23
April 1, 2026 - March 31, 2027	181.35
April 1, 2027 - March 31, 2028	282.75
April 1, 2028 - March 31, 2029	197.63
April 1, 2029 - March 31, 2030	187.70
April 1, 2030 Onwards	1,558.43
Total	**2,795.79**

c) Other long term employee benefits - Leave encashment/compensated absence - The leave obligations cover the Company's liability for earned leave, sick leave and casual leave. The entire amount of the provisions of Rs. 473.78 Lakhs (March 31, 2024: Rs. 389.83 Lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	As at March 31, 2025	As at March 31, 2024
Leave obligations not expected to be settled within the next 12 months	420.86	347.08

Significant estimate: Employee benefit obligations are determined using actuarial valuation. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary increases. 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.

29. Research and development expenses

The Company has one in-house Research and Development Centre in Noida, approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India. The details of research and development expenses is as under :-

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Capital expenditure (refer note 3)	55.85	17.21
Revenue expenditure - charged to Standalone Statement of Profit and Loss*	1,288.92	1,135.43
Revenue expenditure - towards development cost (refer note 4)	1,889.87	1,770.89
Total	**3,234.64**	**2,923.53**

* Net of contract research income

Provision for taxation has been made after taking into account the benefit available on expenditure incurred on Research and Development Centres.

30. Earnings Per Share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Basic earnings per share (Rs.)	23.05	14.97
Diluted earnings per share (Rs.)	23.05	14.97
Profit attributable to the equity holders of the Company used in calculating basic earnings per shares and diluted earnings per share (Rs. Lakhs)	15,040.58	9,766.29
Weighted average number of equity shares for the purpose of basic earnings per share and diluted earnings per share (numbers)	65,235,750	65,235,750

31. Expenses capitalized

Following construction/development period expenses incurred on making dies and tools and building and developing new product/technology have been capitalized or clubbed with capital work –in-progress or intangible assets under development, as the case may be :-

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cost of material consumed	1,043.77	1,695.87
Salaries, wages and other amenities to staff	1,718.15	1,612.24
Power and fuel	114.77	116.77
Rent	71.04	91.85
Repair and maintenance	110.24	126.21
Depreciation and amortization	47.49	56.68
Other overheads	353.38	374.98
Total	**3,458.84**	**4,074.60**

32. Assets pledged as security

The Company has sanctioned working capital limits which have not been availed as at March 31, 2025 and March 31, 2024 (Refer note 22(b) for undrawn banking facilities).These sanctioned working capital limits are secured against current assets of the Company, both present and future. The carrying amount of current assets pledged as security are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars		Note no	As at March 31, 2025	As at March 31, 2024
Current:				
First Charge				
Inventories		8	37,385.08	37,505.60
Financial assets				
- Other invesments		5(c)	8,546.07	-
- Trade receivables		5(d)	45,132.23	28,318.47
- Cash and cash equivalents		5(e)	3,636.04	3,915.70
- Other bank balances		5(f)	4,000.00	8,300.00
- Loans		5(g)	76.67	65.48
- Other financial assets		5(h)	652.94	323.00
Other current assets		7	1,837.90	2,266.30
Total current assets offered as security			**101,266.93**	**80,694.55**

33: Additional regulatory information required by Schedule III

(i) 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.

(ii) Borrowing secured against current assets

The Company has sanctioned limits for borrowings from banks on the basis of security of current assets. The Company has filed quarterly returns or statements of current assets with banks which are not in agreement with the books of accounts, however such differences between the amount disclosed to the banks and those as per the books of accounts have been reconciled. Refer Note 35 for the reconciliations.

(iii) Wilful defaulter

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

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

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.

(viii) 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.

(ix) 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.

(x) Valuation of property, plant and equipment and intangible assets

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.

(xi) Loans and advances to promoters, directors, Key management personnel (KMPs) and related parties

The Company has not granted any loans and advances to promoters, directors, KMPs and related parties during the current or previous year.

Other regulatory information

(i) Title deeds of immovable properties held in name of the company

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), as disclosed in note 3 to the Standalone Financial Statements, are held in the name of the Company.

(ii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(iii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken. There are no borrowings obtained from financial institutions.

34. Financial ratios

(All amounts in Rs. Lakhs, unless otherwise stated)

Ratios	Note	Numerator		Denominator		Ratio		% Variance	Reason for variance
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024		
(a) Current ratio = Current assets / Current liabilities		101,287.58	80,713.97	69,728.47	62,632.52	**1.45**	**1.29**	**12.72%**	-
(b) Debt-equity ratio = Total debt / Shareholder's equity	Note (i)	4,093.74	3,457.75	109,392.83	95,584.60	**0.04**	**0.04**	**3.45%**	-
(c) Debt service coverage ratio = Earnings available for debt service / Debt service	Note (ii)	34,245.61	26,926.42	40.80	1,450.30	**839.35**	**18.57**	**4420.90%**	Increased due to higher profits and higher repayment of debt made in previous year as compared to current year.
(d) Return on equity ratio = Profits for the year / Average shareholder's equity		15,040.58	9,766.29	102,488.71	91,148.54	**14.68%**	**10.71%**	**3.97%**	-
(e) Inventory turnover ratio = Cost of goods sold / Average inventory		243,218.28	226,727.25	37,445.34	35,685.03	**6.50**	**6.35**	**2.23%**	-
(f) Trade receivables turnover ratio = Revenue from operations / Average trade receivables		336,757.47	307,057.06	36,725.35	24,561.53	**9.17**	**12.50**	**-26.65%**	Decreased due to discontinuation of early payment by major customer.
(g) Trade payables turnover ratio = Total purchases / Average trade payables	Note (iii)	271,087.72	255,863.53	53,234.14	49,654.54	**5.09**	**5.15**	**-1.17%**	-
(h) Net capital turnover ratio = Revenue from operations / Working capital		336,757.47	307,057.06	31,559.10	18,081.45	**10.67**	**16.98**	**-37.16%**	Decreased due to increase in current assets of the Company resulting in increase in working capital mainly on account of increase in trade receivables and increase in investment.

(All amounts in Rs. Lakhs, unless otherwise stated)

Ratios	Note	Numerator		Denominator		Ratio		% Variance	Reason for variance
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024		
(i) Net profit ratio = Profit for the year / Revenue from operations		15,040.58	9,766.29	336,757.47	307,057.06	**4.47%**	**3.18%**	**1.29%**	-
(j) Return on capital employed = Earning before Interest & taxes / Capital employed	Note (iv)	21,494.50	15,237.34	98,374.69	84,295.65	**21.85%**	**18.08%**	**3.77%**	-
(k) Return on Investment = Earning before Interest & taxes / Total assets		21,494.50	15,237.34	185,843.02	165,096.97	**11.57%**	**9.23%**	**2.34%**	-

Notes:

(i) Debt-equity ratio = Total debt / Shareholder's equity

Total debt = Borrowings + Lease liability + Supplier's credit

(ii) Debt service coverage ratio = Earnings available for debt service / Debt service

Earnings available for debt service = Profit for the year + Finance costs + Depreciation and amortization expense +/- Fair value changes on derivatives - Unwinding of discount on financial asset - Provision written back to the extent no longer required + Net loss on disposal of property, plant and equipment +/- Provision for inventory obsolescence made / (written back) +/- Unrealized foreign currency (gain)/loss (net) +/- Loss allowance made / (written back)

Debt service = Interest payments + Lease payments + principal repayment of long term debt

(iii) Trade payables turnover ratio

Total purchases = Purchase of raw material and spares + Purchase of stores + Other expenses (excluding - Consumption of stores, Insurance, Warranty expenses, Net loss on disposal of property, plant and equipment and Director's sitting fees and commission)

(iv) Return on capital employed = Earning before Interest & Taxes / Capital employed

Capital employed = Tangible net worth + total debt + deferred tax liability
Tangible net worth = Total assets - total Liabilities - Intangible assets - Right-of-use assets - Intangible assets under development

35. Reconciliation of stock statements with Standalone Financial Statements for the year ended March 31, 2025

(All amounts in Rs. Lakhs, unless otherwise stated)

Quarter	Name of banks	Aggregate working capital limits sanctioned (Secured)	Particulars of securities provided	Nature of current assets/ liabilities where differences were observed	Amount as reported in the quarterly return/ statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
June 2024	HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	36,832.97	36,904.38	(71.41)	Inter-plant goods in transit not considered in return submitted to banks.
June 2024	ICICI Bank	2,000						
June 2024	Kotak Mahindra Bank	1,000		Trade payables	51,352.85	52,857.43	(1,504.58)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but shown separately as Supplier's credit in the Standalone Balance Sheet.
June 2024	State Bank of India	7,500						
September 2024	HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	41,709.36	41,758.84	(49.48)	Inter-plant goods in transit not considered in return submitted to banks.
September 2024	ICICI Bank	2,000						
September 2024	Kotak Mahindra Bank	1,000		Trade payables	50,010.41	56,200.77	(6,190.36)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but shown separately as Supplier's credit in the Standalone Balance Sheet.
September 2024	State Bank of India	7,500						

(All amounts in Rs. Lakhs, unless otherwise stated)

Quarter	Name of banks	Aggregate working capital limits sanctioned (Secured)	Particulars of securities provided	Nature of current assets/ liabilities where differences were observed	Amount as reported in the quarterly return/ statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
December 2024	HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	39,991.43	40,091.27	(99.84)	Inter-plant goods in transit not considered in return submitted to banks.
December 2024	ICICI Bank	2,000						
December 2024	Kotak Mahindra Bank	1,000		Trade payables	52,543.99	51,293.70	1,250.29	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but shown separately as Supplier's credit in the Standalone Balance Sheet.
December 2024	State Bank of India	7,500						
March 2025	HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	37,344.50	37,385.08	(40.58)	Inter-plant goods in transit not considered in return submitted to banks.
March 2025	ICICI Bank	2,000						
March 2025	Kotak Mahindra Bank	1,000		Trade payables	56,020.66	56,030.78	(10.12)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but shown separately as Supplier's credit in the Standalone Balance Sheet.
March 2025	State Bank of India	7,500						

For the year ended March 31, 2023

(All amounts in Rs. Lakhs, unless otherwise stated)

Quarter	Name of banks	Aggregate working capital limits sanctioned (Secured)	Particulars of securities provided	Nature of current assets/ liabilities where differences were observed	Amount as reported in the quarterly return/ statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
June 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	36,405.59	36,454.88	(49.29)	Inter-plant goods in transit not considered in return submitted to banks.
June 2023	ICICI Bank	2,000		Trade receivables	28,563.93	29,093.49	(529.56)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
June 2023	Kotak Mahindra Bank	1,000		Trade payables	50,612.30	50,148.45	463.85	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in
June 2023	State Bank of India	7,500						

September 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	36,627.22	36,640.95	(13.73)	Inter-plant goods in transit not considered in return submitted to banks.
September 2023	ICICI Bank	2,000		Trade receivables	33,559.08	33,737.18	(178.10)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
September 2023	Kotak Mahindra Bank	1,000		Trade payables	49,640.72	56,566.32	(6,925.60)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
September 2023	State Bank of India	7,500						
December 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	39,560.00	39,556.69	3.31	Rounding off difference, amount is immaterial
December 2023	ICICI Bank	2,000		Trade receivables	25,301.47	25,768.34	(466.87)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
December 2023	Kotak Mahindra Bank	1,000		Trade payables	47,786.61	49,202.47	(1,415.86)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
December 2023	State Bank of India	7,500						
March 2024	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	37,581.22	37,505.60	75.62	Inter-plant goods in transit not considered in return submitted to banks. Further, some imported goods in transit considered in return submitted to banks but reversed as an adjustment before closure of books of account.
March 2024	ICICI Bank	2,000		Trade receivables	27,607.81	28,318.47	(710.66)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
March 2024	Kotak Mahindra Bank	1,000		Trade payables	46,397.36	50,437.50	(4,040.14)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
March 2024	State Bank of India	7,500						

36. Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	3,636.04	3,915.70
Supplier's credit	(4,025.21)	(2,971.60)
Lease liabilities	(68.53)	(486.15)
Net debt	**(457.70)**	**457.95**

Description	Other assets	Liabilities from financing activities				
	Cash & cash equivalents	Current borrowings (Excluding current maturities of long term debt)	Non-current borrowings(including current maturities of long term debt and interest)	Supplier's credit	Lease liabilities	Net debt
As at March 31, 2023	**3,066.62**	**-**	**(1,339.51)**	**(6,274.58)**	**(527.18)**	**(5,074.65)**
Cash flows	849.08	-	1,335.81	3,302.98	41.03	**5,528.90**
Foreign exchange adjustments	-	-	-	-	-	**-**
Interest expense	-	(858.02)	(69.76)	(160.03)	(45.10)	**(1,132.91)**
Interest paid	-	858.02	73.46	160.03	45.10	**1,136.61**
Other non-cash movements						
- Acquisition of lease	-	-	-	-	-	**-**
- Derecognition of lease	-	-	-	-	-	**-**
As at March 31, 2024	**3,915.70**	**-**	**-**	**(2,971.60)**	**(486.15)**	**457.95**
Cash flows	(279.66)	-	-	(1,053.61)	40.80	**(1,292.47)**
Foreign exchange adjustments	-	-	-	-	-	**-**
Interest expense	-	(644.26)	-	(430.76)	(37.22)	**(1,112.24)**
Interest paid	-	644.26	-	430.76	37.22	**1,112.24**
Other non-cash movements						
- Acquisition of lease	-	-	-	-	(105.32)	**(105.32)**
- Derecognition of lease	-	-	-	-	482.14	**482.14**
As at March 31, 2025	**3,636.04**	**-**	**-**	**(4,025.21)**	**(68.53)**	**(457.70)**

37.Dues to micro and small enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:- [Refer note 11(b)]

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	363.35	79.53
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(iii) Principal amount paid to suppliers registered under the MSMED ACT, beyond the appointed day during the year	-	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act for payments already made	-	-
(vii) Further interest remaining due and payable for earlier years	-	-

38. The Supreme Court of India has passed an order dated February 28, 2019 in the matter of The Regional Provident Fund Commissioner (II) West Bengal vs. Vivekananda Vidyamandir & Ors in Civil Appeal No. 6221 of 2011 and few other linked cases. In the said order, the Supreme Court has clarified the definition of the Basic Wage under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant financial impact and accordingly, no provision has been made in these Standalone Financial Statements. The Company will continue to monitor and evaluate its position based on future events and developments.

39. The Standalone Financial Statements were approved by the Board of Directors and authorized for issue on May 22, 2025.

40. Summary of other accounting policies:

i) Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.

ii) Investment in Joint Venture

Investment in joint venture is 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 investment in joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

iii) Segment reporting

The Company is primarily in the business of manufacturing and sale of thermal products (Automotive and home air conditioning systems and parts thereof).

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Refer note 23 for segment information presented.

iv) Foreign currency translation

Functional and presentation currency:

Items included in the Standalone Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Standalone Financial Statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Transactions and balances:

Foreign currency transactions 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 profit or loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Standalone Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Standalone Statement of Profit and Loss on a net basis within other income or other expenses.

v) Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Note 11(d) provides further information on how the Company accounts for government grants.

vi) Income 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.

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. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred tax is 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 realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilize those temporary differences.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiary and joint venture where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiary and joint venture where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

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 realize the asset and settle the liability simultaneously.

Current tax and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

vii) Leases

As a lessee

Assets and liabilities arising frowm a lease are initially measured on a present value basis. Lease liabilities includes the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amount expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to 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.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

As a lessor

Lease income from operating leases where the Company is lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in Standalone Balance Sheet based on their nature.

Entity-specific details about the Company's leasing policy are provided in note 27.

viii) Impairment of property, plant and equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and 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).

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.

ix) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include 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.

x) Inventories

Raw material and spares, work in progress, stores and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and spares and stores comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable 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.

Entity-specific details about inventories are provided in note 8.

xi) Investments and other financial assets

(i) 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)

- those to be 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 equity instruments that are not held for trading, 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 FVOCI.

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.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sell the financial asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Foreign exchange gains and losses and impairment gains or losses are recognised in profit or loss. Any gain or loss arising on derecognition is recognised directly in profit or loss.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

Entity-specific details about investments and other financial assets are provided in note 5.

xii) Property, plant and equipment

The Company's accounting policy for land is explained in note 3.Historical cost includes expenditure that is directly attributable to the acquisition of items. The cost of self generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses in disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

xiii) Intangible assets

Software

Costs associated with maintaining software are recognised as an expense as incurred.

Separately purchased intangible assets are initially measured at cost. Subsequently, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Research and development

Research expenditure and development expenditure that do not meet the criteria for capitalization are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Entity-specific details about intangible assets are provided in note 4.

xiv) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

xv) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Standalone Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

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 reporting period.

xvi) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are recognized as an expense in the period in which these are incurred.

xvii) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present legal or constructive 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 amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Standalone Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax discounting rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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.

No contingent asset is recognized but disclosed by way of notes to accounts. When the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

xviii) Employee benefits

a. Short term obligations

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

b. Post-employment obligations

Provident fund and Employees' state insurance:

Contributions todefined contribution schemes such as Provident fund and Employees' state insurance are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The Company pays provident fund contribution to government-administered provident fund.The above benefits are classified as defined contribution schemes as the Company has no further defined obligations beyond the monthly contributions.

Superannuation:

Certain employees of the Company are participants in a defined contribution plan. The Company has no further obligations to the plan beyond its monthly contributions which are periodically contributed towards trust fund, the corpus of which is invested with the Life insurance companies.

Gratuity:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions made towards the trust fund, the corpus of which is invested with Life Insurance Corporation of India (LIC).

The liability or asset recognized in the Standalone Balance Sheet in respect of defined benefit 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 Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the Statement of Changes in Equity and in the Standalone Balance Sheet. Past-service costs are recognized immediately in profit or loss.

c. Compensated absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in profit or loss in the period in which they arise. Past-service costs are recognized immediately in profit or loss.

d. Long service award:

Long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore accrued using actuarial valuations and are measured as 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.

xix) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xx) Earnings per share

Basic earnings per share:

Basic earnings per share is calculated by dividing:

a) the profit attributable to owners of the Company

b) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

Diluted earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

a) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

b) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xxi) Other income

Interest is recognized using the effective interest rate (EIR) method, as income for the period in which it occurs.

Dividend income on investments is recognized when the right to receive dividend is established.

xxii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

Sahil Arora
Partner
Membership No.: 506483

Place : Gurugram
Date : May 22, 2025

For and on behalf of the Board of Directors of Subros Limited

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Executive Director &
Chief Executive Officer
DIN : 02382912

Hemant Kumar Agarwal
Chief Financial Officer &
Senior Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No: F5140

Place : New Delhi
Date : May 22, 2025

Form AOC-I

(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/ associate companies/ joint ventures

Part "A": Subsidiaries

Sl. No.	(Information in respect of each subsidiary to be presented with amounts in Lacs)	
1	**Name of the subsidiary**	**NA**
2	Reporting period for the subsidiary concerned	
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in case of foreign subsidiary	
4	Share capital (Paid up Share Capital)	
5	Reserves & surplus	
6	Total assets	
7	Total Liabilities	
8	Investments	
9	Turnover	
10	Profit before taxation * (At average rate)	
11	Provision for taxation	
12	Profit after taxation * (At average rate)	
13	Other Comprehensive Income	
14	Total Comprehensive Income	
15	Proposed Dividend	
16	% of shareholding	

Notes:-
1. Names of subsidiaries which are yet to commence operations **NA**
2. Names of subsidiaries which have been liquidated or sold during the year. **NA**

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Associates /Joint Ventures	Denso Subros Thermal Engineering Centre India Private Limited (INR in Lacs)
1	Latest audited Balance Sheet Date	31-03-2025
2	Shares of Associate/Joint Ventures held by the company on the year end	
	No	1767999
	Amount of Investment in Associates/Joint Venture	176.80
	Extent of Holding %	26%
3	Description of how there is significant influence	Joint Venture
4	Reason why the associate/joint venture is not consolidated	NA
5	Networth attributable to Shareholding as per latest audited Balance Sheet	194.99
6	Profit / Loss for the year	
	i. Considered in Consolidation	18.19
	i. Not Considered in Consolidation	-

Notes:-
1. Names of Associates or joint ventures which are yet to commence operations **NA**
2. Names of Associates or joint ventures which have been liquidated or sold during the year. **NA**

INDEPENDENT AUDITOR'S REPORT

To the Members of Subros Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of Subros Limited (hereinafter referred to as the "Company") and its joint venture (refer Note 36 to the attached Consolidated Financial Statements), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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, of the consolidated state of affairs of the Company and its joint venture as at March 31, 2025, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Company and its joint venture in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, 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.

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
Appropriateness of capitalisation of internal development costs in relation to intangible assets under development [Refer note 4 to the Consolidated Financial Statements for Intangible assets under development] During the year ended March 31, 2025, the Company has capitalised significant costs incurred on internal development of intangible assets amounting to Rs. 2,941.97 Lakhs under the head 'Intangible assets under development'. These intangible assets are predominantly in relation to the projects awarded by original equipment manufacturers. The costs mainly comprise technical know how, employees' payroll and other costs. The capitalisation of internal development costs was a key audit matter due to the amount of the internal development costs capitalised and judgement involved in assessing whether the criteria for capitalisation set out in the Indian Accounting Standard (Ind AS) 38 "Intangible Assets" had been met. Significant judgement was made by the management in the determination of – i) whether the costs incurred is towards development of product or in the nature of research, ii) the costs, including payroll costs, were directly attributable to relevant projects, and iii) key assumptions such as future revenue, margins and the discount rate used to assess the future cash flows from the expected use of such assets once developed and capitalised.	Our audit procedures included the following: - Understood and evaluated the design and tested the operating effectiveness of the Company's internal financial controls relating to the capitalisation of internal development costs in relation to intangible assets under development. - Assessed the appropriateness of capitalisation of product development costs with the criteria to capitalise product development costs and held inquiries with the management to understand their assessment to support the product's commercial viability. - Tested the accuracy and allocation of capitalised payroll and other costs and assessed whether these are directly attributable to the development as against research. - Assessed appropriateness of the assumptions underlying cash flow forecasts including the future revenue, expected margins to be achieved with reference to historical data and management approved margins in the AOP (Annual Operating Plan), inputs used by the Management to calculate the discount rate applied by comparing this to the cost of capital for the Company. We also involved experts to evaluate the reasonability of cost of capital of the Company used to discount the future cash flows expected from the asset once developed and capitalised. - Performed a sensitivity analysis over the key assumptions which included assessing the impact of change in those assumptions that would be required for future economic benefits falling short of the carrying value of capitalized internal development costs.

Other Information

5. 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, Directors' Report including Annexures to Directors' Report, Report on Corporate Governance and Business Responsibility & Sustainability Reporting but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the report of the other auditor as furnished to us (Refer paragraph 14 below), 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 Consolidated Financial Statements

6. The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and consolidated changes in equity of the Company including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the Company and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its joint venture 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 the 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

7. In preparing the Consolidated Financial Statements, the respective Board of Directors of the Company and of its joint venture are responsible for assessing the ability of the Company and of its joint venture 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.

8. The respective Board of Directors of the Company and of its joint venture are responsible for overseeing the financial reporting process of the Company and of its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

    - Identify and assess the risks of material misstatement of the Consolidated 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 Consolidated Financial Statements in place and the operating effectiveness of such controls.
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to

draw attention in our auditor's report to the related disclosures in the Consolidated 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 and its joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated 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 and its joint venture to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Company 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.

12. 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.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated 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

14. The Consolidated Financial Statements include the Company's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 18.19 Lakhs for the year ended March 31, 2025 as considered in the Consolidated Financial Statements, in respect of a joint venture, whose financial statements have not been audited by us. The financial statements of the joint venture have been audited by other auditor whose reports have been furnished to us by the Company's management. Our opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of the joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid joint venture, is based solely on the reports of the other auditor furnished to us by the Company's management. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Company.

    Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and report of the other auditor.

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included in the CARO 2020 report issued by us in respect of the Standalone Financial Statements of the Company and by the other auditor of the joint venture in their CARO 2020 report on the financial statements of that company included in these Consolidated Financial Statements, except that the auditor of the joint venture has reported qualification or adverse remark in their CARO 2020 report on the financial statements of the joint venture:

Name of the entity	CIN	Relationship with the Company	Clause number of the CARO report which contains the qualification or adverse remarks
Denso Subros Thermal Engineering Centre India Private Limited	U93000DL2011FTC212269	Joint Venture	vii(a)

16. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears

from our examination of those books and the report of the other auditor except for the matters stated in paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the Consolidated Financial Statements.

(d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Company as on March 31, 2025 taken on record by the Board of Directors of the Company and the report of the statutory auditor of its joint venture incorporated in India, none of the directors of the Company and its joint venture incorporated in India is disqualified as on March 31, 2025 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, reference is made to our remarks in paragraph 16(b) above on reporting under Section 143(3)(b) and paragraph 16(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

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

i. The Consolidated Financial Statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Company and its joint venture– Refer Note 26 to the Consolidated Financial Statements.

ii. The Company and its joint venture were not required to recognise a provision as at March 31, 2025 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Company and its joint venture did not have any long-term derivative contracts as at March 31, 2025.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company during the year. During the year ended March 31, 2025, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the joint venture incorporated in India.

iv. (a) The respective Managements of the Company and its joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such joint venture respectively that, to the best of their knowledge and belief, as disclosed in Note 33(vii) to the Consolidated 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 or such joint venture 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 or such joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such joint venture respectively that, to the best of their knowledge and belief, as disclosed in the Note 33(vii)to the Consolidated Financial Statements, no funds have been received by the Company or such joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or such joint venture 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 has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditor of the joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The final dividend paid by the Company and its joint venture during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in Note 10(b) to the Consolidated Financial Statements, 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. Further, as stated in Note 5(a) to the Consolidated Financial Statements, the Board of Directors of the joint venture have proposed final dividend for the year which is subject to the approval of its members at its 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.

vi. Based on our examination, which included test checks and that performed by the auditor of the joint venture, which is company incorporated in India whose financial statements have been audited under the Act, other than in respect of the joint venture as described below, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit log at the application level is not maintained in case of modification by certain users with specific access for certain data recorded in the software up to February 17, 2025 which was enabled with effect from February 18, 2025, and audit trail has not been enabled at the database level to log any direct data changes throughout the year. During the course of performing our procedures, other than the aforesaid instances where the question of our commenting on the audit trail feature being tampered with does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

The following remark was included in the audit report dated May 16 2025, containing an unmodified audit opinion on the financial statements of Denso Subros Thermal Engineering Centre India Private Limited, a joint venture of the Company issued by an independent firm of Chartered Accountants, which is reproduced as under:

"Based on our examination, accounting software used by the Company for maintaining its books of account for the financial year ended March 31, 2025 did not have the feature of recording audit trail (edit log) facility.

As audit trail feature was not enabled for the years ended March 31, 2024 and 2025, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention does not arise. (Refer Note 47 to the Financial Statements)."

Note 47 referred above corresponds to Note 41 to the Consolidated Financial Statements.

17. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Further, the provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the joint venture which is a private limited company.

for Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sahil Arora
Partner
Membership Number: 506483
UDIN: 25506483BMLGBB4096

Place: Gurugram
Date: May 22, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 16(g) of the Independent Auditor's Report of even date to the members of Subros Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of Subros Limited (hereinafter referred to as "the Company") as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to a joint venture company incorporated in India namely Denso Subros Thermal Engineering Centre India Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

Management's Responsibility for Internal Financial Controls

2. The Board of Directors of the Company, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, are responsible for establishing and maintaining internal financial controls based on 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 ("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 its business, including adherence to the respective 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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified 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 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 Consolidated Financial Statements was 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 system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated 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 Consolidated 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 system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to financial statements

6. 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

7. 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

or Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sahil Arora
Partner
Membership Number: 506483
UDIN: 25506483BMLGBB4096

Place: Gurugram
Date: May 22, 2025

CIN: L74899DL1985PLC020134

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	55,553.20	58,652.75
Right-of-use assets	27	3,280.40	3,609.25
Capital work-in-progress	3	4,992.77	4,053.45
Intangible assets	4	13,051.53	12,244.85
Intangible assets under development	4	2,876.28	3,978.79
Investment accounted for using the equity method	5(a)	194.99	183.42
Financial assets			
i) Investments	5(b)(i)	2,894.30	299.98
ii) Loans	5(b)(vi)	19.03	11.81
iii) Other financial assets	5(b)(vii)	1,237.03	964.11
Non-current tax assets (net)	9	118.73	211.71
Other non-current assets	7	355.37	179.50
Total non-current assets		**84,573.63**	**84,389.62**
Current assets			
Inventories	8	37,385.08	37,505.60
Financial assets			
i) Investments	5(b)(ii)	8,546.07	-
ii) Trade receivables	5(b)(iii)	45,132.23	28,318.47
iii) Cash and cash equivalents	5(b)(iv)	3,636.04	3,915.70
iv) Bank balances other than cash and cash equivalents	5(b)(v)	4,020.65	8,319.42
v) Loans	5(b)(vi)	76.67	65.48
vi) Other financial assets	5(b)(vii)	652.94	323.00
Other current assets	7	1,837.90	2,266.30
Total current assets		**101,287.58**	**80,713.97**
TOTAL ASSETS		**185,861.21**	**165,103.59**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10 (a)	1,304.71	1,304.71
Other equity	10 (b)	108,108.23	94,288.43
Total equity		**109,412.94**	**95,593.14**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Lease liabilities	27	10.07	440.50
Provisions	12	1,704.23	1,353.16
Deferred tax liabilities (net)	6	4,094.42	5,084.27
Other non-current liabilities	11 (d)	911.08	-
Total non-current liabilities		**6,719.80**	**6,877.93**
Current liabilities			
Financial liabilities			
i) Lease liabilities	27	58.46	45.65
ii) Supplier's credit	11 (e)	4,025.21	2,971.60
iii) Trade payables			
(a) Total outstanding dues of micro and small enterprises	11 (b)	363.35	79.53
(b) Total outstanding dues of creditors other than micro and small enterprises	11 (b)	55,667.43	50,357.97
iv) Other financial liabilities	11 (a)	3,950.38	4,698.57
Contract liabilities	13 (a)	330.29	809.66
Provisions	12	796.78	653.02
Current tax liabilities	11 (c)	619.57	89.67
Other current liabilities	13 (b)	3,917.00	2,926.85
Total current liabilities		**69,728.47**	**62,632.52**
TOTAL LIABILITIES		**76,448.27**	**69,510.45**
TOTAL EQUITY AND LIABILITIES		**185,861.21**	**165,103.59**

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.
This is the Consolidated Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

Sahil Arora
Partner
Membership No.: 506483

Place : Gurugram
Date : May 22, 2025

For and on behalf of the Board of Directors of Subros Limited

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Executive Director &
Chief Executive Officer
DIN : 02382912

Hemant Kumar Agarwal
Chief Financial Officer &
Senior Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 22, 2025

CIN: L74899DL1985PLC020134

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Rs. Lakhs, unless otherwise stated)

	Particulars	Note no	For the year ended March 31, 2025	For the year ended March 31, 2024
I	Revenue from operations	14	336,757.47	307,057.06
II	Other income	15	2,071.26	1,454.53
III	**Total income (I + II)**		**338,828.73**	**308,511.59**
IV	**Expenses**			
	Cost of material consumed	16	242,864.68	227,860.05
	Changes in inventories of finished goods and work-in-progress	17	353.61	(1,132.80)
	Employee benefits expense	18	32,244.84	28,409.14
	Finance costs	19	1,148.29	1,167.22
	Depreciation and amortization expense	20	12,816.77	11,650.71
	Other expenses	21	29,060.95	26,499.73
	Total expenses (IV)		**318,489.14**	**294,454.05**
V	**Profit before share of net profits of joint venture accounted for using equity method and tax (III - IV)**		**20,339.59**	**14,057.54**
VI	Share of net profit of joint venture accounted for using equity method	5(a)	19.63	8.16
VII	**Profit before tax (V+VI)**		**20,359.22**	**14,065.70**
VIII	Tax expense:	6		
	-Current tax		6,275.94	2,506.96
	-Deferred tax		(970.31)	1,796.87
	Total tax expense (VIII)		**5,305.63**	**4,303.83**
IX	**Profit for the year (VII-VIII)**		**15,053.59**	**9,761.87**
X	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	Loss on remeasurements of post employment benefit obligations	28	(77.65)	(323.13)
	Share of other comprehensive income of joint venture accounted for using equity method	5(a)	(1.44)	(1.54)
	Income tax relating to the above item	6	19.54	81.32
	Other comprehensive income for the year, net of tax (X)		**(59.55)**	**(243.35)**
XI	**Total comprehensive income for the year (IX + X)**		**14,994.04**	**9,518.52**
	Earnings per equity share (in Rs.) [Face value Rs. 2 each (March 31, 2024 : Rs. 2 each)]	30		
	Basic and Diluted		23.07	14.96

The above Consolidated Statement of Profit and Loss should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Profit and Loss (including other comprehensive income) referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

Sahil Arora
Partner
Membership No.: 506483

Place : Gurugram
Date : May 22, 2025

For and on behalf of the Board of Directors of Subros Limited

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Executive Director &
Chief Executive Officer
DIN : 02382912

Hemant Kumar Agarwal
Chief Financial Officer &
Senior Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 22, 2025

CIN: L74899DL1985PLC020134

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

A. Equity share capital

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	Amount
Balance at April 1, 2023	10 (a)	**1,304.71**
Changes in equity share capital during 2023-24		-
Balance at March 31, 2024		**1,304.71**
Changes in equity share capital during 2024-25		-
Balance at March 31, 2025		**1,304.71**

B. Other equity

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	Reserves and surplus			Total Other equity
		Securities Premium	General reserve	Retained earnings	
Balance as at April 1, 2023	10 (b)	**20,817.44**	**12,725.48**	**51,879.35**	**85,422.27**
Profit for the year		-	-	9,761.87	9,761.87
Other comprehensive income					
Loss on remeasurements of post employment benefit obligations		-	-	(323.13)	(323.13)
Share of other comprehensive income of joint venture accounted for using equity method		-	-	(1.54)	(1.54)
Income tax relating to the above item		-	-	81.32	81.32
Total comprehensive income for the year		**-**	**-**	**9,518.52**	**9,518.52**
Transactions with owners in their capacity as owners					
Dividends paid		-	-	(652.36)	(652.36)
Transfer to/(from) retained earnings		-	150.00	(150.00)	-
Balance as at March 31, 2024		**20,817.44**	**12,875.48**	**60,595.51**	**94,288.43**
Balance as at April 1, 2024		20,817.44	12,875.48	60,595.51	94,288.43
Profit for the year		-	-	15,053.59	15,053.59
Other comprehensive income					
Loss on remeasurements of post employment benefit obligations		-	-	(77.65)	(77.65)
Share of other comprehensive income of joint venture accounted for using equity method		-	-	(1.44)	(1.44)
Income tax relating to the above item		-	-	19.54	19.54
Total comprehensive income for the year		**-**	**-**	**14,994.04**	**14,994.04**
Transactions with owners in their capacity as owners					
Dividends paid		-	-	(1,174.24)	(1,174.24)
Transfer to/(from) retained earnings		-	150.00	(150.00)	-
Balance as at March 31, 2025		**20,817.44**	**13,025.48**	**74,265.31**	**108,108.23**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

Sahil Arora
Partner
Membership No.: 506483

Place : Gurugram
Date : May 22, 2025

For and on behalf of the Board of Directors of Subros Limited

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Executive Director &
Chief Executive Officer
DIN : 02382912

Hemant Kumar Agarwal
Chief Financial Officer &
Senior Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 22, 2025

CIN: L74899DL1985PLC020134

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flow from operating activities			
Profit before tax		**20,359.22**	**14,065.70**
Adjustments for:			
Depreciation and amortization expense	20	12,816.77	11,650.71
Net loss on disposal of property, plant and equipment	21	59.62	92.42
Interest income on financial assets at amortized cost and others	15	(643.54)	(674.82)
Unwinding of discount on financial asset	15	(5.55)	(6.07)
Finance costs	19	1,148.29	1,167.22
Provision for inventory obsolescence made/ (written back)	8	8.57	(150.70)
Unrealized foreign currency (gain)/ loss (net)		(148.82)	(92.08)
Loss allowance for trade receivables	21	50.00	-
Net gain on sale of investment in mutual fund	15	(367.59)	(240.82)
Gain on maturity of investment in debentures	15	(1.08)	-
Net fair value gains on financial assets measured at fair value through profit or loss	15	(47.64)	-
Government grant	15	(230.73)	-
Gain on termination of lease	15	(158.00)	-
Fair value changes on derivatives	15	(29.48)	194.80
Share of net profit of joint venture accounted for using equity method	5(a)	(19.63)	(8.16)
Operating profit before changes in operating assets and liabilities		**32,790.41**	**25,998.20**
Adjustments for changes in operating assets and liabilities:			
(Increase)/ Decrease in loans		(12.86)	12.04
(Increase)/ Decrease in other financial assets		(26.64)	58.47
(Increase)/ Decrease in inventories		111.94	(3,490.43)
(Increase)/ Decrease in trade receivables		(16,863.76)	(7,513.89)
(Increase)/ Decrease in other assets		428.40	434.73
Increase/ (Decrease) in provisions		417.18	50.08
Increase/ (Decrease) in other liabilities		990.15	564.54
Increase/ (Decrease) in trade payables		5,742.10	1,658.01
Increase/ (Decrease) in contract liabilities		(479.37)	(28.69)
Increase/ (Decrease) in other financial liabilities		39.30	1,432.03
Cash generated from operations		**23,136.85**	**19,175.09**
Income tax paid (net)		(5,653.07)	(2,625.21)
Net cash inflow from operating activities (A)		**17,483.78**	**16,549.88**
Cash flow from investing activities			
Payments for property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development		(11,792.71)	(11,971.85)
Payment for investment in debentures and bonds		(4,592.04)	-
Proceeds from maturity of investment in debentures		1,000.00	-
Proceeds from sale / Payment for purchase of mutual funds (net)		(7,132.04)	2,240.82
Proceeds from sale of property, plant and equipment		150.87	90.14
Proceeds from government grant		842.84	-
Proceeds from maturity of deposits with banks		6,300.00	2,550.00
Payment for investments in deposits with banks		(2,000.00)	(2,600.00)
Dividend received from joint venture		6.62	12.58
Interest received		761.05	480.46
Net cash (outflow) from investing activities (B)		**(16,455.41)**	**(9,197.85)**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flow from financing activities			
Repayment of long term borrowings	10(b)(iii)	-	(1,335.81)
Principal element of lease payment		(40.80)	(41.03)
Increase/(decrease) in supplier's credit (net)		1,053.61	(3,302.98)
Interest paid		(1,146.60)	(1,170.77)
Dividend paid		(1,174.24)	(652.36)
Net cash (outflow) from financing activities (C)		**(1,308.03)**	**(6,502.95)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(279.66)**	**849.08**
Cash and cash equivalents at the beginning of the financial year		3,915.70	3,066.62
Cash and cash equivalents at the end of the financial year	5(b)(iv)	**3,636.04**	**3,915.70**

Particulars	Note no	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents as per above comprise of the following:			
Cash on hand	5(b)(iv)	9.43	8.38
Balances with banks - In current accounts	5(b)(iv)	3,626.61	3,907.32
		3,636.04	**3,915.70**

Particulars	Note no	For the year ended March 31, 2025	For the year ended March 31, 2024
Non-cash investing activities:			
Acquisition of right-of-use assets	27	105.32	-
Derecognition of right-of-use assets	27	324.14	-

Note: The above Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 " Statement of Cash Flows".

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Cash Flows referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

Sahil Arora
Partner
Membership No.: 506483

Place : Gurugram
Date : May 22, 2025

For and on behalf of the Board of Directors of Subros Limited

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Executive Director &
Chief Executive Officer
DIN : 02382912

Hemant Kumar Agarwal
Chief Financial Officer &
Senior Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 22, 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

1. Background

Subros Limited (the Company) and its joint venture (Denso Subros Thermal Engineering Centre India Private Limited) are engaged in the following businesses:

i. Subros Limited is the leading manufacturer of thermal products for automotive applications in India, in technical collaboration with Denso Corporation, Japan. The Company is engaged primarily in the business of manufacturing and sale of thermal products for automotive and home air-conditioning original equipment manufacturers.
ii. Joint venture is engaged in the business of providing application design services primarily to Subros Limited and to other entities related to the Denso Group.

Subros Limited is a public limited company incorporated in 1985 and domiciled in India, listed on the Bombay Stock Exchange (BSE) Limited and the National Stock Exchange of India Limited (NSE). The address of its registered office is LGF, World Trade Centre, Barakhamba Lane, New Delhi – 110001. The Company is a joint venture with 36.79% ownership by Suri family of India, 20% ownership by Denso Corporation, Japan and 11.96% ownership by Suzuki Motor Corporation, Japan.

2. Basis of preparation, critical estimates and judgements

2(a). Basis of preparation

(i) Compliance with Ind AS
The Consolidated Financial Statements comply in 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] and other relevant provisions of the Act.

(ii) Historical cost convention
The Consolidated Financial Statements have been prepared on the historical cost convention except for certain items that are measured at fair values, as explained in the accounting policies.

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

(iii) New and amended standards adopted by the Company
The Ministry of Corporate Affairs vide notification dated September 9, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 1, 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2(b). Critical estimates and judgements

The preparation of the Consolidated Financial Statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities on the date of the Consolidated Financial Statements and reported amounts of revenues and expenses for the years presented. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods affected.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the significant effect to the carrying amount of assets and liabilities within the next financial year is included in other notes to the Consolidated Financial Statements as mentioned below:

a. Measurement of employee defined benefit obligations – Refer note 28
b. Measurement and likelihood of occurrence of provisions and contingencies – Refer note 26
c. Estimation of provision for warranty – Refer note 12
d. Estimated useful life of property, plant and equipment and intangible assets – Refer note 3 & 4
e. Appropriateness of capitalization of internal development costs related to Intangible assets under development – Refer note 4
f. Impairment of trade receivables – Refer note 5(b)(iii)
g. Provision for inventory obsolescence – Refer note 8

CIN: L74899DL1985PLC020134

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

3. Property, plant and equipment and capital work-in-progress

Accounting policy

Freehold land is carried at historical cost. All other property, plant and equipment is recognised at historical cost less depreciation.

Depreciation methods, estimated useful lives and residual value

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 Schedule II of the Companies Act, 2013 except in respect of the below mentioned assets where useful life is determined through technical evaluation and is different than those prescribed in schedule II of the Companies Act, 2013.

Plant and machinery : 5-20 years

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The residual values are not more than 5% of the original cost of the assets. Depreciation methods, useful lives and residual values are reviewed at least at each financial year end.

Refer note 40(xii) and 40(xxii) for the other accounting policies relevant to property, plant and equipment and note 40(viii) for the accounting policy relevant of impairment of property, plant and equipment.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Freehold land	Buildings (Refer note (vi) below)	Plant and machinery	Furniture and fixtures	Vehicles	Office equipments	Total	Capital work-in-progress (CWIP) (Refer note (ii) below)
Gross carrying amount								
Balance as at April 1, 2023	4,142.38	22,326.40	62,456.58	550.91	536.53	998.83	91,011.63	**5,572.41**
Additions	0.48	-	-	26.96	268.78	301.70	597.92	**10,050.19**
Transfer from CWIP	-	305.82	11,261.66	0.36	-	1.31	11,569.15	**(11,569.15)**
Disposals / adjustments (Refer note (v) below)	-	(3.01)	(1,531.74)	(33.02)	(206.28)	(146.20)	(1,920.25)	-
Balance as at March 31, 2024	**4,142.86**	**22,629.21**	**72,186.50**	**545.21**	**599.03**	**1,155.64**	**101,258.45**	**4,053.45**
Additions	-	-	-	31.39	180.27	434.41	646.07	**7,220.91**
Transfer from CWIP	-	513.83	5,675.95	16.42	-	75.39	6,281.59	**(6,281.59)**
Disposals / adjustments	-	(854.14)	(1,423.93)	(9.39)	(159.64)	(181.25)	(2,628.35)	-
Balance as at March 31,2025	**4,142.86**	**22,288.90**	**76,438.52**	**583.63**	**619.66**	**1,484.19**	**105,557.76**	**4,992.77**
Accumulated depreciation As at April 1, 2023	-	3,745.69	31,221.03	277.75	115.83	438.76	35,799.06	-
Depreciation charge during the year	-	730.53	7,096.05	46.78	90.95	212.51	8,176.82	-
Disposals / adjustments	-	(0.12)	(1,049.23)	(30.54)	(150.99)	(139.30)	(1,370.18)	-
Balance as at March 31, 2024	**-**	**4,476.10**	**37,267.85**	**293.99**	**55.79**	**511.97**	**42,605.70**	-
Depreciation charge during the year	-	729.97	8,293.18	48.08	98.20	252.53	9,421.96	-
Disposals / adjustments	-	(461.76)	(1,276.48)	(7.93)	(103.35)	(173.58)	(2,023.10)	-
Balance as at March 31,2025	**-**	**4,744.31**	**44,284.55**	**334.14**	**50.64**	**590.92**	**50,004.56**	-
Net carrying amount As at March 31, 2024	**4,142.86**	**18,153.11**	**34,918.65**	**251.22**	**543.24**	**643.67**	**58,652.75**	**4,053.45**
Net carrying amount As at March 31, 2025	**4,142.86**	**17,544.59**	**32,153.97**	**249.49**	**569.02**	**893.27**	**55,553.20**	**4,992.77**

Notes-

i) Depreciation pertaining to machineries used for manufacture of moulds has been capitalized during the year amounting to Rs 46.27 Lakhs (Previous year Rs 55.46 Lakhs).

ii) Capital work-in-progress mainly comprises of freehold land pending approval for its intended use, building and plant and machinery.

iii) Refer note 25 to these Consolidated Financial Statements for disclosure of contractual commitments for the acquisition of property, plant and equipment.

iv) In terms of IND AS - 16 on "Property, plant and equipment", the Company has reviewed the useful lives and residual values of property, plant and equipment. On such reviews, it was found that few plant and machinery (mainly comprising of dies, moulds, jigs etc.) had reached the end of their useful lives with no tangible future economic benefits. Accordingly, this has resulted in an incremental depreciation charge amounting to Rs. 495.12 Lakhs (Previous year Rs. 392.93 Lakhs) during the year ended March 31, 2025 with a consequential impact on "Profit before tax" of an equal amount.

v) Includes Rs. Nil (Previous year Rs. 367.51 Lakhs) in plant and machinery on account of government grant received. Refer note 11(d).

vi) The Company has leased out a part of building having net carrying amount of Rs. 211.27 Lakhs as at March 31, 2025 (March 31, 2024: Rs. 587.35 Lakhs). Refer note 27.

vii) Capital work-in-progress (CWIP)

(a) Ageing:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2025

Particulars	Amount in CWIP for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,645.36	344.91	2.50	-	4,992.77
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2024

Particulars	Amount in CWIP for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,929.50	117.34	6.61	-	4,053.45
Projects temporarily suspended	-	-	-	-	-

(b) Completion schedule for capital work-in-progress whose completion is overdue compared to its original plan:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2025

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
(i) Projects pertaining to development of new models for *					
- Heating, ventilation, and air conditioning (HVAC) system	357.41	-	-	-	357.41
- Hose & Tubes	152.13	-	-	-	152.13
- Compressor	6.70	-	-	-	6.70
- Condensor	264.78	-	-	-	264.78
(ii) Plant Utility	346.26				346.26
Total	**1,127.28**	**-**	**-**	**-**	**1,127.28**

* The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

As at March 31, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
(i) Projects pertaining to development of new models for *					
- Heating, ventilation, and air conditioning (HVAC) system	460.22	-	-	-	460.22
- Hose & Tubes	36.27	-	-	-	36.27
- Compressor	4.43	-	-	-	4.43
- Condensor	72.00	-	-	-	72.00
(ii) Plant Utility	-	-	-	-	-
Total	**572.92**	**-**	**-**	**-**	**572.92**

*The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

viii) Significant estimate

The estimated useful lives of property, plant and equipment are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors such as the stability of the industry and known technological advances.

4. Intangible assets and intangible assets under development

Accounting policy

Technical know how

Technical know how comprises of costs of acquired technical knowledge from technology partner to develop the products required to manufacture air conditioning systems and related products for new models to be launched by original equipment manufacturers.

Product development cost

Product development costs comprises of costs incurred to design and develop the products required to manufacture air conditioning systems and related products for new models to be launched by original equipment manufacturers. The costs which can be capitalized include the cost of material, employee payroll costs and other overheads that are directly attributable to preparing the asset for its intended use.

Technical knowhow are capitalized along with product development costs when technical and commercial feasibility of the products developed is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the products and the cost can be measured reliably, in other cases such costs are taken to the Consolidated Statement of Profit and Loss.

Capitalized technical knowhow and product development costs are recorded as intangible assets and amortized from the point at which the asset is available for use.

Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date they are available for use. Estimated useful lives of intangible assets are as follows:

Technical knowhow	: 8 years
Product development	: 8 years
Software	: 3 years

Amortization methods and useful lives are reviewed periodically including at each financial year end.

Refer note 40(xiii) and 40(xxii) for the other accounting policies relevant to intangible assets and note 40(viii) for the accounting policy relevant of impairment of intangible assets.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Software	Technical know how	Product development cost [Refer note (ii)]	Total	Intangible assets under development [Refer note (iii)]
Gross carrying amount					
Balance as at April 1, 2023	402.85	15,540.68	21,882.92	37,826.45	3,029.75
Additions	37.97	-	-	37.97	3,239.04
Transfer from intangible assets under development	1.05	737.11	1,502.36	2,240.52	(2,240.52)
Disposals / adjustments	(0.27)	-	-	(0.27)	(49.48)
Balance as at March 31, 2024	**441.60**	**16,277.79**	**23,385.28**	**40,104.67**	**3,978.79**
Additions	94.43	-	-	94.43	2,941.97
Transfer from intangible assets under development	22.30	757.42	3,264.76	4,044.48	(4,044.48)
Disposals / adjustments	-	-	-	-	-
Balance as at March 31, 2025	**558.33**	**17,035.21**	**26,650.04**	**44,243.58**	**2,876.28**
Accumulated amortization					
As at April 1, 2023	**305.80**	**9,324.92**	**14,809.00**	**24,439.72**	**-**
Amortization charge for the year	53.03	1,531.01	1,836.33	3,420.37	-
Disposals / adjustments	(0.27)	-	-	(0.27)	-
Balance as at March 31, 2024	**358.56**	**10,855.93**	**16,645.33**	**27,859.82**	**-**
Amortization charge for the year	61.15	1,484.63	1,786.45	3,332.23	-
Disposals / adjustments	-	-	-	-	-
Balance as at March 31, 2025	**419.71**	**12,340.56**	**18,431.78**	**31,192.05**	**-**
Net carrying amount As at March 31, 2024	**83.04**	**5,421.86**	**6,739.95**	**12,244.85**	**3,978.79**
Net carrying amount As at March 31, 2025	**138.62**	**4,694.65**	**8,218.26**	**13,051.53**	**2,876.28**

Notes-

i) Amortization pertaining to software used for manufacture of moulds has been capitalized during the year amounting to Rs 1.22 Lakhs (Previous year Rs 1.22 Lakhs).

ii) Consists of capitalised product development costs being an internally generated intangible asset.

iii) Intangible assets under development comprises of technical know how and product development cost incurred by the Company.

iv) Intangible assets under development

(a) Ageing:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2025

Particulars	Amount in intangible assets under development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,099.87	543.00	171.02	62.39	2,876.28
Projects temporarily suspended	-	-	-	-	-
Total	**2,099.87**	**543.00**	**171.02**	**62.39**	**2,876.28**

As at March 31, 2024

Particulars	Amount in intangible assets under development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,161.79	680.42	794.96	341.62	3,978.79
Projects temporarily suspended	-	-	-	-	-
Total	**2,161.79**	**680.42**	**794.96**	**341.62**	**3,978.79**

(b) Completion schedule for intangible assets under development whose completion is overdue compared to its original plan:

(All amounts in Rs. Lakhs, unless otherwise stated)

As at March 31, 2025

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for *					
- Air conditioning kit	-	-	-	-	-
- Heating, ventilation, and air conditioning (HVAC) system	831.49	-	-	-	831.49
- Compressor	-	-	-	-	-
- Hose & Tubes	350.35	-	-	-	350.35
- Condensor	30.41	-	-	-	30.41
- Radiator	190.67	-			190.67
Total	**1,402.92**	**-**	**-**	**-**	**1,402.92**

* The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

As at March 31, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects pertaining to development of new models for *					
- Air conditioning kit	508.52	-	-	-	508.52
- Heating, ventilation, and air conditioning (HVAC) system	774.12	24.55	-	-	798.67
- Compressor	242.46	-	-	-	242.46
- Hose & Tubes	-	-	-	-	-
- Condensor	90.95	492.08	-	-	583.03
- Radiator	-	-			-
Total	**1,616.05**	**516.63**	**-**	**-**	**2,132.68**

* The individual names of projects have not been provided as these are related to future projects of original equipment manufacturers and are confidential in nature.

Significant estimates:

A. Appropriateness of capitalization of internal development costs related to Intangible assets under development

In relation to capitalisation of internal development costs in relation to intangible assets under development, significant judgement has been made by the management in the determination of –

i) whether the costs incurred is towards development of product or in the nature of research,

ii) the costs, including payroll costs, were directly attributable to relevant projects, and

iii) key assumptions such as future revenue, margins and the discount rate used to assess the future cash flows from the expected use of such assets once developed and capitalised.

B. Estimated useful life of intangible assets

The estimated useful lives of intangible assets are based on a number of factors including the effects of obsolescence, demand, competition, internal assessment of user experience and other economic factors (such as the stability of the industry, and known technological advances) to obtain the expected future cash flows from the asset.

5(a). Non-current investments - Investment accounted for using the equity method*

(All amounts in Rs. Lakhs, unless otherwise stated)

Name of the entity and equity contribution	Place of business/country of incorporation	% of ownership interest	Accounting method	Principal activities	Carrying amount as at March 31, 2025	Carrying amount as at March 31, 2024
Denso Subros Thermal Engineering Centre India Private Limited [1,767,999 (March 31, 2024: 1,767,999) fully paid up equity shares of Rs. 10 each]	India	26%	Equity method	Providing application design services primarily to Subros Limited and to other entities related to the Denso Group.	183.42	189.38
Add:- Share of net profit of joint venture accounted for using equity method					19.63	8.16
Add:- Share of other comprehensive income of joint venture accounted for using equity method					(1.44)	(1.54)

(All amounts in Rs. Lakhs, unless otherwise stated)

Name of the entity and equity contribution	Place of business/country of incorporation	% of ownership interest	Accounting method	Principal activities	Carrying amount as at March 31, 2025	Carrying amount as at March 31, 2024
Less: Dividend income received during the year					(6.62)	(12.58)
Total equity accounted investment					**194.99**	**183.42**

* Unlisted entity - no quoted price available.

Summarized financial information for joint venture

The table below provide summarized financial information for joint venture. The information disclosed reflects the amounts presented in the financial statements of joint venture and not Subros Limited's share of those amounts.

Summarized Balance Sheet of:-
Denso Subros Thermal Engineering Centre India Private Limited

(All amounts in Rs. Lakhs, unless otherwise stated)

Description	As at March 31, 2025	As at March 31, 2024
Current assets		
Financial assets		
(i) Trade receivables	269.26	192.34
(ii) Cash and cash equivalents	705.43	647.78
(iii) Other financial assets	10.19	9.71
Other current assets	184.37	208.81
Total current assets	**1,169.25**	**1,058.64**
Total non-current assets	**260.08**	**277.81**
Current liabilities		
Financial liabilities		
(i) Lease liabilities	15.71	20.02
(ii) Trade payables	65.09	75.64
(ii) Other financial liabilities	86.05	66.67
Other current liabilities	44.20	53.35
Short-term provisions	343.91	332.39
Total current liabilities	**554.96**	**548.07**
Total non-current liabilities	**124.42**	**82.91**
Net assets	**749.95**	**705.47**

Reconciliation to carrying amounts

(All amounts in Rs. Lakhs, unless otherwise stated)

Description	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening net assets	705.47	728.37
Profit for the year	75.49	31.39
Other comprehensive income	(5.54)	(5.92)
Dividend paid on equity shares	(25.47)	(48.37)
Closing net assets	**749.95**	**705.47**
Company's share in %	26%	26%
Company's share in INR Lakhs	194.99	183.42
Carrying amount	**194.99**	**183.42**

Summarized Statement of Profit and Loss

(All amounts in Rs. Lakhs, unless otherwise stated)

Description	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations	1,795.44	1,747.59
Other income	39.33	45.88
Employee benefits expense	(1,200.35)	(1,171.26)
Finance costs	(4.54)	(4.20)
Depreciation and amortization expense	(46.79)	(48.70)

(All amounts in Rs. Lakhs, unless otherwise stated)

Description	For the year ended March 31, 2025	For the year ended March 31, 2024
Other expenses	(463.49)	(506.83)
Income tax expenses	(44.11)	(31.09)
Profit for the year	**75.49**	**31.39**
Other comprehensive income	(5.54)	(5.92)
Total comprehensive income	**69.95**	**25.47**

Note:

1. There are contingent liabilities related to joint venture amounting to Rs. 187.88 Lakhs as on March 31, 2025 (March 31, 2024: Rs. Rs. 23.63 Lakhs).
2. There are no commitments related to joint venture as on March 31, 2025 and March 31, 2024.
3. The Board of Directors of joint venture recommended a final dividend of Rs. 1.03 per share (nominal value of Rs. 10 per share) for the financial year 2024-25 (March 31, 2024: Rs. 0.37 per share for the financial year 2023-24). This dividend is subject to approval by its shareholders at its ensuing Annual General Meeting and has not been accounted as liability in the financial statements of the joint venture. The total estimated dividend to be paid is Rs. 69.95 Lakhs (March 31, 2024: Rs. 25.47 Lakhs).

5(b). Financial assets

Accounting policies

(i) Classification of financial assets at amortised cost

The Company classifies its financial assets at amortised cost only if both of the following criteria are met:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets classified at amortised cost comprise trade receivables, loans, investment in bond and debentures, bank deposits and security deposits.

(ii) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities (listed and unlisted) which are not held for trading, and for which the company has irrevocably elected at initial recognition to recognise changes in fair value through OCI rather than profit or loss. There are currently no equity securities which are carried at FVOCI.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets. There are currently no debt securities which are carried at FVOCI.

(ii) Classification of financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss (FVTPL):

– investment in mutual funds and

– equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Derivatives

The Company enters into foreign exchange forward contracts and certain other derivative financial instruments to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The resulting gain or loss is recognised in Consolidated Statement of Profit and Loss immediately.

Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the Consolidated 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.

Refer note 40(xi) for the remaining relevant accounting policies.

5 (b)(i). Non-current investments - Other

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Investment in equity instruments (at fair value through profit or loss)		
Unquoted (fully paid- up)		
Amplus Green Power Private Limited	299.98	299.98
1,719,061 (March 31, 2024: 1,719,061) Fully paid up equity shares of Rs. 17.45 each		

(All amounts in Rs. Lakhs, unless otherwise stated)

Description	For the year ended March 31, 2025	For the year ended March 31, 2024
Investment in debentures and bonds (at amortised cost)		
Quoted (fully paid- up)	2,384.32	-
Unquoted (fully paid- up)	210.00	-
Total non-current investments - other	**2,894.30**	**299.98**
Aggregate amount of quoted investments	**2,384.32**	**-**
Aggregate market value of quoted investments	**2,369.63**	**-**
Aggregate amount of unquoted investments	**509.98**	**299.98**
Aggregate amount of impairment in the value of unquoted investments	**-**	**-**

5(b)(ii). Current investments - Other

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Investment in mutual funds (at fair value through profit or loss)		
Unquoted		
5,116,215.615 (March 31, 2024: Nil) units of Nippon India Overnight Fund - Direct Growth Plan	7,016.27	-
1,565,817.746 (March 31, 2024: Nil) units of Invesco India Arbitrage Fund-Direct Growth Plan	531.00	-
Investment in debentures and bonds (at amortised cost)		
Quoted (fully paid- up)	998.80	-
Total current investments - other	**8,546.07**	**-**
Aggregate amount of quoted investments	**998.80**	**-**
Aggregate market value of quoted investments	**997.89**	**-**
Aggregate amount of unquoted investments	**7,547.27**	**-**
Aggregate amount of impairment in the value of unquoted investments	**-**	**-**

5.(b)(iii) Trade receivables

Accounting policy

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method, less loss allowance.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

Refer note 22(b) for a description of the Company's impairment policies.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Trade receivables from contract with customers - billed	41,014.44	24,216.16
Trade receivables from contract with customers - unbilled*	4,076.79	3,849.37
Trade receivables from contract with customers - related parties (Refer note 24)	188.99	350.93
Less: Loss allowance	(147.99)	(97.99)
Total trade receivables	**45,132.23**	**28,318.47**
Current portion	45,132.23	28,318.47
Non-current portion	-	-

* The receivable is unbilled because Company has not yet issued an invoice, however, the balance has been included under trade receivables (as opposed to contact assets) because it is an unconditional right to consideration.

Breakup of security details *(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2025	As at March 31,2024
Trade receivables considered good - Secured	17.65	-
Trade receivables considered good - Unsecured	45,212.29	28,358.18
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	50.28	58.28
Total	**45,280.22**	**28,416.46**
Loss allowance	(147.99)	(97.99)
Total trade receivables	**45,132.23**	**28,318.47**

Ageing of Trade receivables as on March 31, 2025 *(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	Unbilled	Not Due	Outstanding for following periods from the 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								
– considered good	4,076.79	38,971.85	1,765.38	370.83	33.14	11.95	-	**45,229.94**
– which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
– credit impaired	-	-	-	-	-	-	-	**-**
Disputed trade receivables								**-**
– considered good	-	-	-	-	-	-	-	**-**
– which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
– credit impaired	-	-	-	-	-	-	50.28	**50.28**
Total	**4,076.79**	**38,971.85**	**1,765.38**	**370.83**	**33.14**	**11.95**	**50.28**	**45,280.22**

Ageing of Trade receivables as on March 31, 2024

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Unbilled	Not Due	Outstanding for following periods from the 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								
– considered good	3,849.37	23,233.18	1,167.86	76.12	24.80	3.84	3.01	**28,358.18**
– which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
– credit impaired	-	-	-	-	-	-	-	**-**
Disputed trade receivables								
– considered good	-	-	-	-	-	-	-	**-**
– which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
– credit impaired	-	-	-	-	-	-	58.28	**58.28**
Total	**3,849.37**	**23,233.18**	**1,167.86**	**76.12**	**24.80**	**3.84**	**61.29**	**28,416.46**

5(b)(iv). Cash and cash equivalents

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Balances with banks		
- In current accounts	3,626.61	3,907.32
Cash on hand	9.43	8.38
Deposit with original maturity of less than 3 months	-	-
Total cash and cash equivalents	**3,636.04**	**3,915.70**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

5. (b)(v) Bank balances other than cash and cash equivalents

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Earmarked balances with banks		
Unpaid dividend account	20.65	19.42
Others		
Deposits with original maturity of more than three months but less than 12 months	4,000.00	8,300.00
Total bank balances other than cash and cash equivalents	**4,020.65**	**8,319.42**

5.(b)(vi) Loans

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31,2024	
	Current	Non-current	Current	Non-current
Loans to employees	76.67	19.03	65.48	11.81
Total loans	**76.67**	**19.03**	**65.48**	**11.81**

Breakup of security details

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Loans considered good - Secured	-	-
Loans considered good - Unsecured	95.70	77.29
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	**95.70**	**77.29**
Loss allowance	-	-
Total loans	**95.70**	**77.29**

5.(b)(vii) Other financial assets

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31,2024	
	Current	Non-current	Current	Non-current
Security deposits				
Related parties (refer note 24)	-	256.89	-	263.46
Others	17.03	728.22	13.27	700.65
Interest accrued on bank deposits	192.22	-	309.73	-
Government grant receivable (refer note 11(d))	298.97	-	-	-
Insurance Claim Recoverable	1.89	-	-	-
Recoverable from sale of property plant and equipment	142.83	251.92	-	-
Total other financial assets	**652.94**	**1,237.03**	**323.00**	**964.11**

6. Tax expense

(All amounts in Rs. Lakhs, unless otherwise stated)

a) Income tax expense in the Consolidated Statement of Profit and Loss comprises:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Tax expense		
Current tax		
Current tax on profits for the year	6,149.85	2,506.02
Adjustments for current tax of prior periods	126.09	0.94
Total current tax expense	**6,275.94**	**2,506.96**
Deferred tax		
Minimum Alternate Tax (MAT) credit utilisation	-	2,736.87
Decrease / (increase) in deferred tax assets	(261.12)	242.62
(Decrease) / increase in deferred tax liabilities	(709.19)	(1,182.62)
Total deferred tax expense / (benefit)	**(970.31)**	**1,796.87**
Total tax expense / (credit)	**5,305.63**	**4,303.83**

b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before tax	**20,359.22**	**14,065.70**
Computed tax expense at applicable tax rate of 25.168% (previous year 34.944%)	**5,124.01**	**4,915.12**
Tax effect of :		
Tax effects of the amounts which are not deductible in calculating taxable income	46.74	52.36
Adjustment on account of remeasurement (Refer note 2 below)	-	(664.59)
Adjustment on account of lower tax rate	8.79	-
Adjustment for current tax of prior year	126.09	0.94
Tax expense recognized in Consolidated Statement of Profit and Loss	**5,305.63**	**4,303.83**

The tax of significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Opening balance	Recognized in Profit or loss- Credit/(charge)	Recognized in Other Comprehensive Income -Credit/ (charge)	Closing Balance
2023-24				
Deferred tax liability in relation to:				
Property, plant and equipment and intangible assets	8,211.99	2,457.48	-	5,754.51
Right-of-use assets	74.88	66.18	-	8.70
Adjustment on account of remeasurement (net) (Refer note 2 below)	(1,341.04)	(1,341.04)	-	-
Total deferred tax liability (A)	**6,945.83**	**1,182.62**	**-**	**5,763.21**
Deferred tax assets in relation to:				
Expenses deductible in future years	516.49	(180.75)	-	335.74
Lease liabilities	184.22	(61.87)	-	122.35
Remeasurement of post employment benefit obligations	139.53	-	81.32	220.85
Total deferred tax assets (B)	**840.24**	**(242.62)**	**81.32**	**678.94**
Deferred tax liability (net) (C) = (A) - (B)	**6,105.59**	**940.00**	**81.32**	**5,084.27**
Minimum alternative tax credit (D)	2,736.87	(2,736.87)	-	-
Deferred tax liabilities/(assets) (net) (C) -(D)	**3,368.72**	**(1,796.87)**	**81.32**	**5,084.27**
2024-25				
Deferred tax liability in relation to:		-		-
Property, plant and equipment and intangible assets	5,754.51	662.68	-	5,091.83
Right-of-use assets	8.70	47.64	-	(38.94)
Others	-	(1.13)	-	1.13
Total deferred tax liability (A)	**5,763.21**	**709.19**	**-**	**5,054.02**
Deferred tax assets in relation to:				
Expenses deductible in future years	335.74	366.22	-	701.96
Lease liabilities	122.35	(105.10)	-	17.25
Remeasurement of post employment benefit obligations	220.85	-	19.54	240.39
Total deferred tax assets (B)	**678.94**	**261.12**	**19.54**	**959.60**
Deferred tax liability (net) (C) = (A) - (B)	**5,084.27**	**970.31**	**19.54**	**4,094.42**
Minimum alternative tax credit (D)	-	-	-	-
Deferred tax liabilities/(assets) (net) (C) -(D)	**5,084.27**	**970.31**	**19.54**	**4,094.42**

Note

1. Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.
2. In financial year (FY) 2019-20, the tax laws were amended, providing an option to pay tax at 22% plus applicable surcharge and cess ("New Rate") effective April 1, 2019, with a condition to surrender specified deductions / incentives.

During the FY 2023-24, the Company had utilized the entire Minimum Alternate Tax credit balance and decided to opt for the New Rate from FY 2024-25. The Company re-measured its deferred tax balances accordingly with an impact (deferred tax credit) of Rs. 664.59 Lakhs for the year ended March 31, 2024. Accordingly, the Company has recognised provision for income tax and measured its deferred tax balance basis the rate prescribed thereby and the related impact is recognised in the Consolidated Statement of Profit and Loss.

Subsequent to the year ended March 31, 2025, the Company has filed requisite form with Income Tax authority for opting New rate within the prescribed timeline.

7. Other assets

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Current	Non-current	Current	Non-current
Capital advances	-	355.37	-	179.50
Advances other than capital advances :				
Advance to suppliers				
-Related party (refer note 24)	1.66	-	0.56	-
-Others	644.83	-	752.07	-
Prepaid expenses	571.52	-	719.29	-
Recoverable from statutory authorities	619.89	-	794.38	-
Total other assets	**1,837.90**	**355.37**	**2,266.30**	**179.50**

8. Inventories

Accounting policy

Assigning costs to inventories

The costs of individual items of inventory are determined on a weighted average cost basis.

Refer note 40(x) for the other accounting policies relevant to inventories.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw material and spares *	28,598.33	28,585.62
Work-in progress	4,647.29	4,808.46
Finished goods	776.30	968.74
Stores	3,363.16	3,142.78
Total Inventories	**37,385.08**	**37,505.60**

* Net of provision for inventory obsolescence amounting to Rs. 439.76 Lakhs as at March 31, 2025 (March 31, 2024: Rs. 431.19 Lakhs).

An amount of Rs. 8.57 Lakhs has been provided for during the year ended March 31, 2025 (Rs. 150.70 Lakhs has been written back during the year ended March 31, 2024) and included in 'cost of material consumed' in Consolidated Statement of Profit and Loss.

Inventory includes in transit inventory of :-

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw material and spares	**5,185.04**	**3,166.70**
Finished goods	**305.38**	**396.55**

Significant estimate:

The provision for inventory obsolescence is based on assumptions about usability / saleability of inventory. The Company reviews the provision for inventory obsolescence at the end of each reporting period.

9. Non-current tax assets (net)

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance tax (net of provisions - March 31, 2025: Rs 13,543.74 Lakhs; March 31, 2024: Rs 9,664.76 Lakhs)	118.73	211.71
Total non-current tax assets	**118.73**	**211.71**

10. Equity

10(a). Equity share capital

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Authorized share capital		
125,000,000 (as at March 31, 2024 : 125,000,000) equity shares of Rs. 2 each	2,500.00	2,500.00
Issued share capital		
65,241,450 (as at March 31, 2024 : 65,241,450) equity shares of Rs. 2 each	1,304.83	1,304.83
Subscribed and paid up share capital		
65,235,750 (as at March 31, 2024 : 65,235,750) equity shares of Rs. 2 each, fully paid up	1,304.71	1,304.71
Total	**1,304.71**	**1,304.71**

A. Reconciliation of the shares outstanding at the beginning and at the end of the year

(All amounts in Rs. Lakhs, unless otherwise stated)

Equity shares	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	65,235,750	1,304.71	65,235,750	1,304.71
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	**65,235,750**	**1,304.71**	**65,235,750**	**1,304.71**

B. Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. 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. 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.

C. Details of shares held by each shareholder holding more than 5% shares

Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	Number of shares held	% of holding	Number of shares held	% of holding
Deeksha Holding Limited	10,137,760	15.54%	10,137,760	15.54%
Jyotsna Holding Private Limited	3,448,000	5.29%	3,448,000	5.29%
Shradha Suri	5,587,040	8.56%	5,587,040	8.56%
Denso Corporation	13,047,150	20.00%	13,047,150	20.00%
Suzuki Motor Corporation	7,800,000	11.96%	7,800,000	11.96%

D. Details of shareholding of promoters :

Name of the promoter	As at March 31, 2025			As at March 31, 2024		
	Number of shares	% total shares	% Change during the year	Number of shares	% total shares	% Change during the year
Shradha Suri	5,587,040	8.56%	0.00%	5,587,040	8.56%	0.00%
Deeksha Holding Limited	10,137,760	15.54%	0.00%	10,137,760	15.54%	0.00%
Jyotsna Holding Private Limited	3,448,000	5.29%	0.00%	3,448,000	5.29%	0.00%
R.R. Holdings Private Limited	3,208,000	4.92%	0.00%	3,208,000	4.92%	0.00%
JS Family Trust	1,619,200	2.48%	0.00%	1,619,200	2.48%	0.00%

10(b). Other equity

Reserves and surplus

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Securities premium	20,817.44	20,817.44
General reserve	13,025.48	12,875.48
Retained earnings	74,265.31	60,595.51
Total other equity	**108,108.23**	**94,288.43**

i) Securities premium

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	20,817.44	20,817.44
Issue of equity shares	-	-
Closing balance	**20,817.44**	**20,817.44**

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

ii) General reserve

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	12,875.48	12,725.48
Transfer from retained earnings	150.00	150.00
Closing balance	**13,025.48**	**12,875.48**

General reserve is the retained earnings of a Company which is kept aside out of the Company's profits to meet future (known or unknown) obligations.

iii) Retained earnings

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance	60,595.51	51,879.35
Add: Profit for the year	15,053.59	9,761.87
Less: Remeasurement loss on post employment benefit obligation, net of tax	(59.55)	(243.35)
Less: Appropriations		
Transfer to general reserve	(150.00)	(150.00)
Dividend on equity shares	(1,174.24)	(652.36)
Closing balance	**74,265.31**	**60,595.51**

During the year, a dividend of Rs. 1.80 per share, total dividend Rs. 1,174.24 Lakhs (previous year: Rs. 1 per share, total dividend Rs. 652.36 Lakhs) was paid to equity shareholders.

The Board of Directors recommended a final dividend of Rs. 2.60 per share (nominal value of Rs. 2 per share) for the financial year 2024-25 (March 31, 2024: Rs. 1.80 per share for the financial year 2023-24). This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these Consolidated Financial Statements. The total estimated dividend to be paid is Rs. 1,696.13 Lakhs (March 31, 2024: Rs. 1,174.24 Lakhs).

11. Financial liabilities

11.(a) Other financial liabilities (current)

Particulars	As at March 31, 2025	As at March 31,2024
Capital creditors*	614.68	1,375.60
Interest accrued	11.50	9.82
Security deposit received		
-Related party (refer note 24)	6.14	6.14
-Others	53.49	50.99
Unclaimed dividend**	20.65	19.42
Derivative liability	197.47	226.95
Others		
Due to director (refer note 24)	460.28	301.55
Payable to employees	2,586.17	2,708.10
Total	**3,950.38**	**4,698.57**

* Includes Rs. 124.96 Lakhs (March 31, 2024: Rs. 104.31 Lakhs) payable to related parties. Refer note 24.

** The Company has deposited an amount of Rs. 3.26 Lakhs (Previous year Rs. 4.93 Lakhs) during the year in Investor Education and Protection Fund. Further, no amount is pending for deposition in Investor Education and Protection Fund as at March 31, 2025 and March 31, 2024.

11.(b) Trade payables

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Current		
Trade payables: micro and small enterprises (refer Note 37)	363.35	79.53
Trade payables: others	45,733.60	40,958.45
Trade payables to related parties (refer note 24)	9,933.83	9,399.52
Total	**56,030.78**	**50,437.50**

Ageing of trade payables as at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date of payment				Total
			less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
- Micro and small enterprises	74.87	288.48	-	-	-	-	**363.35**
- Others	6,518.38	44,184.36	4,881.18	34.38	35.07	14.06	**55,667.43**
Disputed trade payables							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
Total	**6,593.25**	**44,472.84**	**4,881.18**	**34.38**	**35.07**	**14.06**	**56,030.78**

Ageing of trade payables as at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for the following periods from the due date of payment				Total
			less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
- Micro and small enterprises	1.55	77.98	-	-	-	-	79.53
- Others	5,775.73	39,050.13	5,451.21	61.97	12.34	6.59	50,357.97
Disputed trade payables							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
Total	**5,777.28**	**39,128.11**	**5,451.21**	**61.97**	**12.34**	**6.59**	**50,437.50**

11 (c). Current tax liabilities

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Opening balance	89.67	237.76
Current tax payable for the year	6,149.85	2,506.02
Less:- Taxes paid	5,619.95	2,654.11
Closing balance	**619.57**	**89.67**

11.(d) Other non-current liabilities

Accounting policy

Government grants

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented as net of the related expense.

Government grants relating to the purchase of property, plant and equipment are deducted from the cost of the related assets in arriving at the carrying value of the assets. Further, government grants related to assets which is not similar in nature to the other grant, is presented in the Consolidated Balance Sheet by setting up the grant as deferred income. The grant set up as deferred income is recognised in profit or loss on a systematic basis over the useful life of the assets and presented within other income.

Refer note 40(v) for the other accounting policies relevant to government grant.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Government grants		
Opening balance	-	248.27
Grants during the year	1,141.81	379.21
Less: Released to profit or loss (Refer note 15)	(230.73)	(259.97)
Less: Adjusted from the cost of the related assets (Refer note 3)	-	(367.51)
Closing balance	**911.08**	**-**
Current portion	-	-
Non-current portion	911.08	-

Note:

a) During the year ended March 31, 2025, the Company has recognised government grant relating to Gujarat Industrial Incentive Scheme 2016-21 for Karsanpura plant. The conditions relating to the grant required the Company to set up new industrial undertaking in specified areas along with compliance with various other specified conditions in the scheme. These conditions have been complied with and there is reasonable assurance that the grant will be received.

Accordingly, the Company has recognized a recognized a grant receivable of Rs 1,133.33 Lakhs with a corresponding credit to deferred income to be recognized as income on a systematic basis over the useful life of the assets. Further, out of this, Rs. 230.73 Lakhs has been recognized as income in the Consolidated Statement of Profit and Loss for the year ended March 31, 2025 corresponding to the useful life elapsed up to that date. Furthermore, the out of the total grant receivable, the Company has received Rs. 834.36 Lakhs during the year ended March 31, 2025.

b) During the year ended March 31, 2025, the Company has also received government grant amounting to Rs. 8.48 Lakhs received from Ozone Cell (Ministry of Environment, Forest and Climate Change, Government of India) related to property, plant and equipment to be procured at Nalagarh plant under the scheme 'India HCFC Phase-out Management Plan Stage III' to phase out the consumption of HCFCs (Hydro chlorofluorocarbons). As on March 31, 2025, the Company is yet to comply with the conditions attached to this grant with respect to installation of property, plant and equipment and other conditions stated in the scheme.

c) During the previous year ended March 31, 2024, the Company has recognised the government grant received from Ozone Cell, Ministry of Environment, Forest and Climate Change, Government of India related to 'India HCFC Phase-out Management Plan Stage II' at Nalagarh plant. The conditions relating to the grant required the Company to invest in acquisition of property, plant and equipment under the scheme and also incur incremental operating costs to phase out the consumption of HCFCs (Hydro chlorofluorocarbons). These conditions have been complied with during the year ended March 31, 2024.

Accordingly, part of the grant received has been netted off from cost of property, plant and equipment included in plant and machinery amounting to Rs. 367.51 Lakhs and an amount of Rs. 52.61 Lakhs received has been recognized in Other income (Refer note 15) as it relates to cost of property, plant and equipment already depreciated and costs expensed off in the Consolidated Statement of Profit and Loss in earlier years.

Further, an amount of Rs. 207.36 Lakhs has been received during the year ended March 31, 2024 as a part of the aforesaid grant pertaining to compensation for incremental operating costs incurred for reduction of consumption of HCFCs and recognized in Other income (Refer note 15).

The Company has also benefited from other forms of government assistance as mentioned in note 18.

11.(e) Supplier's credit (current)

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Supplier's credit	4,025.21	2,971.60
Total	**4,025.21**	**2,971.60**

Note: Supplier's credit represents the arrangement where suppliers of goods and services are initially paid by Receivables Exchange of India/ bank and settlement with the Receivables Exchange of India/bank are normally effected within a period of 90 days.

12. Provisions

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025		As at March 31,2024	
	Current	Non- Current	Current	Non- Current
Provision for employee benefits:				
Provision for leave encashment (refer note 28)	473.78	-	389.83	-
Provision for gratuity (refer note 28)	-	1,325.05	-	1,177.70
Provision for long service award	67.63	208.93	-	-
Provision for warranty	255.37	170.25	263.19	175.46
Total	**796.78**	**1,704.23**	**653.02**	**1,353.16**

i) Information about individual provisions and significant estimates

Provision for employee benefits:

The provision for employee benefits include leave encashment, long service award and gratuity (refer note 40(xviii) for accounting policies).

Provision for warranty:

Significant estimate: Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. The Company generally offers 24 months warranties for its products. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. The assumptions made in relation to the current period are consistent with those in the prior years. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives.

ii) Movement in provision for warranty

(All amounts in Rs. Lakhs, unless otherwise stated)

For the year ended March 31, 2024	
Balance as at April 1, 2023	**426.22**
Charged/(credited) to profit or loss	
Additional provisions recognized	249.14
Unwinding of discount on provision for warranty	10.68
Discounting of additional provision recognized	(11.18)
Amounts utilized during the year	(236.21)
Balance as at March 31, 2024	**438.65**
For the year ended March 31, 2025	
Balance as at April 1, 2024	**438.65**
Charged/(credited) to profit or loss	
Additional provisions recognized	398.62
Unwinding of discount on provision for warranty	8.48
Discounting of additional provision recognized	(8.75)
Amounts written back during the year	(83.00)
Amounts utilized during the year	(328.38)
Balance as at March 31, 2025	**425.62**

Sensitivity analysis

As at March 31, 2025, provision for warranty had a carrying amount of Rs. 425.62 Lakhs (March 31, 2024: Rs. 438.65 Lakhs). Were warranty claim costs to differ by 10% of the management's estimates, the provision would be an estimated Rs. 42.56 Lakhs higher or lower (March 31, 2024: Rs. 43.87 Lakhs higher or lower).

13 (a). Contract liabilities (current)

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Contract liabilities	330.29	809.66
Total	**330.29**	**809.66**

Notes:

a) Contract liabilities represent payments received from the customers in excess of the goods sold by the Company.

b) During the year ended March 31, 2025, the Company recognised revenue of Rs. 516.40 Lakhs arising from opening contract liabilities as of April 1, 2024. During the previous year, the Company recognised revenue of Rs. 433.71 Lakhs arising from opening contract liabilities as at April 1, 2023.

13 (b). Other current liabilities

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31,2024
Statutory dues	3,917.00	2,926.85
Total	**3,917.00**	**2,926.85**

14. Revenue from operations

Accounting policy

a) Sale of goods

The Company manufactures and sells thermal products for automotive and home air-conditioning original equipment manufacturers. Revenue from sale of goods is recognized when control of the goods has transferred, being when the goods are delivered to the customer, the customer has full discretion over the channel and price to sell the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the customer location, the risks of obsolescence and loss have been transferred to the customer and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from sale of goods is recognized based on the price specified in the contract, net of the estimated rebates / discounts. The goods are sold to after-market customers with rebates / discounts based on sales targets over a 12 months period. Accumulated experience is used to estimate and provide for the rebates / discounts, using the expected value method, and revenue is only recognized to the extent that it is highly probable that a significant reversal will not occur.

The Company's obligation to repair or replace faulty products under the standard warranty terms is recognized as a provision, see note 12.

A receivable is recognized when the goods are delivered and accepted by the Customer as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is received.

b) Sale of services

Income from services rendered is recognized based on agreements/arrangements with the customers on the performance of service. Revenue from services is recognized in the accounting period in which the services are rendered. Revenue is recognised to the amount to which the Company has a right to invoice.

If the services rendered by the Company exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized.

c) Financing component

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. The sales are made with credit terms, which vary from 30 days to 60 days, which is consistent with market practice. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from contracts with customers		
- Sale of products	335,390.86	305,941.63
- Sale of services	309.58	147.30
Other operating revenues		
- Sale of scrap	1,057.03	968.13
Total	**336,757.47**	**307,057.06**

Note 1: Unsatisfied contracts:

The following table shows unsatisfied performance obligation resulting from contracts:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at reporting date	330.29	809.66

Management expects that transaction price allocated to unsatisfied contracts as of March 31, 2025 will be recognized as revenue during the next reporting period.

Note 2: Reconciliation of revenue recognised with contract price:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contract Price	337,084.18	308,217.89
Adjustments for:		
- Rebate/discounts	(326.71)	(1,160.83)
Revenue from Operations	**336,757.47**	**307,057.06**

Note 3: The Company has disaggregated revenue from contracts with customers based on nature of revenue i.e. sale of products and sale of services. The Company does not have reportable segment. Refer note 23.

Note 4: The Company derives revenue from transfer of goods and services at a point of time after acceptance from customers.

Note 5: No significant judgements have been made by the Company in applying Ind AS 115 that significantly affect the determination of the amount and timing of revenue from contracts with customers.

15. Other income

Accounting policy

Government grants

Refer note 11(d) and 40(v) for the accounting policy related to government grant and note 40(xxi) for accounting policy related to interest and dividend income.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income on:		
a) Financial assets at amortized cost	622.58	646.17
b) Others	20.96	28.65
Exchange variation on foreign currency transactions (net)	468.41	314.08
Fair value changes on derivatives	29.48	(194.80)
Unwinding of discount on financial asset	5.55	6.07
Rental income	35.57	76.99
Net gain on sale of investments in mutual funds	367.59	240.82
Gain on maturity of investment in debentures	1.08	-
Government grant (Refer note 11(d))	230.73	259.97
Gain on termination of lease	158.00	-
Net fair value gains on financial assets measured at fair value through profit or loss	47.64	-
Other miscellaneous income	83.67	76.58
Total	**2,071.26**	**1,454.53**

16. Cost of material consumed

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Raw material and spares		
Raw material and spares at the beginning of the year	28,585.62	26,380.50
Add: Purchase of raw material and spares	242,877.39	230,065.17
Less: Raw material and spares at the end of the year	28,598.33	28,585.62
Total	**242,864.68**	**227,860.05**

Refer note 31 for expenses capitalized during the year ended March 31, 2025 and March 31, 2024.

17. Changes in inventories of finished goods and work in progress

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance		
Finished goods	968.74	938.31
Work-in-progress	4,808.46	3,706.09
Total opening balance (a)	**5,777.20**	**4,644.40**
Closing balance		
Finished goods	776.30	968.74
Work-in-progress	4,647.29	4,808.46
Total closing balance (b)	**5,423.59**	**5,777.20**
Total changes in inventories of finished goods and work-in-progress (a-b)	**353.61**	**(1,132.80)**

18. Employee benefits expense

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus*	27,640.61	24,425.48
Contribution to provident and other funds (refer note 28)**	1,211.61	1,087.52
Gratuity (refer note 28)	356.56	304.36
Staff welfare expenses	3,036.06	2,591.78
Total	**32,244.84**	**28,409.14**

Note:

(i) Government grants

* Net of government grants related to refund of 50% of minimum stipend prescribed by Board of Apprenticeship Training (Northern Region) amounting to Rs. 152.60 Lakhs (March 31, 2024: Rs. 152.16 Lakhs).

** Net of government grants related to payment of employer's contribution towards Employees Provident Fund and Employees Pension Scheme for the new employment, paid by government of India under the Pradhan Mantri Rojgar Protsahan Yojana amounting to Rs. Nil (March 31, 2024: Rs. 7.38 Lakhs).

There are no unfulfilled conditions or other contingencies attached to these grants. The Company did not benefit directly from any other forms of government assistance except as disclosed in Note 11(d).

(ii) Refer note 31 for expenses capitalized during the year ended March 31, 2025 and March 31, 2024.

19. Finance costs

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended Marcwh 31, 2025	For the year ended March 31, 2024
Interest costs:		
- Loans from banks	116.95	481.52
- Other financing arrangements	711.27	381.76
Exchange differences regarded as an adjustment to borrowing costs	255.30	233.45
Interest on lease liabilities (refer note 27)	37.22	45.10
Other finance costs	27.55	25.39
Total	**1,148.29**	**1,167.22**

20. Depreciation and amortization expense

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on property, plant and equipment (refer note 3)	9,375.69	8,121.36
Depreciation of right-of-use assets (refer note 27)	110.07	110.20
Amortization of intangible assets (refer note 4)	3,331.01	3,419.15
Total	**12,816.77**	**11,650.71**

Also refer note 31 for expenses capitalized during the year ended March 31, 2025 and March 31, 2024.

21. Other expenses

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores	5,768.56	5,548.50
Power and fuel	4,279.95	3,832.32
Rent (refer note 27)	358.18	329.20
Repair and maintenance: Building	521.51	497.80
Repair and maintenance: Plant and machinery	2,652.82	2,347.12
Repair and maintenance: Others	502.00	495.32
Rates, taxes and fees	59.47	63.13
Insurance	620.25	614.64
Royalty	5,076.93	4,153.67
Warranty expenses	306.87	237.96
Selling and distribution expenses	5,068.05	4,781.20
Legal and professional charges	491.24	405.57
Vehicle running and maintenance	159.62	152.54
Travelling and conveyance	624.35	709.12
Payment to auditors [refer note 21(a) below]	71.91	64.31
Net loss on disposal of property, plant and equipment	59.62	92.42
Loss allowance for trade receivables	50.00	-
Corporate social responsibility expenses [refer note 21(b) below]	171.18	120.01
Director's sitting fees and commission	84.24	59.55
Other miscellaneous expenses	2,134.20	1,995.35
TOTAL	**29,060.95**	**26,499.73**

Also refer note 31 for expenses capitalized during the year ended March 31, 2025 and March 31, 2024.

21.(a) Details of payment to auditors

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Payment to auditors*		
As auditor:		
Audit fees (including limited review)	57.50	50.50
Tax audit fee	1.50	1.50
Certification fee	6.50	6.00
Reimbursement of expenses	6.41	6.31
Total	**71.91**	**64.31**

* Excluding applicable taxes

21.(b) Corporate social responsibility expenses

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to green plantations	13.50	2.05
Contribution to education for under- privileged children	52.84	54.60
Contribution to skills developments	87.63	58.44
Contribution to social campaign	-	1.67
Contribution to paralympic sports	6.32	1.00
Contribution to preventive healthcare	9.31	-
Contribution to technology development	1.58	2.25
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	-	-
Total	**171.18**	**120.01**
Amount required to be spent as per Section 135 of the Act	**170.68**	**120.01**
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than above	171.18	120.01
Total	**171.18**	**120.01**

Details of ongoing CSR projects under Section 135(6) of the Act

Balance as at April 1, 2024		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2025	
With the Company	In Separate CSR Unspent account		From the Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent account
-	-	170.68	171.18	-	-	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at April 1, 2024	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2025
-	-	-	-	-

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 1, 2024	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2025
-	-	-	-

Details of ongoing CSR projects under Section 135(6) of the Act

Balance as at April 1, 2023		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2024	
With the Company	In Separate CSR Unspent account		From the Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent account
-	-	120.01	120.01	-	-	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at April 1, 2023	Amount deposited in Specified Fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance unspent as at March 31, 2024
-	-	-	-	-

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 1, 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2024
-	-	-	-

22. Financial instruments and risk management

22(a). Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2025 is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	FVOCI	FVTPL	Amortized cost	Total
Financial assets				
i) Investment	-	7,847.25	3,593.12	11,440.37
ii) Trade receivables	-	-	45,132.23	45,132.23
iii) Cash and cash equivalents	-	-	3,636.04	3,636.04
iv) Bank balance other than cash and cash equivalents	-	-	4,020.65	4,020.65
v) Loans	-	-	95.70	95.70
vi) Other financial assets	-	-	1,889.97	1,889.97
Total financial assets	**-**	**7,847.25**	**58,367.71**	**66,214.96**
Financial liabilities				
i) Supplier's credit	-	-	4,025.21	4,025.21
ii) Trade payables	-	-	56,030.78	56,030.78
iii) Other financial liabilities	-	197.47	3,752.91	3,950.38
Total financial liabilities	**-**	**197.47**	**63,808.90**	**64,006.37**

The carrying value and fair value of financial instruments by categories as of March 31, 2024 is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	FVOCI	FVTPL	Amortized cost	Total
Financial assets				
i) Investment	-	299.98	-	299.98
ii) Trade receivables	-	-	28,318.47	28,318.47
iii) Cash and cash equivalents	-	-	3,915.70	3,915.70
iv) Bank balance other than cash and cash equivalents	-	-	8,319.42	8,319.42
v) Loans	-	-	77.29	77.29
vi) Other financial assets	-	-	1,287.11	1,287.11
Total financial assets	**-**	**299.98**	**41,917.99**	**42,217.97**
Financial liabilities				
i) Supplier's credit	-	-	2,971.60	2,971.60
ii) Trade payables	-	-	50,437.50	50,437.50
iii) Other financial liabilities	-	226.95	4,471.62	4,698.57
Total financial liabilities	**-**	**226.95**	**57,880.72**	**58,107.67**

The following tables provides an analysis of financial assets and liabilities that are measured at fair value - recurring fair value measurements, grouped into level 1 to level 3, as described below:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2025			
		Level 1	Level 2	Level 3	Total
Financial assets					
Investment	5(b)(i) & (ii)	7,547.27	-	299.98	7,847.25
Total financial assets		**7,547.27**	**-**	**299.98**	**7,847.25**
Financial liabilities					
Derivative liability	11(a)	-	197.47	-	197.47
Total financial liabilities		**-**	**197.47**	**-**	**197.47**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2024			
		Level 1	Level 2	Level 3	Total
Financial assets					
Investment	5(b)(i)	-	-	299.98	299.98
Total financial assets		**-**	**-**	**299.98**	**299.98**
Financial liabilities					
Derivative liability	11(a)	-	226.95	-	226.95
Total financial liabilities		**-**	**226.95**	**-**	**226.95**

The following tables provides an analysis of financial assets and liabilities that are measured at amortized cost for which fair values are disclosed, grouped into level 1 to level 3, as described below:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2025			Total
		Level 1	Level 2	Level 3	
Financial assets					
Investment	5(b)(i) & (ii)	3,367.52	-	210.00	3,577.52
Security deposits	5(b)(vii)	-	-	1,002.14	1,002.14
Loans to employees	5(b)(vi)	-	-	95.70	95.70
Trade receivables	5(b)(iii)	-	-	45,132.23	45,132.23
Cash and cash equivalents	5(b)(iv)	-	-	3,636.04	3,636.04
Deposits with original maturity of more than three months but less than 12 months	5(b)(v)	-	-	4,000.00	4,000.00
Unpaid dividend account	5(b)(v)	-	-	20.65	20.65
Interest accrued on bank deposits	5(b)(vii)	-	-	192.22	192.22
Recoverable from sale of property plant and equipment	5(b)(vii)	-	-	394.75	394.75
Government grant receivable	5(b)(vii)	-	-	298.97	298.97
Insurance claim recoverable	5(b)(vii)	-	-	1.89	1.89
Total financial assets		**3,367.52**	**-**	**54,984.59**	**58,352.11**
Financial liabilities					
Supplier's credit	11(e)	-	-	4,025.21	4,025.21
Trade payables	11(b)	-	-	56,030.78	56,030.78
Capital creditors	11(a)	-	-	614.68	614.68
Interest accrued	11(a)	-	-	11.50	11.50
Security deposit received	11(a)	-	-	59.63	59.63
Unclaimed dividend	11(a)	-	-	20.65	20.65
Others					
Due to directors	11(a)	-	-	460.28	460.28
Payable to employees	11(a)	-	-	2,586.17	2,586.17
Total financial liabilities		**-**	**-**	**63,808.90**	**63,808.90**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Notes No.	As at March 31, 2024			
		Level 1	Level 2	Level 3	Total
Financial assets					
Security deposits	5(b)(vii)	-	-	977.38	977.38
Loans to employees	5(b)(vi)	-	-	77.29	77.29
Trade receivables	5(b)(iii)	-	-	28,318.47	28,318.47
Cash and cash equivalents	5(b)(iv)	-	-	3,915.70	3,915.70
Deposits with original maturity of more than three months	5(b)(v)	-	-	8,300.00	8,300.00
Unpaid dividend account	5(b)(v)	-	-	19.42	19.42
Interest accrued on bank deposits	5(b)(vii)	-	-	309.73	309.73
Recoverable from sale of property plant and equipment	5(b)(vii)	-	-	-	-
Government grant receivable	5(b)(vii)	-	-	-	-
Insurance claim recoverable	5(b)(vii)	-	-	-	-
Total financial assets		**-**	**-**	**41,917.99**	**41,917.99**
Financial liabilities					
Supplier's credit	11(e)	-	-	2,971.60	2,971.60
Trade payables	11(b)	-	-	50,437.50	50,437.50
Capital creditors	11(a)	-	-	1,375.60	1,375.60
Interest accrued	11(a)	-	-	9.82	9.82
Security deposit received	11(a)	-	-	57.13	57.13
Unclaimed dividend	11(a)	-	-	19.42	19.42
Others					
Due to directors	11(a)	-	-	301.55	301.55
Payable to employees	11(a)	-	-	2,708.10	2,708.10
Total financial liabilities		**-**	**-**	**57,880.72**	**57,880.72**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in the active market. This includes listed equity instruments and bonds & debentures that have quoted price and open ended mutual funds that have NAV (Net Assets Value) price available in the active market. The fair value of all equity instruments, investment in bonds and debentures and mutual funds which are traded in the stock exchanges and open market, respectively, is valued using the closing price as at the reporting period end.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There has been no transfer between level 1, level 2 and level 3 for the years ended March 31, 2025 and March 31, 2024.

Valuation technique used to determine fair value : The Company has entered into variety of foreign currency forward contracts to manage its exposure to fluctuations in foreign exchange rates. These financial exposures are managed in accordance with the Company's risk management policies and procedures. Fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data. Further, Investment in equity shares included in Level 3 of the fair value hierarchy have been valued using the income approach to arrive at their fair value. In this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of this investment.

All short term financial assets and liabilities like trade receivables, investments, cash and cash equivalents, deposit with banks, government grant receivable, insurance claim recoverable, trade payables, supplier's credit, capital creditors, security deposit received, payable to employees are stated at amortized cost which is approximately equal to their fair value.

The fair value of loans to employees, security deposits and recoverable from sale of property plant and equipment are calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

22(b). Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. In order to minimize any adverse effects on the financial performance of the Company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimize operating, financial and strategic risks. The note explains the sources of risk which the entity is exposed to and how the entity manages the risks :

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, investments in debentures and bonds, deposits with banks, trade receivables, derivative financial instruments, other financial assets measured at amortized cost.	Ageing analysis, credit rating	Diversification of bank deposits and investments, factoring of trade receivables, credit limits and letter of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk- foreign exchange	Future commercial transactions Recognized financial assets and liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts

Credit risk

The 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 towards the Company and arises principally from the Company's receivables from customers, investment in bonds and debentures and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

For banks and financial institutions, only high rated banks/institutions are accepted. The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian banks. In long term credit ratings, these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognized commercial banks and are not past due.

The Company has formulated a investment policy to govern its investments made in bonds, non-convertible debentures and other instruments. Investments is made only in those instruments, as approved in policy, issued by entities considering credit rating by agencies. Exposure to any single issuer or scheme is limited to reduce concentration risk. All credit exposures are reviewed periodically. The policy also includes ongoing monitoring of market developments, issuer financials, and macroeconomic conditions to proactively manage credit risks.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers and Air-conditioner manufacturer (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of payment due dates is closely monitored on an on-going basis for all customers, thereby practically eliminating the risk of default.

A default on a financial asset is when the counterparty, fails to make contractual payments within the agreed number of days of when they fall due. This definition is determined by considering the business environment in which entity operates and other macro-economic factors.

The Company's historical experience of collecting receivables, supported by the level of default, is that credit risk is low. All customer balances which are overdue for more than 180 days are evaluated for provisioning and considered for impairment on an individual basis. The customer balances are written-off as bad debts, when legal remedies available to the Company are exhausted and / or it becomes certain that said balances will not be recovered.

Reconciliation of loss allowance - Trade receivables:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Loss allowance at the beginning of the year	97.99	152.87
Add / (Less): Changes during the year	50.00	(54.88)
Loss allowance at the end of the year	**147.99**	**97.99**

Loss allowance as at March 31, 2025 and March 31, 2024 was determined as follows under the simplified approach:

As at March 31, 2025	Unbilled / Not due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - considered good	43,048.64	858.77	906.61	138.87	231.96	95.37	45,280.22
Expected loss rate	0.04%	0.36%	1.72%	4.68%	14.71%	77.26%	
Expected credit losses - Trade receivables	15.07	3.11	15.59	6.49	34.10	73.63	147.99
Carrying amount of trade receivables (net of impairment)	43,033.57	855.66	891.02	132.38	197.86	21.74	45,132.23

As at March 31, 2024	Unbilled / Not due	0-90 days past due	91-180 days past due	181-270 days past due	271-360 days past due	More than 360 days past due	Total
Trade receivables - considered good	27,082.55	1,118.67	49.19	65.17	10.95	89.93	28,416.46
Expected loss rate	0.11%	0.57%	1.46%	3.05%	14.06%	64.81%	
Expected credit losses - Trade receivables	29.03	6.43	0.72	1.99	1.54	58.28	97.99
Carrying amount of trade receivables (net of impairment)	27,053.52	1,112.24	48.47	63.18	9.41	31.65	28,318.47

Significant estimate: The loss allowance for trade receivables disclosed above 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.

Liquidity risk

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, the Company's finance division monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet the operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The Company raises short term rupee borrowings for cash flow mismatches and hence carries no significant liquidity risk.

(i) Financing arrangements

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

(All amounts in Rs. Lakhs, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
Floating rate:		
-Expiring within one year (cash credit, working capital loans and other facilities)	30,504.28	30,729.98

(ii) Maturities of financial liabilities

The table below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Upto 1 year	1-5 Years	More than 5 years	Total
As at March 31, 2025				
Non-derivatives				
Supplier's credit	4,025.21	-	-	4,025.21
Trade payables	56,030.78	-	-	56,030.78
Other financial liabilities	3,752.91	-	-	3,752.91
Lease liabilities (including interest)	53.27	21.30	-	74.57
Total non-derivatives liabilities	**63,862.17**	**21.30**	**-**	**63,883.47**
Derivatives (net settled)				
Foreign exchange forward contracts	197.47	-	-	197.47
Total derivatives liabilities	**197.47**	**-**	**-**	**197.47**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Upto 1 year	1-5 Years	More than 5 years	Total
As at March 31, 2024				
Non-derivatives				
Supplier's credit	2,971.60	-	-	2,971.60
Trade payables	50,437.50	-	-	50,437.50
Other financial liabilities	4,471.62	-	-	4,471.62
Lease liabilities (including interest)	44.78	184.32	835.58	1,064.68
Total non-derivatives liabilities	**57,925.50**	**184.32**	**835.58**	**58,945.40**
Derivatives (net settled)				
Foreign exchange forward contracts	226.95	-	-	226.95
Total derivatives liabilities	**226.95**	**-**	**-**	**226.95**

Market risk

(i) Foreign currency risk

The Company has exposure to foreign currency risk on account of its payables. The Company has a foreign currency exchange risk policy to mitigate this risk by entering into appropriate hedging instruments depending on the future outlook on currencies as considered necessary from time to time for which it has entered into derivative financial instruments such as foreign exchange forward contracts.

Foreign currency derivative contracts outstanding as at the end of the reporting period:

Particulars/Purpose	Amount	As at March 31, 2025	As at March 31, 2024
Hedge of foreign currency payables	USD (In Lakhs)	43.00	56.00
	Rs. (in Lakhs)	3,694.99	4,680.05
	JPY (in Lakhs)	8,350.00	8,709.00
	Rs. (in Lakhs)	4,830.30	4,900.24
	CNH (in Lakhs)	143.00	-
	Rs. (in Lakhs)	1,695.71	-
	USD (In Lakhs)	1.83	-
	JPY (in Lakhs)	276.34	-
	Rs. (in Lakhs)	156.78	-

Particulars of unhedged foreign currency exposure as at the reporting date:

Particulars/Purpose	Amount	As at March 31, 2025	As at March 31, 2024
Trade payables and capital creditors	USD (In Lakhs)	6.71	-
	Rs. (in Lakhs)	573.18	-
	JPY (in Lakhs)	831.21	2,283.51
	Rs. (in Lakhs)	471.57	1,323.32
	CNH (in Lakhs)	6.56	-
	Rs. (in Lakhs)	77.10	-
	EUR (in Lakhs)	0.25	-
	Rs. (in Lakhs)	22.63	-

Foreign currency sensitivity analysis

The Company is mainly exposed to USD, JPY, CNH and EUR (March 31, 2024: JPY) since it is unhedged as at reporting date.

The following table details the Company's sensitivity to a 10% increase and decrease in the INR against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as tabulated above and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit and vice-versa.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	INR strengthens by 10%	INR weakens by 10%	INR strengthens by 10%	INR weakens by 10%
Impact on profit or loss for the year				
USD impact	57.32	(57.32)	-	-
JPY impact	47.16	(47.16)	132.33	(132.33)
CNH impact	7.71	(7.71)	-	-
EURO impact	2.26	(2.26)	-	-

(ii) Price risk

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company. Due to the competitive market, major OEMs demand price cuts which in turn may affect the profitability of the Company.

The Company has arrangements with its major customers for passing on the price impact. The Company is regularly taking initiatives like VA VE (value addition, value engineering) to reduce its raw material costs to meet targets set up by its customers for cost downs. In respect of customer nominated parts, the Company has back to back arrangements for cost savings with its suppliers.

22(c). Capital management

The Company's objective when managing capital are to:

a) safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
b) maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors Net Debt to EBIDTA ratio i.e., Net Debt (supplier's credit and lease liabilities net of cash and cash equivalents) divided by EBIDTA (Profit before tax plus depreciation and amortization expense plus finance costs).

The Company strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBIDTA ratios were as follows:

Particulars	March 31, 2025	March 31,2024
Net Debt (In Lakhs)	457.70	(457.95)
EBIDTA (In Lakhs)	34,324.28	26,883.63
Net Debt to EBIDTA	**0.01**	**(0.02)**

The Net debt to EBIDTA ratio for the current year increased from 0.01 to (0.02) due to increase in debt on account of supplier's credit availed during the year ended March 31, 2025.

Dividends

Particulars	As at March 31, 2025	As at March 31,2024
On Equity shares of Rs. 2 each		
Final dividend		
Dividend paid (Rs. In Lakhs)	1,174.24	652.36
Dividend per equity share	1.80	1.00

The Board of Directors recommended a final dividend of Rs. 2.6 per share (nominal value of Rs. 2 per share) for the financial year 2024-25 (March 31, 2024: Rs. 1.80 per share for the financial year 2023-24). This dividend is subject to approval by the shareholders at the Annual General Meeting and has not been accounted as liability in these Consolidated Financial Statements. The total estimated dividend to be paid is Rs. 1,696.13 Lakhs (March 31, 2024: Rs. 1,174.24 Lakhs).

23. Segment information

The Company is primarily in the business of manufacturing of thermal products.

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is no reportable segment for the Company. Export sales constitute an insignificant portion of total business of the Company. Hence, there is no geographical segment as well.

Entity wide disclosures **(All amounts in Rs. Lakhs, unless otherwise stated)**

	Domestic	Overseas	Total
Revenue from operations			
For the year ended March 31, 2025	336,729.78	27.69	**336,757.47**
For the year ended March 31, 2024	307,050.35	6.71	**307,057.06**
Non current segment assets			
As at March 31, 2025	80,109.55	-	**80,109.55**
As at March 31, 2024	82,718.59	-	**82,718.59**

a) Domestic information includes sales and services rendered to customers located in India.
b) Overseas information includes sales and services rendered to customers located outside India.
c) Non current segment assets includes property, plant and equipment, right-of-use assets, capital work- in- progress, intangible assets, intangible assets under development and capital advances.
d) Revenue from transactions with a single external customer amounting to 10 per cent or more of the Company's revenues is Rs. 283,249.87 Lakhs from one customer (previous year: Rs. 259,914.13 Lakhs).

24. Related party disclosures

Entity having significant influence over the Company

Denso Corporation, Japan

Joint venture

Denso Subros Thermal Engineering Centre India Private Limited, India

Key management personnel

Ms. Shradha Suri, Chairperson and Managing Director

Mr. Parmod Kumar Duggal, Chief Executive Officer and Executive Director

Ms. Jyotsna Suri, Director

Mr. Mohammed Asad Pathan, Independent Director (Upto March 31, 2024)

Mr. Kuttalam Rajagopalan Ramamoorthy, Independent Director (Upto March 31, 2024)
Mr. Girish Narain Mehra, Independent Director (Upto March 31, 2024)
Mr. Shailendra Swarup, Independent Director (Upto March 31, 2024)
Ms. Meena Sethi, Independent Director (Upto March 31, 2024)
Mr. Arvind Kapur, Independent Director
Mr. Arjan Kumar Sikri, Independent Director (From April 1, 2024)
Ms. Deepa Gopalan Wadhwa, Independent Director (From April 1, 2024)
Mr. Ashok Lavasa, Independent Director (From April 1, 2024)
Ms. Vanaja Narayanan Sarna, Independent Director (From April 1, 2024)
Ms. Smita Piyush Mankad, Independent Director (From April 1, 2024)
Mr. Hisashi Takeuchi, Nominee Director
Mr. Naohisa Kuriyama, Nominee Director (From March 29, 2023)
Mr. Tomoaki Yoshimori, Nominee Director
Mr. Yasuhiro Iida, Alternate Director (From January 25, 2023 to March 28, 2025)
Mr. Yasuhiro Iida, Alternate Director (From March 28, 2025)
Ms. Yusuke Hara, Nominee Director (From March 28, 2025)
Mr. Hemant Kumar Agarwal, Chief Financial Officer
Mr. Kamal Samtani, Company Secretary (From April 28, 2023)

Close family members of key management personnel
Mr. Keshav Suri, Son of Ms. Jyotsna Suri
Ms. Pia Marwah, Daughter of Shradha Suri
Ms. Bani Marwah, Daughter of Shradha Suri
Master Vir Marwah, Son of Shradha Suri

Entities over which key management personnel and/or their close family members have control or joint control:
SHS Transport Private Limited, India
Rohan Motors Limited, India
Hemkunt Service Station Private Limited, India
Prima Infratech Private Limited, India
Primatel Fibcom Limited, India
Deeksha Holding Limited, India
Jyotsna Holding Private Limited, India
RR Holdings Private Limited, India
Global Autotech Limited, India
JS Family Trust

List of other related parties - Post employment benefit plan of the Company
Subros Employees Group Gratuity Cum Life Assurance Trust, India
Subros Employees Group Superannuation Cum Life Assurance Trust, India

Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties:

(a) Transactions with related parties

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of goods		
Entity having significant influence over the Company, Denso Corporation	15.17	3.52
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	-	1.15
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	2.63	3.19
- Global Autotech Limited	505.12	502.03
	522.92	**509.89**
Rental income		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	32.50	32.50
	32.50	**32.50**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Other income		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	-	0.80
	-	**0.80**
Dividend received		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	6.62	12.58
	6.62	**12.58**
Reimbursement of expenses received		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	9.07	10.53
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	1.48	-
- Global Autotech Limited	1.22	2.46
	11.77	**12.99**
Purchase of materials		
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	27,649.01	27,074.97
- Hemkunt Service Station Private Limited	9.48	8.54
	27,658.49	**27,083.51**
Purchase of property, plant and equipment		
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	117.54	127.85
- Primatel Fibcom Limited	2.50	-
	120.04	**127.85**
Purchase of intangible assets (Technical knowhow)		
Entity having significant influence over the Company, Denso Corporation	322.42	896.90
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	680.93	622.91
	1,003.35	**1,519.81**
Receiving of services		
Entities over which key management personnel and/or their close family members have control or joint control		
- SHS Transport Private Limited	740.42	658.48
- Rohan Motors Limited	22.27	10.71
	762.69	**669.19**
Royalty expenses		
Entity having significant influence over the Company, Denso Corporation	5,076.93	4,153.67
	5,076.93	**4,153.67**
Dividend paid		
Entity having significant influence over the Company, Denso Corporation	234.85	130.47
Entities over which key management personnel and/or their close family members have control or joint control		
- Deeksha Holding Limited	182.48	101.38
- Jyotsna Holding Private Limited	62.06	34.48
- RR Holdings Private Limited	57.74	32.08
- JS Family Trust	29.15	16.19
- SHS Transport Private Limited	17.63	9.80
- Rohan Motors Limited	0.12	0.06
Key management personnel		
- Ms. Shradha Suri	100.57	55.87
- Mr. Arvind Kapur	0.38	0.21
	684.98	**380.54**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rent paid		
Entities over which key management personnel and/or their close family members have control or joint control		
- Prima Infratech Private Limited	286.59	269.97
- Rohan Motors Limited	-	5.34
- SHS Transport Private Limited	5.13	4.90
Key management personnel		
- Ms. Shradha Suri	8.00	7.64
- Ms. Jyotsna Suri	30.00	30.00
Close family members of key management personnel		
- Mr. Keshav Suri	3.29	3.14
- Ms. Pia Marwah	9.60	9.60
- Ms. Bani Marwah	9.60	9.60
- Master Vir Marwah	9.60	9.60
	361.81	**349.79**
Reimbursement of expenses paid		
Entities over which key management personnel and/or their close family members have control or joint control		
- Prima Infratech Private Limited	0.96	-
	0.96	**-**
Contribution to funds		
Post employment benefit plan of the Company		
- Subros Employees Group Gratuity Cum Life Assurance Trust	18.81	12.89
	18.81	**12.89**
Key management personnel compensation		
Short term benefits	1,020.45	823.38
Post employment benefits	23.12	21.58
Other long term employee benefits	0.94	2.12
	1,044.51	**847.08**
Short term benefits		
- Ms. Shradha Suri	639.68	516.76
- Mr. Parmod Kumar Duggal	153.62	127.34
- Mr. Hemant Kumar Agarwal	102.42	87.88
- Mr. Kamal Samtani	40.50	31.85
Other short term benefits (sitting fees and commision)		
- Ms. Jyotsna Suri	3.00	3.00
- Mr. Mohammed Asad Pathan	-	9.45
- Mr. Ramamoorthy Rajagopalan Kuttalam	-	8.25
- Mr. Girish Narain Mehra	-	15.50
- Mr. Shailendra Swarup	-	7.95
- Ms. Meena Sethi	-	9.55
- Mr. Arvind Kapur	13.78	5.85
- Mr. Ashok Lavasa	14.73	-
- Ms. Deepa Gopalan Wadhwa	13.98	-
- Ms. Vanaja Narayanan Sarna	12.13	-
- Ms. Smita Piyush Mankad	13.98	-
- Mr. Arjan Kumar Sikri	12.63	-
	1,020.45	**823.38**
Post employment benefits		
- Ms. Shradha Suri	11.71	11.70
- Mr. Parmod Kumar Duggal	4.56	4.23
- Mr. Hemant Kumar Agarwal	4.88	4.45
- Mr. Kamal Samtani	1.97	1.20
	23.12	**21.58**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Other long term employee benefits		
- Ms. Shradha Suri	0.45	-
- Mr. Parmod Kumar Duggal	0.40	0.39
- Mr. Hemant Kumar Agarwal	0.08	1.24
- Mr. Kamal Samtani	0.01	0.49
	0.94	**2.12**

(b) Outstanding balances :

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	0.53	1.51
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	188.24	347.73
- Rohan Motors Limited	0.22	1.69
	188.99	**350.93**
Other financial assets (security deposit)		
Entities over which key management personnel and/or their close family members have control or joint control		
- Prima Infratech Private Limited	236.75	236.75
- SHS Transport Private Limited	2.33	2.33
- Rohan Motors Limited	-	6.57
- Hemkunt Service Station Private Limited	0.10	0.10
Key management personnel		
- Ms. Shradha Suri	3.30	3.30
Close family members of key management personnel		
- Master Vir Marwah	4.35	4.35
- Ms Pia Marwah	4.35	4.35
- Ms Bani Marwah	4.35	4.35
- Sh Keshav Suri	1.36	1.36
	256.89	**263.46**
Other assets (advances to suppliers)		
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	1.10	-
Post employment benefit plan of the Company		
- Subros Employees Group Superannuation Cum Life Assurance Trust, India	0.54	0.54
- Subros Employees Group Gratuity Cum Life Assurance Trust, India	0.02	0.02
	1.66	**0.56**
Trade payables		
Entity having significant influence over the Company, Denso Corporation	2,419.78	2,221.27
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	7,364.59	7,042.58
- SHS Transport Private Limited	146.85	125.87
- Prima Infratech Private Limited	1.13	0.93
- Rohan Motors Limited	0.77	6.83
- Hemkunt Service Station Private Limited	0.71	2.04
	9,933.83	**9,399.52**
Other financial liabilities (capital creditors)		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	121.76	92.44

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	-	11.87
- Primatel Fibcom Limited	3.20	-
	124.96	**104.31**
Other financial liabilities (security deposit)		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	6.14	6.14
	6.14	**6.14**
Other financial liabilities (due to directors)		
Key management personnel:		
- Ms. Shradha Suri	424.46	301.55
- Mr. Arvind Kapur	5.97	-
- Mr. Ashok Lavasa	5.97	-
- Ms. Deepa Gopalan Wadhwa	5.97	-
- Ms. Vanaja Narayanan Sarna	5.97	-
- Ms. Smita Piyush Mankad	5.97	-
- Mr. Arjan Kumar Sikri	5.97	-
	460.28	**301.55**

Terms and conditions:

a) All transactions with related parties are in ordinary course of business and on arm's length basis.

b) All outstanding balances are unsecured and will be settled in cash.

c) All transactions are exclusive of applicable taxes for which input credit is allowed.

25. Capital commitments

Estimated value of contracts on capital account remaining to be executed and not provided for (net of advances) amounting to Rs. 3,076.23 Lakhs (March 31, 2024: Rs. 1,405.52 Lakhs).

26. Contingent liabilities

Claims against the Company not acknowledged as debts **(All amounts in Rs. Lakhs, unless otherwise stated)**

Particulars	As at March 31, 2025	As at March 31, 2024
Sales tax matters	79.74	79.74
Goods and services tax matters	131.78	28.59
Excise matters	75.81	75.81
Custom matters	1,905.49	15.19
Income tax matters	1,814.57	1,494.08
Claims made by workmen	777.34	903.47
Total	**4,784.73**	**2,596.88**

Notes:

i. It is not practicable for the Company to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

ii. The Company does not expect any reimbursements in respect of the above contingent liabilities.

Significant estimate: The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events requires best judgement by management considering the probability of exposure to potential loss. Judgement includes consideration of experts opinion, facts of the matter, underlying documentation and historical experience. Changes in assumptions about these factors could affect the reported value of contingencies and provisions.

27. Leases

Accounting policy

As a lessee

The Company leases certain premises and plant and machinery. The lease term is for 11 months - 35 years except in case of leasehold land where lease term is upto 99 years, but may have an extension option as described in (ii)(b) below.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Company obtains the interest rate from its bankers for borrowings for a tenure that is substantially similar to the lease terms, with a similar security and the similar economic environment for leases held by the Company.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short term leases are recognised on a straight-line basis as an expense in Consolidated Statement of Profit and Loss. Short-term leases are leases with a lease term of 12 months or less.

Refer note 40(vii) for the other accounting policies relevant to leases.

(i) Amounts recognised in Balance Sheet

The balance sheet shows the following amounts relating to leases:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Right-of-use assets		
Leasehold land	3,214.44	3,264.89
Buildings	65.96	344.36
Total	**3,280.40**	**3,609.25**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities		
Current	58.46	45.65
Non-current	10.07	440.50
Total	**68.53**	**486.15**

Additions to the right-of-use assets during the current financial year were Rs. 105.32 Lakhs (March 31, 2024: Rs. Nil). The Company has de-recognised lease liability amounting to Rs. 482.14 Lakhs (March 31, 2024: Rs. Nil) and corresponding right-of-use assets amounting to Rs. 324.14 Lakhs (March 31, 2024: Rs. Nil) on account of lease termination resulting in net gain of Rs. 158.00 Lakhs (March 31, 2024: Rs. Nil).

(ii) Amount recognised in the Consolidated Statement of Profit and Loss

The Consolidated Statement of Profit and Loss shows the following amounts relating to leases:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of right-of-use assets (refer note 20)		
Leasehold land	50.45	50.45
Buildings	59.62	59.75
Total	**110.07**	**110.20**

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense (included in finance costs - refer note 19)	37.22	45.10
Expense relating to short term leases (included in other expenses - refer note 21)	358.18	329.20
Total	**395.40**	**374.30**

The total cash outflow for leases (including interest on lease liabilities) for the year ended March 31, 2025 was Rs. 436.20 Lakhs. (March 31, 2024: Rs.415.33 Lakhs).

(a) Variable lease payments

The Company does not have any leases with variable lease payments.

(b) Extension and termination options

Extension and termination options are included in number of leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

(c) Residual value guarantees

The Company does not provide any residual value guarantee in relation to its leases.

The Company as a lessor

One office premise and one leased factory premise is let out by the Company on operating lease and it is cancellable in nature. Lease rental income is set out in note 15 to these Consolidated Financial Statements as "Rental income" in "Other income".

The table below sets out the maturity analysis of lease payments showing the undiscounted lease payments to be received after the reporting period: -

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Upto 1 year	33.72	78.53
1-5 years	28.03	248.45
More than 5 years	-	112.66
Total	**61.75**	**439.64**

28. Employee benefits

The various benefits provided to employees by the Company are as under:

a) Defined contribution plans

During the year, the Company has recognized the following amounts in the Consolidated Statement of Profit and Loss :

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employer's contribution to Provident Fund*	1,026.36	923.32
Employer's contribution to Employees State Insurance Scheme*	185.25	164.20

* Included in "Contribution to provident and other funds" in Note 18.

b) Defined benefit plans

Contribution to gratuity funds - The Company provides for gratuity for employees 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 payable on retirement / termination is the employees 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 Company makes contribution to recognized funds in India.

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

Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

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 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 is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

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

PARTICULARS	Gratuity (Funded)
As at March 31, 2025	
Discount rate (per annum)	7.04%
Rate of increase in compensation level (per annum)	7.00%
As at March 31, 2024	
Discount rate (per annum)	7.25%
Rate of increase in compensation level (per annum)	7.00%

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

Components of expenses recognized in the Consolidated Statement of Profit and Loss in respect of:

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	
Current service cost	271.18
Past service cost	-
Actuarial loss/(gain)	-
Net interest cost/(income) or the net defined benefit liability/(asset)	85.38
Expenses recognized in Consolidated Statement of Profit and Loss	**356.56**
For the year ended March 31, 2024	
Current service cost	238.26
Past service cost	-
Actuarial loss/(gain)	-
Net interest cost/(income) or the net defined benefit liability/(asset)	66.10
Expenses recognized in Consolidated Statement of Profit and Loss	**304.36**

Components of expenses recognized in the other comprehensive income in respect of:

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	**(77.65)**
Actuarial gains/(loss) on:	
-changes in demographic assumptions	-
-changes in financial assumptions	(54.04)
-experience variance	(26.36)
-plan asset	2.75
For the year ended March 31, 2024	**(323.13)**
Actuarial gains/(loss) on:	
-changes in demographic assumptions	-
-changes in financial assumptions	(58.13)
-experience variance	(267.04)
-plan asset	2.04

Actuarial (gain) / loss on obligations

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	
Actuarial (gain) / loss arising from change in demographic assumption	-
Actuarial (gain) / loss arising from change in financial assumption	54.04
Actuarial (gain) / loss arising from experience adjustment	26.36
For the year ended March 31, 2024	
Actuarial (gain) / loss arising from change in demographic assumption	-
Actuarial (gain) / loss arising from change in financial assumption	58.13
Actuarial (gain) / loss arising from experience adjustment	267.04

Actuarial gain / (loss) on plan assets

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	
Return on plan assets, excluding amount recognized in net interest expense	117.31
Remeasurement for actuarial (gain)/loss arising because of change in effect of asset ceiling	(120.06)
Component of defined benefit costs recognized in other comprehensive income	(2.75)
For the year ended March 31, 2024	
Return on plan assets, excluding amount recognized in net interest expense	112.76
Remeasurement for actuarial (gain)/loss arising because of change in effect of asset ceiling	(114.80)
Component of defined benefit costs recognized in other comprehensive income	(2.04)

The current service cost and the interest expense for the year are included in the "Employee benefits expense" in the Consolidated Statement of Profit and Loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the Consolidated Balance Sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
As at March 31, 2025	
Present value of obligation	3,063.75
Fair value of plan assets	1,738.70
Surplus/(deficit)	**(1,325.05)**
Asset ceiling	-
Net asset/(liability)	**(1,325.05)**
As at March 31, 2024	
Present value of obligation	2,795.79
Fair value of plan assets	1,618.09
Surplus/(deficit)	**(1,177.70)**
Asset ceiling	-
Net asset/(liability)	**(1,177.70)**

Note: The Company has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions.

Movement in the present value of the defined benefit obligation are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	
Present value of the obligation as at the beginning	2,795.79
Current service cost	271.18
Interest cost	202.70
Remeasurement (or actuarial) (gain)/loss arising from:	
-Change in demographic assumptions	54.04
-Change in financial assumptions	26.36
-experience variance	-
Past service cost	-
Benefits paid	(286.32)
Present value of the obligation as at the end	**3,063.75**

For the year ended March 31, 2024	
Present value of the obligation as at the beginning	2,384.78
Current service cost	238.26
Interest cost	178.86
Remeasurement (or actuarial) (gain)/loss arising from:	
-Change in demographic assumptions	58.13
-Change in financial assumptions	267.04
-experience variance	-
Past service cost	-
Benefits paid	(331.28)
Present value of the obligation as at the end	**2,795.79**

Movement in the fair value of the plan assets are as follows:

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2025	
Fair value of plan assets at the beginning	1,618.09
Interest income	120.06
Employer contribution	0.55
Benefits paid	-
Actuarial gain/(loss) on plan assets	-
Fair value of plan assets at the end	**1,738.70**
For the year ended March 31, 2024	
Fair value of plan assets at the beginning	1,503.29
Interest income	114.80
Employer contribution	-
Benefits paid	-
Actuarial gain/(loss) on plan assets	-
Fair value of plan assets at the end	**1,618.09**

Major categories of plan assets (as % of total plan assets):

PARTICULARS	Gratuity (Funded)
As at March 31, 2025	
Funds managed by insurer	100%
Total	**100%**
As at March 31, 2024	
Funds managed by insurer	100%
Total	**100%**

Since it is a funded plan with insurer, hence break up of investment by insurer is not available with the Company, hence not given.

Sensitivity analysis

Significant actuarial assumptions for the determination of employee defined benefit obligation using projected unit credit method are discount rate and expected salary growth rate. The sensitivity analysis below has been determined based on reasonably possible changes in respective assumption occurring at the end of reporting period, while holding all other assumptions constant. Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated. The method and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(All amounts in Rs. Lakhs, unless otherwise stated)

PARTICULARS	Gratuity (Funded)
As at March 31, 2025	
	Change in defined benefit obligation
Increase in discount rate by 0.5%	Decrease by 127.60
Decrease in discount rate by 0.5%	Increase by 137.70
Increase in expected salary growth rate by 0.5%	Increase by 133.82
Decrease in expected salary growth rate by 0.5%	Decrease by 125.48
As at March 31, 2024	
	Change in defined benefit obligation
Increase in discount rate by 0.5%	Decrease by 115.45
Decrease in discount rate by 0.5%	Increase by 124.52
Increase in expected salary growth rate by 0.5%	Increase by 121.77
Decrease in expected salary growth rate by 0.5%	Decrease by 114.65

The fair value of the plan assets is taken as per the account statements of the insurance companies.

The average duration of the employee defined benefit obligation of gratuity fund as at March 31, 2025 is 13.24 years (March 31, 2024 is 13.37 years).

The Company expects that benefit paid during the next financial year would be Rs. 413.83 Lakhs (March 31, 2024: Rs. 371.81 Lakhs).

Maturity Profile of Defined Benefit Obligation

(All amounts in Rs. Lakhs, unless otherwise stated)

Year	Gratuity (Funded)
As at March 31, 2025	
April 1, 2025 - March 31, 2026	201.57
April 1, 2026 - March 31, 2027	547.82
April 1, 2027 - March 31, 2028	540.06
April 1, 2028 - March 31, 2029	378.52
April 1, 2029 - March 31, 2030	304.52
April 1, 2030 - March 31, 2031	242.90
April 1, 2031 Onwards	848.36
Total	**3,063.75**
As at March 31, 2024	
April 1, 2024 - March 31, 2025	210.70
April 1, 2025 - March 31, 2026	177.23
April 1, 2026 - March 31, 2027	181.35
April 1, 2027 - March 31, 2028	282.75
April 1, 2028 - March 31, 2029	197.63
April 1, 2029 - March 31, 2030	187.70
April 1, 2030 Onwards	1,558.43
Total	**2,795.79**

c) Other long term employee benefits - Leave encashment/compensated absence - The leave obligations cover the Company's liability for earned leave, sick leave and casual leave. The entire amount of the provisions of Rs. 473.78 Lakhs (March 31, 2024: Rs. 389.83 Lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	As at March 31, 2025	As at March 31, 2024
Leave obligations not expected to be settled within the next 12 months	420.86	347.08

Significant estimate: Employee benefit obligations are determined using actuarial valuation. An actuarial valuation involves making appropriate assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary increases. 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.

29. Research and development expenses

The Company has one in-house Research and Development Centre in Noida, approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India. The details of research and development expenses is as under :-

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Capital expenditure (refer note 3)	55.85	17.21
Revenue expenditure - charged to Consolidated Statement of Profit and Loss*	1,288.92	1,135.43
Revenue expenditure - towards product development cost (refer note 4)	1,889.87	1,770.89
Total	**3,234.64**	**2,923.53**

*Net of contract research income

Provision for taxation has been made after taking into account the benefit available on expenditure incurred on Research and Development Centres.

30. Earnings Per Share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Basic earnings per share (Rs.)	23.07	14.96
Diluted earnings per share (Rs.)	23.07	14.96
Profit attributable to the equity holders of the Company used in calculating basic earnings per share and diluted earnings per share (Rs. Lakhs)	15,053.59	9,761.87
Weighted average number of equity shares for the purpose of basic earnings per share and diluted earnings per share (numbers)	65,235,750	65,235,750

31. Expenses capitalized

Following construction/development period expenses incurred on making dies and tools and building and developing new product/technology have been capitalized or clubbed with capital work-in-progress or intangible assets under development, as the case may be :-

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cost of material consumed	1,043.77	1,695.87
Salaries, wages and other amenities to staff	1,718.15	1,612.24
Power and fuel	114.77	116.77
Rent	71.04	91.85
Repair and maintenance	110.24	126.21
Depreciation and amortization	47.49	56.68
Other overheads	353.38	374.98
Total	**3,458.84**	**4,074.60**

32. Assets pledged as security

The Company has sanctioned working capital limits which have not been availed as at March 31, 2025 and March 31, 2024 (Refer note 22(b) for undrawn banking facilities).These sanctioned working capital limits are secured against current assets of the Company, both present and future. The carrying amount of current assets pledged as security are as follows:

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	Note no	As at March 31, 2025	As at March 31, 2024
Current:			
First Charge			
Inventories	8	37,385.08	37,505.60
Financial assets			
- Other invesments	5(b)(ii)	8,546.07	-
- Trade receivables	5(b)(iii)	45,132.23	28,318.47
- Cash and cash equivalents	5(b)(iv)	3,636.04	3,915.70
- Other bank balances	5(b)(v)	4,000.00	8,300.00
- Loans	5(b)(vi)	76.67	65.48
- Other financial assets	5(b)(vii)	652.94	323.00
Other current assets	7	1,837.90	2,266.30
Total current assets offered as security		**101,266.93**	**80,694.55**

33. Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company and its joint venture for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company has sanctioned limits for borrowings from banks on the basis of security of current assets. The Company has filed quarterly returns or statements of current assets with banks which are not in agreement with the books of accounts, however such differences between the amount disclosed to the banks and those as per the books of accounts have been reconciled. Refer Note 34 for the reconciliations.

The joint venture does not have any borrowings or sanctioned limits from banks or financial institutions on the basis of security of current assets.

(iii) Wilful defaulter

The Company and its joint venture have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Company and its joint venture have no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The Company and its joint venture have complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company and its joint venture have not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

The Company and its joint venture have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company and its joint venture (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company and its joint venture 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 and its joint venture 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.

(viii) 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.

(ix) Details of crypto currency or virtual currency

The Company and its joint venture have not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of property, plant and equipment and intangible assets

The Company and its joint venture have not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) Loans and advances to promoters, directors, Key management personnel (KMPs) and related parties

The Company and its joint venture have not granted any loans and advances to promoters, directors, KMPs and related parties during the current or previous year.

Other regulatory information

(i) Title deeds of immovable properties held in name of the company

The title deeds of all the immovable properties (other than properties where the Company and its joint venture is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 3 to the Consolidated Financial Statements, are held in the name of the Company.

(ii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(iii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were was taken. There are no borrowings obtained from financial institutions.

34. Reconciliation of stock statements with Consolidated Financial Statements
For the year ended March 31, 2025 **(All amounts in Rs. Lakhs, unless otherwise stated)**

Quarter	Name of banks	Aggregate working capital limits sanctioned (Secured)	Particulars of securities provided	Nature of current assets/ liabilities where differences were observed	Amount as reported in the quarterly return/ statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
June 2024	HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	36,832.97	36,904.38	(71.41)	Inter-plant goods in transit not considered in return submitted to banks.
June 2024	ICICI Bank	2,000						
June 2024	Kotak Mahindra Bank	1,000		Trade payables	51,352.85	52,857.43	(1,504.58)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but shown separately as Supplier's credit in the Consolidated Balance Sheet.
June 2024	State Bank of India	7,500						
September 2024	HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	41,709.36	41,758.84	(49.48)	Inter-plant goods in transit not considered in return submitted to banks.
September 2024	ICICI Bank	2,000						
September 2024	Kotak Mahindra Bank	1,000		Trade payables	50,010.41	56,200.77	(6,190.35)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but but shown separately as Supplier's credit in the Consolidated Balance Sheet.
September 2024	State Bank of India	7,500						
December 2024	HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	39,991.43	40,091.27	(99.84)	Inter-plant goods in transit not considered in return submitted to banks.
December 2024	ICICI Bank	2,000						
December 2024	Kotak Mahindra Bank	1,000		Trade payables	52,543.99	51,293.70	1,250.29	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but but shown separately as Supplier's credit in the Consolidated Balance Sheet.
December 2024	State Bank of India	7,500						
March 2025	HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	37,344.50	37,385.08	(40.58)	Inter-plant goods in transit not considered in return submitted to banks.
March 2025	ICICI Bank	2,000						
March 2025	Kotak Mahindra Bank	1,000		Trade payables	56,020.66	56,030.78	(10.12)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but but shown separately as Supplier's credit in the Consolidated Balance Sheet.
March 2025	State Bank of India	7,500						

For the year ended March 31, 2024 **(All amounts in Rs. Lakhs, unless otherwise stated)**

Quarter	Name of banks	Aggregate working capital limits sanctioned (Secured)	Particulars of securities provided	Nature of current assets/ liabilities where differences were observed	Amount as reported in the quarterly return/ statement	Amount as per books of account	Amount of difference	Reason for material discrepancies
June 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	36,405.59	36,454.88	(49.29)	Inter-plant goods in transit not considered in return submitted to banks.
June 2023	ICICI Bank	2,000		Trade receivables	28,563.93	29,093.49	(529.56)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
June 2023	Kotak Mahindra Bank	1,000		Trade payables	50,612.30	50,148.45	463.85	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
June 2023	State Bank of India	7,500						
September 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	36,627.22	36,640.95	(13.73)	Inter-plant goods in transit not considered in return submitted to banks.
September 2023	ICICI Bank	2,000		Trade receivables	33,559.08	33,737.18	(178.10)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
September 2023	Kotak Mahindra Bank	1,000		Trade payables	49,640.72	56,566.32	(6,925.60)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
September 2023	State Bank of India	7,500						
December 2023	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	39,560.00	39,556.69	3.31	Rounding off difference, amount is immaterial
December 2023	ICICI Bank	2,000		Trade receivables	25,301.47	25,768.34	(466.87)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
December 2023	Kotak Mahindra Bank	1,000		Trade payables	47,786.61	49,202.47	(1,415.86)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
December 2023	State Bank of India	7,500						
March 2024	HDFC Bank	12,500	Inventories, Trade receivables, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	37,581.22	37,505.60	75.62	Inter-plant goods in transit not considered in return submitted to banks. Further, some imported goods in transit considered in return submitted to banks but reversed as an adjustment before closure of books of account.
March 2024	ICICI Bank	2,000		Trade receivables	27,607.81	28,318.47	(710.66)	Trade receivables overdue more than 90 days not considered in return submitted to banks.
March 2024	Kotak Mahindra Bank	1,000		Trade payables	46,397.36	50,437.50	(4,040.14)	Payables in respect of services received etc. considered in the books of account but not considered in return submitted to banks. Further, payables in respect of supplier's credit considered in the return submitted to banks but not considered as trade payables in the books of account.
March 2024	State Bank of India	7,500						

35. Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	3,636.04	3,915.70
Supplier's credit	(4,025.21)	(2,971.60)
Lease liabilities	(68.53)	(486.15)
Net debt	**(457.70)**	**457.95**

Description	Other assets	Liabilities from financing activities				Net debt
	Cash & cash equivalents	Current borrowings (Excluding current maturities of long term debt)	Non-current borrowings (including current maturities of long term debt and interest)	Supplier's credit	Lease liabilities	
As at March 31, 2023	**3,066.62**	**-**	**(1,339.51)**	**(6,274.58)**	**(527.18)**	**(5,074.65)**
Cash flows	849.08	-	1,335.81	3,302.98	41.03	**5,528.90**
Foreign exchange adjustments	-	-	-	-	-	**-**
Interest expense	-	(858.02)	(69.76)	(160.03)	(45.10)	**(1,132.91)**
Interest paid	-	858.02	73.46	160.03	45.10	**1,136.61**
Other non-cash movements						
- Acquisition of lease	-	-	-	-	-	**-**
- Derecognition of lease	-	-	-	-	-	**-**
As at March 31, 2024	**3,915.70**	**-**	**-**	**(2,971.60)**	**(486.15)**	**457.95**
Cash flows	(279.66)	-	-	(1,053.61)	40.80	**(1,292.47)**
Foreign exchange adjustments	-	-	-	-	-	**-**
Interest expense	-	(644.26)	-	(430.76)	(37.22)	**(1,112.24)**
Interest paid	-	644.26	-	430.76	37.22	**1,112.24**
Other non-cash movements						
- Acquisition of lease	-	-	-	-	(105.32)	**(105.32)**
- Derecognition of lease	-	-	-	-	482.14	**482.14**
As at March 31, 2025	**3,636.04**	**-**	**-**	**(4,025.21)**	**(68.53)**	**(457.70)**

36. Additional Information required by Schedule III

(All amounts in Rs. Lakhs, unless otherwise stated)

Name of the entities	Net Assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Company								
Subros Limited								
March 31, 2025	99.98%	109,392.83	99.91%	15,040.58	97.58%	(58.11)	99.92%	14,982.47
March 31, 2024	99.99%	95,584.60	100.05%	9,766.29	99.37 %	(241.81)	100.06%	9,524.48
Joint Venture (Investment as per equity method) - Indian								
Denso Subros Thermal Engineering Centre India Private Limited								
March 31, 2025	0.18%	194.99	0.13%	19.63	2.42%	(1.44)	0.12%	18.19
March 31, 2024	0.19%	183.42	0.08%	8.16	0.63%	(1.54)	0.07%	6.62

(All amounts in Rs. Lakhs, unless otherwise stated)

Name of the entities	Net Assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Consolidation adjustments								
March 31, 2025	-0.16%	(174.88)	-0.04%	(6.62)	0.00%	-	-0.04%	(6.62)
March 31, 2024	-0.18%	(174.88)	-0.13%	(12.58)	0.00%	-	-0.13%	(12.58)
Total								
March 31, 2025	**100.00%**	**109,412.94**	**100.00%**	**15,053.59**	**100.00%**	**(59.55)**	**100.00%**	**14,994.04**
March 31, 2024	**100.00%**	**95,593.14**	**100.00%**	**9,761.87**	**100.00%**	**(243.35)**	**100.00%**	**9,518.52**

Refer note 5(a) for details of interest in joint venture company consolidated using equity method of accounting.

37. Dues to micro and small enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:- [Refer note 11(d)]

(All amounts in Rs. Lakhs, unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	363.35	79.53
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(iii) Principal amount paid to suppliers registered under the MSMED ACT, beyond the appointed day during the year	-	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year (Refer note below)	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act for payments already made	-	-
(vii)Further interest remaining due and payable for earlier years	-	-

38. The Supreme Court of India has passed an order dated February 28, 2019 in the matter of The Regional Provident Fund Commissioner (II) West Bengal vs. Vivekananda Vidyamandir & Ors in Civil Appeal No. 6221 of 2011 and few other linked cases. In the said order, the Supreme Court has clarified the definition of the Basic Wage under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant financial impact and accordingly, no provision has been made in these Consolidated Financial Statements. The Company and its joint venture will continue to monitor and evaluate their position based on future events and developments.

39. The Consolidated Financial Statements were approved by the Board of Directors and authorized for issue on May 22, 2025.

40. Summary of other accounting policies:

i) Rounding of amounts

All amounts disclosed in the Consolidated Financial Statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.

ii) Principles of equity accounting

Joint Venture

Interest in joint venture is accounted for using equity method, after initially being recognized at cost in the Consolidated Balance Sheet.

Under the equity method of accounting, the investment is initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint venture are recognized as a reduction in carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long term receivables, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Company and its joint venture are eliminated to the extent of the Company's interest in the joint venture. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the equity accounted investee have been changed where necessary to ensure consistency with the policies adopted by the Company.

The carrying amount of equity accounted investment is tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount.

iii) Segment reporting

The Company is primarily in the business of manufacturing and sale of thermal products (Automotive and home air conditioning systems and parts thereof).

The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Refer note 23 for segment information presented.

iv) Foreign currency translation

Functional and presentation currency:

Items included in the Consolidated Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated Financial Statements are presented in Indian rupee (INR), which is Subros Limited's functional and presentation currency.

Transactions and balances:

Foreign currency transactions 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 profit or loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Consolidated Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Consolidated Statement of Profit and Loss on a net basis within other income or other expenses.

v) Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Note 11(d) provides further information on how the Company accounts for government grants.

vi) Income 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.

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. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. Deferred tax is 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 realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilize those temporary differences.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiary and joint venture where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiary and joint venture where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

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 realize the asset and settle the liability simultaneously.

Current tax and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

vii) Leases

As a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities includes the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date

- amount expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to 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.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

As a lessor

Lease income from operating leases where the Company is lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in Consolidated Balance Sheet based on their nature.

Entity-specific details about the Company's leasing policy are provided in note 27.

viii) Impairment of property, plant and equipment and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and 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).

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.

ix) Cash and cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents include 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.

x) Inventories

Raw material and spares, work in progress, stores and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and spares and stores comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable 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.

Entity-specific details about inventories are provided in note 8.

xi) Investments and other financial assets

(i) 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)

- those to be 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 equity instruments that are not held for trading, 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 FVOCI.

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.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sell the financial asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Foreign exchange gains and losses and impairment gains or losses are recognised in profit or loss. Any gain or loss arising on derecognition is recognised directly in profit or loss.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses on a financial asset that is at amortized cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate.

Entity-specific details about investments and other financial assets are provided in note 5(b).

xii) Property, plant and equipment

The Company's accounting policy for land is explained in note 3.Historical cost includes expenditure that is directly attributable to the acquisition of items. The cost of self generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses in disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income / other expenses.

xiii) Intangible assets

Software

Costs associated with maintaining software are recognised as an expense as incurred.

Separately purchased intangible assets are initially measured at cost. Subsequently, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Research and development

Research expenditure and development expenditure that do not meet the criteria for capitalization are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Entity-specific details about intangible assets are provided in note 4.

xiv) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

xv) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the Consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

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 reporting period.

xvi) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are recognized as an expense in the period in which these are incurred.

xvii) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present legal or constructive 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 amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax discounting rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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.

No contingent asset is recognized but disclosed by way of notes to accounts. When the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

xviii) Employee benefits

a. Short term obligations

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

b. Post-employment obligations

Provident fund and Employees' state insurance:

Contributions to defined contribution schemes such as Provident fund and Employees' state insurance are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The Company pays provident fund contribution to government-administered provident fund. The above benefits are classified as defined contribution schemes as the Company has no further defined obligations beyond the monthly contributions.

Superannuation:

Certain employees of the Company are participants in a defined contribution plan. The Company has no further obligations to the plan beyond its monthly contributions which are periodically contributed towards trust fund, the corpus of which is invested with the Life insurance companies.

Gratuity:

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions made towards the trust fund, the corpus of which is invested with Life Insurance Corporation of India (LIC).

The liability or asset recognized in the Balance Sheet in respect of defined benefit 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 Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet. Past-service costs are recognized immediately in profit or loss.

c. Compensated absences:

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in profit or loss in the period in which they arise. Past-service costs are recognized immediately in profit or loss.

d. Long service award:

Long service awards are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore accrued using actuarial valuations and are measured as 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.

xix) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xx) Earnings per share

Basic earnings per share:

Basic earnings per share is calculated by dividing:

a) the profit attributable to owners of the Company

b) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

Diluted earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

a) the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

b) the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xxi) Other income

Income from duty drawback and export incentives is recognized on an accrual basis.

Interest is recognized using the effective interest rate (EIR) method, as income for the period in which it occurs.

Dividend income on investments is recognized when the right to receive dividend is established.

xxii) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets.

41. Note given by the joint venture in its financial statement

"As per the Provision to Rule 3(1) of the Companies (Accounts) Rules, 2014, the audit trail (edit log) feature should be enabled in the accounting software used for maintaining its books of account throughout the financial year commencing on or after April 1, 2023. Based on the assessment carried out by the management, the audit trail feature is not available in the accounting software used for maintaining the books of account during the year ended 31 March 2025. The Company is in the process of evaluating options for implementing audit trail feature in the accounting software used for maintaining its books of account to comply with the prescibed requirement."

For Price Waterhouse Chartered Accountants LLP
Firm Registration No- 012754N/N500016

Sahil Arora
Partner
Membership No.: 506483

Place : Gurugram
Date : May 22, 2025

For and on behalf of the Board of Directors of Subros Limited

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

Parmod Kumar Duggal
Executive Director &
Chief Executive Officer
DIN : 02382912

Hemant Kumar Agarwal
Chief Financial Officer &
Senior Vice President (Finance)

Kamal Samtani
Company Secretary
ICSI Membership No:- F5140

Place : New Delhi
Date : May 22, 2025

NOTES

NOTES

A JOINT VENTURE BETWEEN

DENSO | Subros | SUZUKI

Cooling the Planet

www.subros.com