

ANNUAL REPORT

2025-26

***Building the future
of Mobility Together***

Unifying Vision, Strengthening Capability & Driving Transformation



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

01



RESPECT

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

02



PASSION & COMMITMENT

- Inspired minds
- Drive Excellence
- Keeping Promises

03



TRUST

- Integrity – Personal & Professional
- Transparency

04



TEAM WORK

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



ACROSS THE PAGES

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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

- | | |
|---|---|
| <p>1 Ms. Shradha Suri
Chairperson & Managing Director</p> <p>2 Dr. Jyotsna Suri
Director</p> <p>3 Mr. Parmod Kumar Duggal
Executive Director & CEO</p> <p>4 Mr. Hisashi Takeuchi
(Representative of Suzuki Motor Corporation, Japan)</p> <p>5 Mr. Naohisa Kuriyama
(Representative of Denso Corporation, Japan)</p> <p>Mr. Tsunenobu Hori
Alternate Director</p> <p>6 Mr. Akihiro Deguchi
(Representative of Denso Corporation, Japan)</p> | <p>7 Justice Arjan Kumar Sikri (Retd)
Independent Director</p> <p>8 Ambassador Deepa Gopalan Wadhwa, IFS (Retd)
Independent Director</p> <p>9 Mr. Ashok Lavasa, IAS (Retd)
Independent Director</p> <p>10 Mrs. Vanaja Narayanan Sarna, IRS (Retd)
Independent Director</p> <p>11 Mr. Arvind Kapur
Independent Director</p> <p>12 Ms. Smita Piyush Mankad
Independent Director</p> |
|---|---|



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



Cost Auditors

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



Secretarial Auditors

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



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

- | | |
|---|---|
| <p>1 Noida Plant (1A)
B 188, Phase II, Gautam Budh Nagar,
(U.P.) 201304</p> <p>2 Noida Plant (1B)
B-195, Phase II, Noida, Gautam Budh
Nagar, (U.P.) 201304</p> <p>3 Subros Technical Centre, Noida
C-51, Phase-II, Noida, P.O. N.E.P.Z.,
Distt. Gautam Budh Nagar (U.P.)</p> <p>4 Subros Tool Engineering Centre, Noida
A-16, Sector 68, Noida
Distt. Gautam Budh Nagar (U.P.)</p> <p>5 Die Casting Plant, Noida
B-216, Phase-II, Noida P.O. N.E.P.Z.,
Distt. Gautam Budh Nagar (U.P.)</p> <p>6 Manesar Plant
Plot No.395/396, Sec-8,
IMT Manesar, Distt. Gurgaon (Haryana)</p> | <p>7 Pune Plant
Plot No.B-8 & 9, MIDC Indl. Area,
Chakan, Pune (Maharashtra)</p> <p>8 Chennai Plant
A-20/1, SIPCOT Industrial Growth Centre
Oragadam, Chennai (Tamil Nadu)</p> <p>9 Karsanpura Plant
Plot No. 508, 509, 512, 514, 516, 517,
Village-Karsanpura, Taluka-Mandal,
Ahmedabad (Gujarat)</p> <p>10 Nalagarh Plant
Village Theda, Tehsil Baddi,
Distt. Solan (Himachal Pradesh)</p> <p>11 Kharkhoda Plant (Under Construction)
Village Nasirpur Chaulka,
Kharkhoda, Distt.- Sonipat (Haryana)</p> |
|---|---|



REGISTERED & CORPORATE OFFICE

Subros Limited

(CIN:- L74899DL1985PLC020134)
LGF, World Trade Centre,
Barakhamba Lane,
New Delhi 110 001

Phone No: 011-23414946 - 49

Website: www.subros.com

A MESSAGE FROM OUR CHAIRPERSON & MANAGING DIRECTOR

Dear Shareholders,

It is an honour for me to present the 41st Annual Report of Subros Limited for the financial year 2025-26. The year gone by marked a very special milestone in our journey, as we celebrated **40 years of Subros**. As we enter our fifth decade in the industry, the commitment of our people, the strength of our collaborations, and the trust of our customers continue to help us forge ahead.

The financial year 2025-26 unfolded against a global backdrop marked by considerable uncertainty. Trade frictions, shifting tariff regimes between major economies, and geopolitical flashpoints kept commodity prices, freight costs, and investor sentiment on edge through large parts of the year. For the mobility sector, which is globally interconnected, such disruptions inevitably test the resilience of supply chains and the discipline of capital allocation.

In this scenario, the Indian economy once again, demonstrated its underlying strength. India remains amongst the fastest-growing major economies in the world with a GDP growth of approximately 7.7%. This growth is supported by resilient domestic consumption, sustained public capital expenditure, moderate inflation, and a series of monetary and fiscal measures, including policy rate cuts, GST 2.0, and tax relief, that eased financial conditions for households and businesses alike.

As for the auto sector, the total domestic vehicle sales increased by an impressive 10.4% year-on-year during FY 2025-26. Passenger vehicle sales climbed by 7.9%, while Commercial Vehicle sales jumped by 12.6%. The two-wheeler segment registered a growth of 10.7%, and three-wheeler sales expanded by 12.8%, reflecting broad-based demand across urban and rural markets. The auto component industry also continued to flourish, supported by increasing localization, export opportunities, and prolonged investments in advanced technologies.

Subros delivered another year of strong performance, reflecting the resilience of its business and the consistent execution of its strategy backed by a strong Balance Sheet, Financial Prudence, Effective Capital Allocation, and Operational Discipline.



We achieved the highest-ever revenue of **₹3,756 crores**, registering a growth of **11.5%** over the previous year. Profits rose by over **12.2%** reflecting our focus on disciplined execution, operational excellence, and an unwavering focus on customer satisfaction.

The automotive thermal systems business is undergoing a fundamental transformation, as electric vehicles become a larger part of India's automotive landscape. Thermal Management is no longer limited to cabin comfort; it now extends to overall vehicle energy efficiency. Subros has been proactively investing in capability building for these emerging requirements, including investing in e-compressor technology, hydrogen fuel cell thermal management, and next-generation climate control systems. We are also expanding capacity at a fast pace with two new plants, one in Kharkhoda (Haryana) and the other in Gujarat (our second plant in the state) to cater to the growth in demand of our customers. Both the plants will be operational by the end of March 2027, leading to increase in capacity across all product categories. We continue to work deliberately on diversifying our customer base beyond our traditional strengths. Focused efforts are underway in the areas of Railways, Domestic Thermal Solutions, the Commercial Vehicle space, and in the aftermarket, both domestic and international.

Alongside electrification, the second major force reshaping our industry is the rapid adoption of artificial intelligence and digital technologies across the manufacturing value chain. India's auto component sector is now moving decisively toward smart and connected factories. Subros has been progressing on this journey by deploying real-time data capture, predictive maintenance, and analytics-driven quality control across select manufacturing lines, enabling us to identify inefficiencies, reduce downtime, and improve first-time-right yields with greater precision. Adoption of industry 4.0 across all processes and material movement are being done on priority.

On the design and engineering side, digital tools and simulation are shortening development cycles for new thermal systems, helping us respond faster to customer requirements. We are exploring AI-enabled approaches for supply chain planning, these are particularly valuable given the volatility in input costs and logistics.

The transformation underway in our sector brings with it a fundamental shift in the skills our people need. We have accordingly stepped up our focus on reskilling and upskilling across the organisation by building capability in electric and hybrid thermal architectures, and digital design and simulation tools. We continue to invest in structured training programmes, cross-functional exposure, and closer collaboration with our joint venture partners to bring global best practices into our workforce.

Sustainability is central to our long-term vision. We continue to reduce our environmental footprint through greater energy efficiency, the adoption of renewable energy, resource conservation, and responsible manufacturing practices. These initiatives not only support our Net Zero aspirations but also enhance the competitiveness of our business in the long term.

Looking ahead, India's manufacturing growth, increasing localization, rising exports, and the rapid evolution of technologies present unprecedented opportunities for the mobility sector. Subros is well-positioned to capitalize on these opportunities while delivering sustainable and profitable growth.

On behalf of the board and the leadership team, I would like to express my sincere appreciation to our customers for their continued trust and confidence. Our deepest gratitude also goes to our valued partners, **Suzuki Motor Corporation, Japan**, and **DENSO Corporation, Japan**, for their unwavering support and collaboration.

I would like to acknowledge the invaluable contribution of our suppliers, dealers, financial institutions, and business associates, whose steadfast partnership continues to strengthen our business and help create lasting value.

I thank our Board of Directors for their strategic guidance, valuable insights, and unwavering support in shaping a vibrant, future-ready organization.

To every member of Team Subros, my deepest appreciation for your commitment, passion, and resilience. Your dedication remains the driving force behind our continued success and enables us to stay true to being an inclusive, equitable, and innovative workspace.

To our shareholders, thank you for your trust and confidence. Your continued support makes us pursue higher standards of excellence.

Finally, I offer my deepest respect and gratitude to our **Chairman Emeritus, Mr Ramesh Suri**, whose vision, leadership, and values laid the strong foundation upon which Subros continues to grow and build its future.

As we step into the next phase of this incredible journey, we remain committed to excellence in innovation, operations, and sustainable growth by trying to achieve overall optimization of people, processes, and technologies across the company. We aim to create value not just for the organisation but for society at large.

Warm Regards,

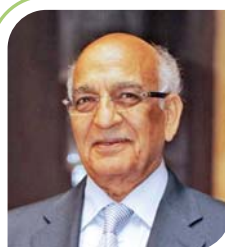


Shradha Suri

Chairperson & Managing Director

OUR LEADERSHIP

CHAIRMAN EMERITUS



Shri Ramesh Suri



OUR BOARD



Ms. Shradha Suri
Chairperson &
Managing Director



Dr. Jyotsna Suri
Director



Mr. Parmod K. Duggal
Executive Director & CEO



Mr. Hisashi Takeuchi
Representative of Suzuki
Motor Corporation, Japan



Mr. Naohisa Kuriyama
Representative of
DENSO Corporation, Japan



Mr. Akihiro Deguchi
Representative of
DENSO Corporation, Japan



Mr. Tsunenobu Hori
Alternate Director



INDEPENDENT DIRECTORS



Ms. Smita Piyush Mankad



Mr. Ashok Lavasa
IAS (Retd.)



Justice Arjan Kumar Sikri
(Retd.)



Ambassador Deepa G. Wadhwa
IFS (Retd.)



Mr. Arvind Kapur



Mrs. Vanaja Narayanan Sama
IRS (Retd)

STRATEGIC EXECUTIVE COMMITTEE



Ms. Shradha Suri
Chairperson &
Managing Director



Mr. Parmod K. Duggal
ED & CEO



Mr. A.K. Parashar
EVP & COO Operations



Mr. Hemant K. Agarwal
CFO & SVP Finance



Mr. Ajay Agarwal
VP - SCM



Mr. S S Gill
VP - Finance



Mr. Surender Narula
SVP Operations



Mr. Harish Kumar
AVP - Operations



Mr. Rahul Shailya
AVP - Quality



Mr. Kuldeep Sharma
AVP Operations

OPERATIONAL EXECUTIVE COMMITTEE

ABOUT Subros

India's Leading Thermal Solutions Company

Celebrating four decades of excellence, Subros Limited stands as India's leading automotive thermal management company, delivering innovative and reliable solutions that enhance vehicle comfort, performance, and efficiency. Since its inception in 1985, Subros has played a pivotal role in shaping the country's mobility ecosystem through advanced thermal technologies and a steadfast commitment to quality.

With a comprehensive portfolio spanning across Engine Cooling Solution, HVAC systems, compressors, heat exchangers, and AC lines, the Company serves a diverse range of passenger vehicles, commercial vehicles, buses, railways, off-highway applications, and emerging mobility segments. Long-standing partnerships with leading automotive OEMs, combined with deep engineering expertise and strong manufacturing capabilities, have positioned Subros as a trusted partner across the industry.

Driven by innovation and supported by state-of-the-art research and development facilities, Subros continues to leverage its strategic technical collaboration with Denso to develop next-generation thermal solutions aligned with evolving customer and market requirements.

As the mobility landscape undergoes rapid transformation, Subros remains focused on sustainable growth through investments in advanced manufacturing, operational excellence, and future-ready technologies. Guided by a vision to create value through innovation, quality, and responsible business practices, the Company is well-positioned to drive the future of thermal management while contributing meaningfully to a cleaner and more efficient mobility ecosystem.



Established in
1985

India's Largest
thermal solution company

Delivering advanced thermal management solutions across mobility and industrial applications.

OUR STRATEGIC STRENGTHS



Global Partnerships

- DENSO Corporation, Japan
- Suzuki Motor Corporation Japan



Engineering Excellence

- End-to-End Design, Testing & Validation Capabilities
- State-of-the-Art In-House Technical Centers
- Integrated Product Development Ecosystem



Manufacturing Leadership

- Strategically Located Manufacturing Footprint Across India
- Backward-Integrated Manufacturing Operations
- Robust Localization Capabilities



Sustainability

- EV Thermal Solutions
- Sustainable Cooling technologies
- Eco-Efficient Manufacturing Net zero journey



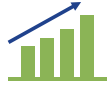
Subros SNAPSHOT

Four Decades of Engineering Excellence



40+

Years of
Excellence



₹3,756 cr

FY26
Revenue



9

Manufacturing
Locations



3

Technical
Centres

OUR PRESENCE



THERMAL APPLICATIONS



“For four decades, Subros has remained steadfast in its commitment to delivering advanced thermal management solutions that enhance comfort, efficiency, and reliability. As the mobility landscape evolves towards cleaner, smarter, and more sustainable transportation, Subros is well positioned to lead the next era of thermal innovation through engineering excellence, technological advancement, and customer centric solutions.”



OUR MANUFACTURING FOOTPRINT

Nine strategically located, state-of-the-art manufacturing facilities enabling us to serve customers across India with agility, quality and scale.

Subros **DENSO** **SUZUKI**

**01**

MANESAR PLANT



Located in one of India's leading automotive manufacturing clusters, the Manesar plant is equipped with advanced manufacturing and testing facilities that enable the production of high-quality thermal management solutions. The facility manufactures REC condensers, HVAC assemblies, ECM assemblies, and kitting components, while an additional nearby unit further strengthens HVAC assembly capabilities. Together, these facilities support operational excellence, customer responsiveness, and sustained growth across key automotive segments.

02

COMPRESSOR PLANT, NOIDA



The Compressor Plant manufactures high-performance compressors for a wide range of automotive applications. Equipped with advanced precision machining centers, Nocolok and vacuum brazing technologies, and sophisticated tube processing systems, the facility is designed to deliver superior product quality and manufacturing efficiency. Integrated production lines with comprehensive in-line quality assurance systems ensure stringent process control and consistent adherence to global quality standards at every stage of manufacturing.

03

HEAT EXCHANGER PLANT, NOIDA



The Noida Heat Exchanger Manufacturing Plant specializes in producing advanced thermal management components, including Brazed Multi-Flow Condensers, Heater Cores, and RS Evaporators. Backed by modern manufacturing technologies and robust quality systems, the facility delivers precision-engineered solutions that meet the evolving performance and reliability requirements of the automotive industry.

04

PUNE PLANT



Strategically located in Chakan, one of India's prominent automotive manufacturing hubs, the Pune plant enables seamless customer engagement and efficient supply chain management. Its proximity to key automotive OEM facilities enhances responsiveness and supports the timely delivery of high-quality thermal management solutions. The facility also caters to the requirements of customers across Western India, reinforcing Subros' commitment to operational excellence, customer proximity, and service efficiency.

05

PRESSURE DIE CASTING PLANT, NOIDA

The facility leverages advanced Squeeze and Vacuum Pressure Die Casting processes to manufacture intricate compressor block castings, ensuring enhanced product quality, consistency, and manufacturing excellence.



06

CHENNAI PLANT

Located in Chennai, the facility serves customers across Southern India and manufactures HVAC assemblies, condensers, and kitting components. The plant also produces air-conditioning systems for commercial vehicles, buses, transport refrigeration units, and rail applications, while catering to aftermarket requirements through a comprehensive range of AC components. Its diversified manufacturing capabilities support Subros' commitment to delivering reliable thermal management solutions across multiple mobility segments.



07

KARSANPURA PLANT

Located in one of India's emerging automotive manufacturing regions, the Karsanpura plant is equipped with advanced production technologies and specialized manufacturing equipment that drive quality, productivity, and operational excellence. The facility manufactures HVAC assemblies, kitting components, injection-moulded parts, radiators, condenser assemblies, and RS evaporators, while adhering to the highest standards of safety and manufacturing performance.



08

NALAGARH PLANT

Nalagarh is a fully integrated manufacturing facility catering to the residential and commercial cooling segments. The plant produces a wide range of cooling solutions, including window ACs, split ACs, and commercial units, supported by advanced manufacturing technologies and automated production systems. Backed by robust design, engineering, and testing capabilities, the facility develops and validates products to meet evolving customer requirements while ensuring the highest standards of quality, performance, and reliability.



09

KHARKHODA PLANT (UNDER CONSTRUCTION)

Subros continues to invest in strategic initiatives that strengthen its long-term growth trajectory. The upcoming greenfield facility at Kharkhoda marks a significant step in the Company's journey towards sustainable manufacturing and enhanced operational capabilities. Combined with ongoing advancements in technology, innovation, and future mobility solutions, this expansion reinforces Subros' readiness to meet evolving market demands and further solidifies its leadership in the thermal management industry.



OUR TECHNICAL CAPABILITIES

Where Innovation Meets Engineering Excellence

Our state-of-the-art facilities, advanced testing infrastructure and world-class engineering talent enable us to develop next-generation thermal solutions that deliver performance, reliability and sustainability in every condition.



RESEARCH & DEVELOPMENT



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)



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 $+60^{\circ}\text{C}$ 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.

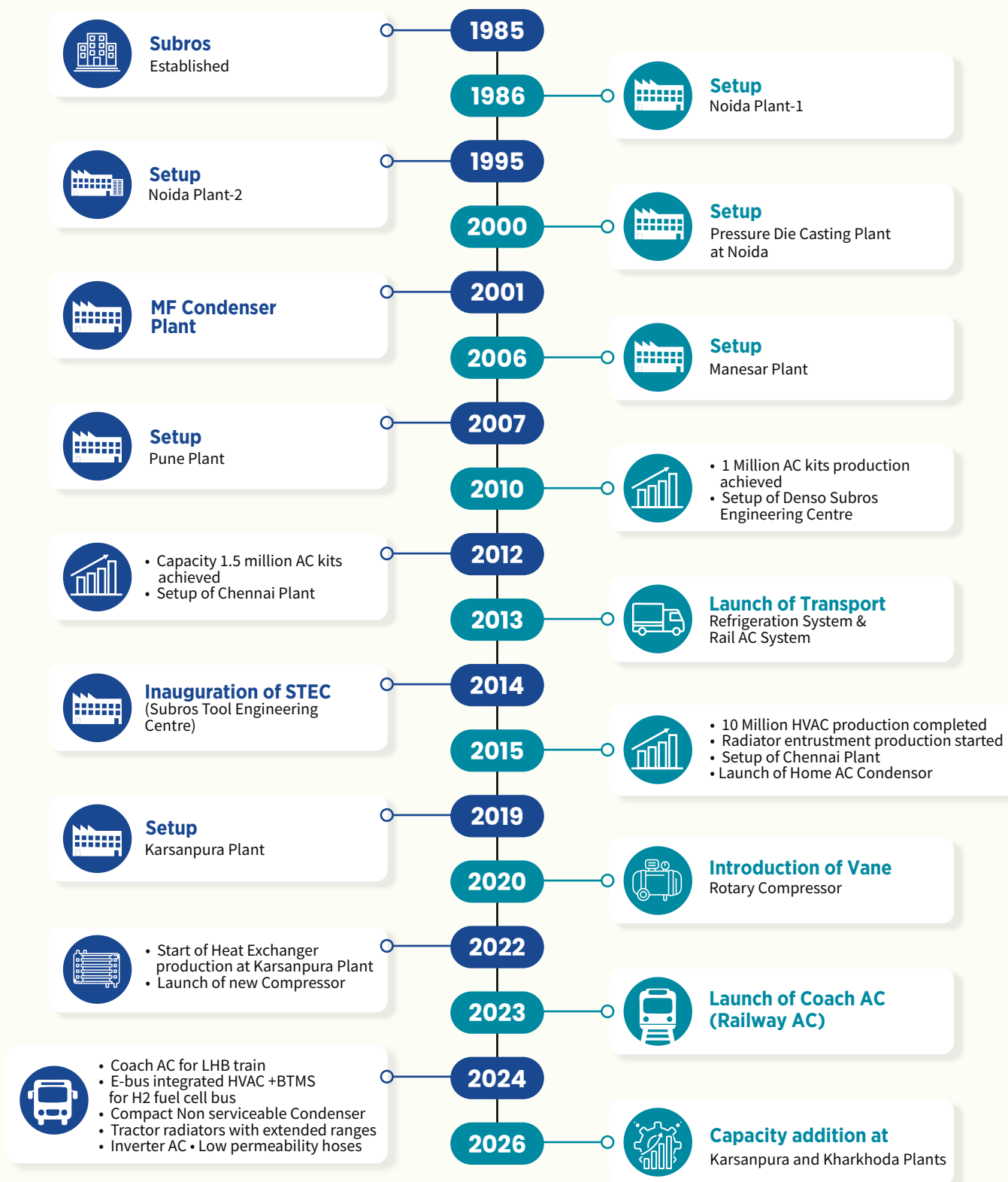
SUBROS TOOL ENGINEERING CENTRE (STEC)



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.

JOURNEY OF EXCELLENCE AND GROWTH

From strong beginning to a future driven by innovation, we continue to power progress.



MOBILITY SOLUTIONS BY SEGMENT

01 PASSENGER VEHICLE



Subros delivers advanced air conditioning solutions for a wide range of passenger vehicle applications. Engineered for compactness, flexibility, and seamless integration, our systems enhance cabin comfort while ensuring reliable performance and efficiency for every journey.



02 TRUCK APPLICATION



Our next-generation Truck Cabin AC Systems are designed to deliver reliable comfort, reduced noise, and improved fuel efficiency. Customizable across diverse applications and validated by OEMs, they meet the evolving needs of modern commercial vehicles.



03 RAIL APPLICATION



A trusted provider of thermal management solutions, Subros offers high-performance air conditioning systems for rail applications. From driver cabins to passenger coaches, our solutions are designed to enhance comfort, reliability, and operational efficiency.



04 BUS APPLICATION



Subros offers a comprehensive portfolio of Bus Air Conditioning and Transport Refrigeration solutions, catering to ambulances and buses ranging from 4m to 12m in length. Equipped with advanced evaporators, condensers, and multi-flow technology, our systems deliver superior cooling performance, enhanced airflow, and improved energy efficiency.



05

ELECTRIC BUS AIRCONDITIONING AND BATTERY THERMAL MANAGEMENT KIT DEVELOPMENT



Subros offers a comprehensive portfolio of Bus Air Conditioning and Transport Refrigeration solutions, catering to ambulances and buses ranging from 4m to 12m in length. Equipped with advanced evaporators, condensers, and multi-flow technology, our systems deliver superior cooling performance, enhanced airflow, and improved energy efficiency.



06

OFF-HIGHWAY APPLICATION



Our Off-Highway HVAC solutions are engineered to ensure superior comfort, durability, and performance across a wide range of construction and agricultural equipment.



07

RESIDENTIAL AND COMMERCIAL COOLING SOLUTIONS



Subros offers a comprehensive range of residential, commercial, and automotive air conditioning solutions, including light commercial and ductable systems, complemented by advanced reciprocating compressor technology.



08

TRANSPORT REFRIGERATION SYSTEM



Leveraging its expertise in thermal management, Subros offers a complete portfolio of transport refrigeration solutions for chilling and freezing applications, ensuring dependable temperature control across storage volumes of up to 50 cu.m.



From everyday journeys to mission-critical operations, Subros delivers advanced thermal management solutions that ensure comfort, efficiency and reliability across every segment.

EXTERNAL RECOGNITION OF EXCELLENCE



Industry recognition reflecting our commitment to quality, innovation, manufacturing excellence and stakeholder trust.



Recognition received across leading industry platforms including ACMA, CII, PNGI, QCFI, FICCI and customer excellence forums.



QUALITY & KAIZEN

Recognised for driving quality circles, continuous improvement and best practices across plants



INNOVATION

Honoured for innovation, kaizen productivity improvement and cost optimisation initiatives.



MANUFACTURING EXCELLENCE

Awards for manufacturing excellence, operational performance and design & development capability.



SAFETY & SUSTAINABILITY

Recognition for safety excellence, sustainability diversity and people practices.

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 joiners / 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 - Automotive Skill Development Council)



NOIDA DOJO CENTRE



MANESAR DOJO CENTRE



CHENNAI DOJO CENTRE



PUNE DOJO CENTRE



KARSANPURA DOJO CENTRE



CREATING SHARED VALUE THROUGH PURPOSEFUL ACTION

Our Commitment. Our Communities. Our future.



At Subros Limited, Corporate Social Responsibility is an integral part of our commitment to creating long-term value for society. We believe that sustainable progress is achieved when economic growth is aligned with social development, environmental stewardship, and technological advancement. Our CSR initiatives are therefore designed to create meaningful, measurable, and lasting impact across the communities we serve.

At Subros, we continuously work towards integrating social, environmental, and technological considerations into our journey of operational excellence. By actively engaging with stakeholders and responding to evolving community needs, we aim to build a resilient and future-ready CSR ecosystem that contributes to shared prosperity and sustainable progress.

THE FOUNDATION OF OUR CSR FRAMEWORK resets on the following strategic pillars:



OUR FOCUS. OUR IMPACT.



OUR CSR IN ACTION

1 ENHANCING THE QUALITY OF EDUCATION

Education is a cornerstone of sustainable community development, and Subros remains committed to creating meaningful learning opportunities for young minds. As part of its community development initiatives, the company has adopted four campuses across three government schools in the Noida region through its flagship education program, “Prayas.”

Now successfully in its tenth year, *Prayas* reflects Subros' long-term commitment to strengthening the educational ecosystem in underserved communities. The program focuses not only on improving school infrastructure and learning environments but also on enhancing the overall quality of education and student outcomes.

Through targeted interventions, the initiative supports the creation of safe, engaging, and conducive learning spaces while introducing measures aimed at improving academic performance, student participation, and holistic development.



2 SOCIAL INITIATIVES: CARING BEYOND BUSINESS

Under its Community Development agenda, Subros partners with reputed non-governmental organizations to create meaningful social impact at the grassroots level. A distinctive aspect of this program is the active participation of Subros employees, who volunteer their time and efforts to engage with orphanages, elderly care homes, especially abled individuals, and other vulnerable sections of society. Through these interactions, employees gain a deeper understanding of societal challenges while contributing to initiatives that foster dignity, inclusion, and well-being.

In addition to direct community engagement, Subros supports partner NGOs through the distribution of essential resources such as dry ration kits, clothing, and other necessities. The company also contributes towards infrastructure development projects that help strengthen the capacity of social institutions and improve the quality of services.



3 PROMOTING SPORTS AS A CATALYST FOR POSITIVE CHANGE

India's youthful population represents immense potential and energy. At Subros, we recognize the power of sports as an effective platform to channel this energy into discipline, resilience, and excellence. Through our sports-focused initiatives, we strive to create opportunities for individuals to realize their potential and contribute positively to society.

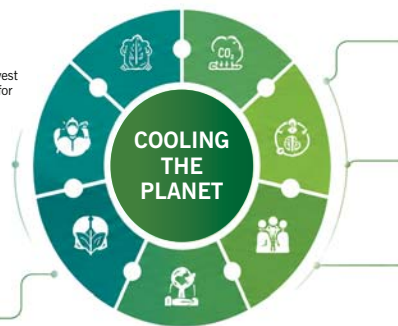
Subros proudly supports a range of sporting initiatives that promote inclusivity, perseverance, and talent development. Our efforts include encouraging **para-sports and Paralympic athletes**, supporting events that raise awareness for **organ transplant recipients and donors**, and nurturing **emerging sporting talent**, including young swimmers and other aspiring athletes.



4 DRIVING SUSTAINABILITY THROUGH RESPONSIBLE ACTION

At Subros, environmental stewardship is deeply embedded in our way of doing business. Guided by our commitment to sustainable growth, we continuously invest in initiatives that reduce our environmental footprint and create long-term value for future generations.

-  **Harnessing renewable energy** through solar power installations across major manufacturing facilities.
-  **Creating dense urban forests** using the **Miyawaki afforestation methodology** to restore biodiversity and strengthen natural ecosystems.
-  **Promoting cleaner energy solutions** through the use of PNG and dual-fuel conversion systems.
-  **Conducting Carbon Footprint Assessments** and implementing targeted emission reduction projects.



Advancing water sustainability through wastewater recycling and continuous efforts toward **Zero Liquid Discharge (ZLD)**.

Fostering community participation in environmental conservation by engaging employees and local Gram Panchayats in plantation drives and sapling distribution programs during the monsoon season.

Adopting next-generation refrigerants and lean manufacturing practices to improve resource efficiency and minimize environmental impact.

Living Our Purpose: “Cooling the Planet” - inspiring every decision we make for a greener, cleaner and more sustainable future.

5 EMPOWERING COMMUNITIES THROUGH SKILL DEVELOPMENT

Subros continues to create meaningful social impact by enabling women and especially abled individuals to build sustainable livelihoods and achieve greater financial independence. Through focused skill-development initiatives, the company provides opportunities for learning, self-reliance, and employment generation.

Key programs include:

- Digital Skills & Computer Literacy Training • Beautician & Personal Care Training • Tailoring and Garment-Making Courses

These initiatives have transformed the lives of more than 1700 beneficiaries, equipping them with practical skills and confidence to pursue economic opportunities. Many participants have successfully established their own micro-enterprises, while others have gained employment with local industries, warehouses, export houses, and other organizations in the region.



CELEBRATING

40 YEARS OF
EXCELLENCE

DRIVEN BY TRUST. POWERED BY EXCELLENCE



1985 ————— 2025

A JOURNEY OF TRUST. A FUTURE OF POSSIBILITIES



Management Discussion and Analysis

1. Industry Outlook

- 1.1 As the Company look at the broader environment in FY 2025-26, the global economy has remained stable, though the pace of growth has moderated to around 3%. Ongoing geopolitical developments and energy price volatility have kept inflation and cost structures somewhat unpredictable, while tighter monetary conditions in developed markets have tempered investment sentiment. Despite this, long-term shifts such as supply chain diversification, electrification, and digital adoption continue to shape the next phase of industrial growth.
- 1.2 The automotive and auto component sector reflects a similar balance of resilience and transition. Electrification is clearly accelerating, with EV adoption steadily rising. This transition is not just about propulsion, it is fundamentally changing vehicle design and increasing the importance of advanced thermal management. For the Company at Subros, this is a meaningful structural opportunity, as efficient thermal systems become central to vehicle performance, safety, and comfort.
- 1.3 At the same time, global supply chains are being rebalanced. OEMs are actively diversifying sourcing and increasing localisation to build resilience. India is well positioned in this shift, supported by its cost competitiveness, policy direction, and growing domestic demand. This creates a favourable backdrop for companies like Subros to deepen its role in the global value chain.
- 1.4 India continues to be one of the fastest growing economy, with expected growth in the range of 6 to 6.5%. Strong domestic consumption, sustained infrastructure investments, and a continued push on manufacturing are driving this momentum. While external factors such as crude price movements and global uncertainties remain, the overall outlook stays positive.
- 1.5 Consumer preferences are also evolving towards SUVs and feature rich vehicles, with a higher focus on comfort and premiumization. This trend is increasing the value contribution of thermal systems per vehicle, further strengthening the Company's relevance in the ecosystem.
- 1.6 Indian Industry recorded an overall growth of approximately 12% year-on-year, reflecting expansion across key segments including exports taking total production figure from 31 Mn units to 35 Mn units in FY 2025-26. Export Volumes grew by 24% signaling towards India transforming into global hub for automotive manufacturing. Passenger Vehicle segment grew by 9.4% (production) out of which exports sales grew by 17.5%. Growing Domestic sale is experiencing

shift in customer preference towards more sustainable and tech embedded vehicles.

- 1.7 The commercial vehicle segment (truck and bus) registered production volume growth of 13%, influenced by financing conditions and infrastructure led demand cycles. The Government has made mandatory AC effective from June, 2025 in N2 and N3 categories resulting in increase in demands in truck AC segment.
- 1.8 In summary, while the operating environment continues to present its share of challenges, the underlying direction of the industry aligns well with our core strengths. The Company's focus will remain on staying agile, strengthening partnerships, and investing in capabilities that position us well for this evolving landscape.

2. Financial and Operational Performance

- 2.1 The Company has delivered a strong financial performance in FY26, with revenue up 11.52% to 3755.52 Crores, driven by solid demand for thermal solutions, particularly in emerging markets.
- 2.2 Profitability improved steadily, net profit rose 10.22% to Rs.165.78 Crores supported by cost discipline and better efficiencies, despite commodity, currency, and wage-related pressures. Operating margins stood at Rs. 362.93 Crores, representing 9.66% of the Revenue from Operations, while profit before tax increased to Rs. 220.29 Crores after absorbing the new wage code impact for Rs. 8.08 Crores on account of gratuity and leave encashment, and also absorption of cost increase due to middle east conflicts.
- 2.3 Operations became sharper with continued focus on lean manufacturing and supply chain optimisation, helping 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 69%, supported by strong performance in truck AC products 111% and bus AC products 14%.
- 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, 2026, the Company is having long term borrowings of Rs. 29.67 Crores (out of sanctioned amount of Rs. 112.5 Crores) for its new project at Kharkhoda, under construction.

2.7 Key Financial Ratios

Particulars	FY 2026	FY 2025	Change (%)	Remarks
Debtors Turnover Ratio (Times)	7.31	9.17	-20.28%	-
Inventory Turnover Ratio (Times)	6.63	6.50	2.00%	-
Interest Coverage Ratio	36.62	29.88	22.56%	-
Debt Equity Ratio	0.06	0.04	50.00%	Term loan availed for Kharkhoda Plant
Current Ratio	1.61	1.45	11.03%	-
Operating Profit Margin (in %)	9.39%	10.19%	-7.85%	-
Net Profit Margin (in %)	4.41%	4.47%	-0.06%	-
Return on Net Worth (in %)	17.31%	18.94%	-8.61%	-
Net worth (Rs. in Crores)	1,244.00	1,093.93	13.72%	-

3. Research and Development

- 3.1 The Indian automotive sector continues to evolve rapidly under the influence of progressive regulatory reforms and policy initiatives aligned with global standards. Key developments such as tighter Corporate Average Fuel Efficiency (CAFÉ 3) norms, Real Driving Emissions (RDE) Phase II implementation, accelerated electrification, transition to low Global Warming Potential (GWP) refrigerants, Vehicle Scrappage Policy, Production Linked Incentive (PLI) schemes, Quality Control Orders (QCOs) and increasing focus on circular economy principles are reshaping the industry landscape.
- 3.2 In response to these developments, the industry is witnessing a strong transition towards sustainable and energy-efficient mobility solutions. The Company continues to align its technology roadmap with these emerging requirements. The R&D function remains focused on developing next-generation thermal management solutions that enhance system efficiency, reduce environmental impact and cater to the evolving needs of electric, hybrid and alternative fuel vehicles.
- 3.3 The Company has further strengthened its in-house R&D capabilities, enabling accelerated localization and indigenous product development. During the year, significant progress has been made in the development and validation of thermal management systems for truck AC mandate, electric car, bus, commercial vehicles, off-highway applications and Rail AC. The continued advancements have also been achieved in hydrogen fuel cell thermal systems and railway air-conditioning solutions, reinforcing the Company's diversification into emerging mobility segments.
- 3.4 Innovation remains a key pillar of the Company's growth strategy. The Company has continued to expand its intellectual property portfolio through new design registrations across key technology domain (Controller's for thermal systems). Its engineering teams have consistently demonstrated strong technical capabilities, earning recognition from customers

for innovation, responsiveness and collaborative development. The Company also continues to actively contribute to industry forums such as SAEINDIA, ACMA Automechanika, ACMA Bharat Mobility Show, CII Innovation & Intellectual Property Mission, and International Automotive Design Conclave strengthening its presence in the technical ecosystem.

- 3.5 The Company has also continued to strengthen its presence in the railway segment by enhancing product reliability, testing capabilities and manufacturing readiness aligned with Indian Railways' modernization initiatives.
- 3.6 The Company remains committed to strengthening its engineering excellence through continuous skill development, adoption of advanced design tools and digital engineering practices. Increased focus on simulation-driven design, validation and system optimization has enabled faster development cycles and improved product performance, ensuring alignment with both domestic and global requirements.
- 3.7 With the regulatory landscape becoming increasingly stringent across emissions, safety and sustainability, the Company continues to invest in future-ready capabilities. Focus areas include localization of critical technology-based products & components, development of eco-friendly materials, enhancement of recyclability and collaboration with start-ups and academic institutions for advanced research. These initiatives are aimed at building a resilient innovation ecosystem and delivering technologically advanced, cost-effective and sustainable mobility solutions.

4. Information Technology

- 4.1 At Subros, IT continues to quietly power both its day-to-day operations and long-term strategy. As the automotive industry becomes more complex and fast moving, technology is no longer just support, it is a key driver of efficiency, agility, and growth. The Company is steadily strengthening its digital backbone to stay aligned with evolving customer needs and market expectations.
- 4.2 The Company's core systems continue to run on SAP, integrating everything from manufacturing to finance and supply chain. During the year, the Company took a significant step forward by launching its transformation journey "Project AAROHAN" towards RISE with SAP S/4HANA. This move is aimed at simplifying processes and building a more agile, cloud-based digital core. The transition is underway and is expected to be completed in FY27.
- 4.3 On the shop floor and across functions, the Company is deepening its focus on digitisation. From better real-time production tracking to the use of AI in areas like planning and quality checks, these initiatives are helping reduce manual effort, improve accuracy, and

enhance overall productivity.

- 4.4 The Company is also seeing stronger integration across its ecosystem. Better connectivity with suppliers, dealers, and internal teams is improving visibility across the value chain helping the Company plan better, manage inventory more efficiently, and respond faster to changing requirements.
- 4.5 In product development, digital tools and upgraded PLM systems are enabling closer collaboration between teams. This is helping the Company to shorten development cycles and improve consistency and quality across the product lifecycle.
- 4.6 With increased digital reliance, cyber security remains a clear priority. The Company have strengthened its systems with better controls, network security, and awareness initiatives to safeguard critical data and systems against evolving risks.
- 4.7 At the same time, the Company continue to reinforce its disaster recovery and business continuity frameworks. More critical applications are now covered, and regular testing ensures the Company is prepared for any disruptions.
- 4.8 Looking ahead, the Company's focus remains on successfully delivering the SAP transformation, expanding digital initiatives, and building stronger in-house capabilities. The intent is simple, to stay agile, resilient, and competitive as the industry continues to evolve.

5. Internal Controls and their Adequacy

- 5.1 The Company's approach to internal controls is guided by its core values, which lay the foundation of how it work. These values include: Respect, Passion & Commitment, Trust and Teamwork. These values not only shape its culture but also strengthen the way the Company manage internal controls.
- 5.2 Internal controls are an essential part of how the Company run its business responsibly. 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.
- 5.3 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 its frameworks as needed, so it is always aligned with the latest legal and industry standards.
- 5.4 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 its systems are functioning. Their insights help it strengthen its processes and make continuous improvements to stay ahead of potential risks. Their observations are also being presented and reviewed by the audit committee.

- 5.5 Business risks are regularly reviewed across different parts of the organization due to volatile and dynamic business environment, global factors, and implement proactive measures to minimize /control and their impact. This helps it keep potential issues within manageable limits while supporting its long-term business goals.

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 in categories such as: strategic, operational, financial, and regulatory.
- 6.2 In FY 2025-26, the following risks and mitigation actions were identified to ensure business continuity and growth:
 - a. **Geo-Political Risk:** Trade / Tariff war was key challenge leading to supply concern and impact on commodity rates. The Company has implemented De-Risking strategy for China/ Single source suppliers. Actions are also taken for recovery of cost increases from customers.
 - b. **Information & Cyber Security Risk:** Cyber Security Risk is most critical for business continuity and may have significant impact on IT processes. 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.
 - c. **Retention and Development of Talent Risk:** The market has become very competitive and retention of highly skilled talent in dynamic market is big challenge. The Company has implemented individual skill development programs, ensured continuous leadership intervention and also implementing automation of the processes to reduce dependence on people with increased productivity.
 - d. **Regulatory and Compliance Risk:** The Company has implemented a Risk Governance system which is helping in timely capture and execution of Regulatory and compliance aspects.

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

7. Human Resource and People Practices

- 7.1 Building a future ready organization starts with having the right people and the right mindset. At Subros, the Company see its people as the real differentiator, and a lot of it's effort goes into creating an environment where they can do their best work. From hiring to role alignment and career progression, the focus is on bringing in strong talent, giving them meaningful opportunities, and ensuring they are placed where they can truly add value.
- 7.2 Learning continues to be a big area of focus for the Company. The nature of work is changing, and so are the skills required. Over the year, the Company has strengthened it's learning ecosystem through a mix of on-the-job exposure, structured programs, and leadership interventions. Whether it's building technical depth, strengthening functional capabilities, or preparing future leaders, the idea is to keep it's teams ready for what's next not just what's needed today.
- 7.3 The Company has also been working on making its performance culture more transparent and outcome-driven. There is clear alignment on goals, regular check-ins, and a stronger focus on accountability. At the same time, the Company is consciously creating more avenues for employees to share feedback through surveys, open forums, and direct interactions. Some of the most practical ideas come from within, and the Company wish to ensure those voices are heard.
- 7.4 Health, safety, and overall well-being remain non-negotiable. Beyond compliance, the effort is to build a culture where people genuinely look out for each other. Regular safety interventions, along with wellness initiatives, are helping create a workplace where employees feel secure both physically and mentally.
- 7.5 The Company is also taking steady steps towards building a more inclusive workplace. Diversity is not just about representation; it's about ensuring people feel respected, heard, and able to contribute fully. Through focused hiring, sensitisation programs, and evolving policies, the Company is working toward creating that environment.
- 7.6 Looking ahead, leadership development is a key priority. As the organisation grows and evolves, so does the need for leaders who can think ahead, adapt quickly, and inspire teams. The Company is investing in building this next line of leadership people who can take ownership, drive change, and shape the future of the organisation.

8. Marketing & Business Development

- 8.1 Marketing at Subros goes beyond communication, it is about staying close to customers and understanding what truly matters to them. It plays a central role in shaping how the Company position itself in the market, build relationships, and create long-term value. The focus is not just on visibility, but on relevance ensuring that what the Company offer aligns closely with evolving customer expectations across segments.
- 8.2 The Company continue to invest in product innovation and technology to stay ahead in a competitive environment. The Company's thermal solutions are designed to meet changing mobility needs, while ongoing improvements in quality, efficiency, and supply chain reliability remain key priorities. Decisions are increasingly guided by market insights, customer feedback, and performance data, supported by a balanced use of both traditional and digital engagement channels.
- 8.3 The shift toward electrification is opening up new opportunities. As the industry moves from conventional engines to EVs and hybrid platforms, we are actively aligning with this transition. Our work on localising e-compressors, in close collaboration with OEMs, is a step in this direction helping reduce dependency on imports while improving cost competitiveness and flexibility.
- 8.4 At the same time, the Company is seeing encouraging traction in newer segments such as railways, where we have established ourselves as a reliable partner. Regulatory developments, such as mandatory AC cabins in goods carriers, are also creating new growth avenues, and we have been able to respond quickly to these requirements strengthening customer confidence and expanding our presence.
- 8.5 Clean energy mobility continues to gain momentum, and we are working closely with OEMs to support this shift. Today, products aligned with alternate fuels, including CNG, hybrid, and electric contribute a meaningful share of our revenue, and we expect this to grow steadily going forward.

9. Social Responsibility & Community Initiatives

- 9.1 The Company believe that long-term business success goes hand in hand with contributing to society. The Company's CSR efforts are focused on creating meaningful impact in communities around it's operations, with emphasis on education, inclusivity, skill development, and empowerment.
- 9.2 A key area of focus has been women empowerment through skill development centres in nearby villages. These initiatives are helping individuals build

capabilities, access livelihood opportunities, and become more self-reliant. Similarly, the Company's work in schools, through infrastructure support and improving learning conditions is aimed at creating a stronger foundation for future generations.

- 9.3 The Company also partner with NGOs to address deeper social needs, including supporting vulnerable and underprivileged sections of society. Alongside this, sustainability remains integral to how it operate, with continued focus on energy efficiency, responsible resource use, and environmentally conscious practices.
- 9.4 The Company is also investing in youth development through sports, with a focus on nurturing talent and encouraging wider participation. Special emphasis is being placed on supporting athletes from under-represented and specially-abled communities, including those participating in para sports and events for visually impaired athletes. Through these initiatives, the Company aims to create opportunities for young talent to develop their skills, build confidence, and pursue excellence at national and international platforms.

10. Roadmap for the Future

- 10.1 Over the years, the Company has built a strong foundation, and it's now positioning itself for the next phase of growth. A key focus area is strengthening it's presence in emerging technologies, particularly in electrification. The recent business award for electric compressors from customer, reflects the Company's direction and commitment to localisation and innovation, for which the dedicated facility is planned to set up at Karsanpura, Gujarat.
- 10.2 The Company is also seeing increasing momentum in exports, with direct engagement with global OEMs. This reinforces our capability to meet international standards and strengthens position in the global value chain. At the same time, the Company's presence across segments from passenger vehicles to railways continues to expand, reaffirming it's position as a diversified thermal solutions provider.
- 10.3 Capacity expansion, supported by automation, digital integration, and sustainability initiatives, remains a key priority. Planned investments in both electric and ICE compressor capacities are aimed at meeting future demand while improving efficiency and reducing environmental impact.

11.0 Mid-to Long-Term Direction

- 11.1 As the Company look ahead, it's focus remains aligned with it's long-term ambition of being a leading global player in automotive thermal solutions. The Company's roadmap is anchored in innovation, agility, and a strong customer focus.
- 11.2 The Company is continuing to invest in next-generation technologies, digital transformation, and sustainable practices. At the same time, the Company is working to diversify markets, strengthen customer relationships, and build resilience across the business.
- 11.3 People remain at the core of this journey. Building capabilities, encouraging innovation, and maintaining high levels of engagement will be critical as the Company move forward. Overall, the direction is clear, grow responsibly, stay technology-driven, and remain closely aligned with evolving industry needs while creating long-term value.

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

Source :2. ACMA data

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 41st Annual Report together with the audited financial statements for the financial year ended March 31, 2026.

FINANCIAL RESULTS

Particulars	Standalone		Consolidated	
	Financial Year 2025-26	Financial Year 2024-25	Financial Year 2025-26	Financial Year 2024-25
	(Rs. in Crores)			
Revenue from operations	3755.52	3367.57	3755.52	3367.57
Other income	38.65	20.78	38.47	20.71
Profit before depreciation, interest, tax and Exceptional Items	362.93	343.10	362.75	343.03
Less: Finance cost	9.63	11.48	9.63	11.48
Less: Depreciation	124.93	128.17	124.93	128.17
Less: Exceptional items (provision for gratuity and leave encashment)	8.08	-	8.08	-
Add: Share of profits/loss of joint venture (equity method)	-	-	0.05	0.20
Net profit before Taxation	220.29	203.45	220.16	203.58
Less: Tax	54.51	53.06	54.51	53.06
Profit after Taxation	165.78	150.39	165.65	150.52
Profit brought forward	742.46	605.87	742.67	605.95
Profit available for appropriation	891.02	742.46	891.12	742.67

COMPANY'S PERFORMANCE

The net revenue from operations for the financial year ended March 31, 2026 stands at Rs. 3755.52 Crores as against Rs. 3,367.57 Crores in the previous financial year, reflecting a growth of 11.52%. Profit before Tax (PBT) is Rs. 220.29 Crores compared to Rs. 203.45 Crores in the previous year.

The Indian automotive industry continues to evolve with strong underlying fundamentals. Demand recovery particularly in rural markets, signals improving economic activity and consumer confidence. At the same time, the passenger vehicle segment is witnessing a clear shift towards premiumization, with increasing adoption of feature rich, technology enabled vehicles, driving higher value per unit.

The commercial vehicle segment is adapting to tighter emission regulations and efficiency norms, reinforcing the need for continuous innovation and cost competitiveness across the value chain.

The transition towards electric mobility is progressing steadily. While adoption is gaining traction across segments more pronounced in two-wheelers charging infrastructure and total cost economics remain key enablers for accelerated growth. In parallel, the industry is witnessing a strong push towards localization of critical components, including battery technologies and power electronics, aimed at building a robust domestic ecosystem and reducing import dependence.

Technology is becoming the cornerstone of competitive differentiation. Increasing integration of connected systems, advanced driver-assistance systems (ADAS), and energy-efficient solutions is reshaping product development priorities across the industry.

In this environment, the Company remains firmly focused on technology leadership and customer-centric innovation. Our thermal management solutions are aligned with the evolving requirements of internal combustion, hybrid, and electric platforms. The Company continue to strengthen its capabilities in product development, manufacturing excellence, and supply chain resilience.

Going forward, the Company's strategic priorities remain clear drive innovation, deepen localization, enhance operational efficiency, and deliver consistent value to customers and stakeholders. These will continue to be the key pillars of its competitiveness and long-term growth.

INDIA AS A FUTURE AUTOMOTIVE HUB

India is steadily emerging as a global hub for automotive manufacturing and research & development, supported by its scale, cost competitiveness, and evolving technology capabilities. The country is already the largest producer of two-wheelers, the second-largest producer of buses, and the third-largest producer of medium and heavy commercial vehicles globally.

Looking ahead, India is expected to significantly enhance its manufacturing capacity, with an estimated addition of nearly 4 million passenger vehicles by 2032. Industry

projections indicate that passenger vehicle volumes could grow from approximately 4.5 million units to 7 million units by 2030, while the commercial vehicle segment is expected to reach around 1.5 million units. This growth trajectory will further reinforce India's position as the third-largest passenger vehicle market in the world.

A defining feature of this growth is the sustained dominance of the SUV segment, which continues to shape production strategies and competitive dynamics across OEMs. The strong preference for SUVs and premium vehicles has contributed to robust retail momentum, with the industry witnessing significant year-on-year growth, underscoring its resilience and long-term potential.

EXTERNAL ENVIRONMENT AND ECONOMIC OUTLOOK

The Indian passenger vehicle market remains highly consolidated, with a few leading OEMs accounting for a dominant share of industry volumes. Companies such as Maruti Suzuki, Hyundai Motor India, Tata Motors, Toyota Kirloskar Motor, and Mahindra & Mahindra collectively command a substantial portion of the market, driving scale efficiencies and structured supplier ecosystems. Among these, Maruti Suzuki continues to hold a leadership position with a significant market share.

At the same time, many Indian automotive home grown companies are strengthening their global footprint across regions including Africa, Middle East, and Asia. The market has also proven challenging for several global entrants such as Ford Motor Company and Stellantis, highlighting the importance of localization, scale, and cost competitiveness.

Key growth drivers continue to include the rise of premium lifestyle mobility, increasing SUV penetration, and higher adoption of feature-rich vehicles. In parallel, the expansion of alternative powertrain ecosystems, particularly electric mobility, is reshaping the industry landscape. The development of electric drivetrain components, battery ecosystems, and fast-charging infrastructure is gaining pace, supported by policy initiatives and industry investments. While heavy-duty mobility continues to rely on advanced diesel technologies, electric adoption in light commercial vehicles and urban mobility segments is witnessing steady growth.

Consumer behaviour is also evolving, with increasing emphasis on safety, connectivity, and overall driving experience. The adoption of shared mobility solutions and digital platforms is influencing vehicle utilization patterns, particularly in urban markets.

Overall, the Indian automotive sector is undergoing a structural transformation, driven by premiumization, electrification, regulatory evolution, and infrastructure expansion. Rising disposable incomes, supportive government policies, and the ambition to position India as a global EV manufacturing hub are further accelerating this transition. The growing localization of high-value components such as electronics and battery cells is strengthening the domestic supply

chain and reducing external dependencies.

EXPANSION AND FUTURE PROSPECTS

In line with evolving market requirements, the Company continues to proactively assess and enhance its product-wise capacity across manufacturing locations. The greenfield project at Kharkhoda (Haryana) represents a significant milestone and is expected to commence commercial production in Q2 of financial year 2026-27.

The Company is also expanding its presence in future mobility solutions through capacity addition at Karsanpura, Gujarat, 400,000 units per annum for electric compressors catering to EV applications, with an investment of around Rs. 175 Crores (approx). Additionally, capacity expansion of approximately 500,000 units per annum for ICE compressors is being undertaken with an investment of around Rs. 90 Crores (approx).

A strong focus is being placed on localization and backward integration, including the development of domestic vendor ecosystems, to reduce import dependence, optimize costs, and enhance supply chain resilience. These initiatives are aligned with broader industry efforts towards indigenization and self-reliance.

The Company continues to invest in strengthening its design and engineering capabilities to address evolving customer requirements across both domestic and global markets. Active development programs are underway with leading OEMs across diverse vehicle segments, positioning the Company as a technology-driven partner.

Looking ahead, the long-term outlook remains robust, with passenger vehicle production in India expected to approach 7 million units by 2030. In addition to domestic growth, the Company is increasingly focusing on expanding its export footprint, leveraging its technological capabilities and cost competitiveness to serve global markets.

The Company remains committed to driving innovation, enhancing operational excellence, and building a future-ready product portfolio aligned with emerging mobility trends, thereby ensuring sustainable growth and long-term value creation.

DIVIDEND

Your Company has earned a net profit (after tax) of Rs. 165.78 Crores as against Rs. 150.39 Crores in the previous year. The Board has recommended a dividend of Rs. 3/- per share 150% on the face value of equity shares of Rs. 2 each) for the financial year ended March 31, 2026, as against Rs. 2.60 per share (130% 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.19.57 Crores.

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

[com/investors/policies](https://www.subros.com/investors/policies).

TRANSFER TO RESERVES

Your Company proposes to transfer Rs. 1.50 Crores to the General Reserve out of the Profits available for appropriation.

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

There are no material changes and commitments affecting the financial position of the Company between the end of financial year and date of this Report.

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. Yusuke Hara, Nominee Director has resigned due to change in nomination by M/s DENSO Corporation, Japan with effect from 30th January, 2026.
- ii) Dr. Yasuhiro Iida, Alternate Director to Mr. Yusuke Hara has been vacated due to the resignation of Mr. Yusuke Hara, the Original Director with effect from 30th January, 2026.
- iii) Mr. Naohisa Kuriyama, appointed as Nominee Director of M/s DENSO Corporation, Japan with effect from 30th January, 2026.
- iv) Mr. Tsunenobu Hori, appointed as Alternate Director to Mr. Naohisa Kuriyama, the Original Director with effect from 30th January, 2026.
- v) Dr. Jyotsna Suri is completing the age of 75 years on 20th July, 2027, therefore, a special resolution is proposed at the ensuing annual general meeting.

In accordance with the provisions of Section 152 other applicable provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Tomoaki Yoshimori (DIN:08981304) Director of the Company retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

The brief resume of Dr. Jyotsna Suri and Mr. Tomoaki Yoshimori are provided in the Notice of the 41st AGM of the Company. The requisite resolution(s) of the respective items along with the explanatory statements are 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 2025-26, 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, 2026, 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) such accounting policies have been selected 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) 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) annual accounts have been prepared on a going concern basis;
- e) internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) proper systems have been devised 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.19.76 Crores during the Financial Year 2025-26 as against Rs. 17.95 Crores in the previous year. The Joint Venture achieved a profit of Rs. 0.20 Crores during the year as against Rs. 0.75 Crores reduced by 73.33%. Your Company is holding 26% shares in this Joint Venture.

During the year, your Company has made investments of Rs. 99.76 Lakhs and subscribed 9,97,600 equity shares of Rs. 10 each in the share capital of Ampin C&I Power Five Private Limited, a special purpose vehicle (SPV) incorporated with the object of generation of solar power upto capacity of 2.8 MW for Manesar Plant. Your Company is holding 26% shares in this SPV.

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

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** forming 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.

In terms of the Circular dated 7th January, 2026 issued by the National Financial Reporting Authority the Company has formed a TCWG (Those Charged with Governance) for effective communication with Statutory Auditors.

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 financial year 2026-27 in accordance with Section 148(1) of the Companies Act 2013. The ratification of remuneration payable to Cost Auditors for the Financial Year 2026-27 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 Companies Act, 2013, the shareholders have approved the appointment of M/s RSM & Co., Company Secretaries as Secretarial Auditors of the Company for the first term of five years from 1.4.2025 to 31.3.2030.

The Secretarial Audit Report for the financial year ended March 31, 2026 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 2025-26 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.

MATERNITY BENEFITS

The Company has complied with the requirements of Maternity Benefit Act, 1961.

CORPORATE SOCIAL RESPONSIBILITY

The Company has a Corporate Social Responsibility (CSR) Policy to undertake CSR initiatives as specified in

Schedule VII of the Companies Act, 2013 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. The CSR Policy is placed on the website of the Company <https://www.subros.com/zip/CSR%20Policy.pdf>.

RISK MANAGEMENT

The Company has a Risk Management Policy in terms of SEBI Regulations and the ERM Policy is placed on the website of the Company. The Company also has risk management framework in place aligned to ISO 31000: 2018 Risk Standard and duly certified by the external accredited agencies. ERM framework comprises risk identification, analysis, evaluation and treatment of the risks. Every year ERM activities is reviewed with all the functional teams in the organization.

The Company carries the bench marking exercise every year by referring to the external agency reports, OEM / industry peers based on the benchmarking the Company finalize top 10 risks of the organization cascading down to functional levels. The risk management process and structure ensure the identification and mitigation of strategic, operational, financial and regulatory risk. The identified risks and its mitigation action is being reviewed periodically by the management. The Risk Management Committee comprising of the Board Members also reviews 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.

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 has not received any such complaint.

RELATED PARTY TRANSACTIONS

The Board of Directors has formulated a Related Party Transaction Policy for determining material related party transactions and is available on the website of the Company.

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) and has listing fees for the financial year 2026-27 has 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. 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 has assigned the Long Term Ratings as [ICRA] AA "Stable" and reaffirmed 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forming the part of the 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 2025-26 forming part of the 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.

OTHER DISCLOSURE

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).

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, Daimler India Commercial Vehicles; and many more, for the trust and confidence reposed by them in the Management.

The Board acknowledge cooperation and support of the supplier, 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, dedication, support and commitment towards the achievement of the performance and overall growth of the Company.

The Board also 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 18, 2026

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: • New rain water harvesting installation completed • Replacement of low efficiency airconditioning chillers with latest high efficiency chillers to reduce power consumption • Replacement of induction motors with high efficiency motors (IE2 to IE4) • Recycling of water in Company's Plants with installation of UF/RO system
(ii)	The steps taken by the Company for utilizing alternate sources of energy	Use of solar power in following plants: - Solar power Open access for 2.0 MW, Power flow by July, 2026. - Roof top Solar power plant for 950 KWp, Power flow by June, 2026. - Roof top installation for Noida, for 138 KWp, Power flow by June, 2026.
(iii)	The Capital Investment on energy conservation equipment	• Investment is done for projects where ROI < 1 Years. • Old furnace replacement to reduce PNG consumption with high efficiency furnace.
B) TECHNOLOGY ABSORPTION		
(i)	The efforts made towards technology absorption	• Significant efforts made for Technology adoption for E-Compressor localization, AC Controllers development. • Capability development done for in house fan design. • Technology absorption for Radiator range extension and ECM motor development with supplier partner. • 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 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 has Technical Assistance Agreement(s) with DENSO Corporation, Japan for transfer of technology for 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	
(c)	Whether the technology has been fully absorbed	
		1986 onwards 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.

(d)	If not fully absorbed, areas where absorption has not taken place, and the reason thereof	Not applicable																		
(iv)	The expenditure incurred on Research and Development	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 up gradation, Software Lab Establishment, Startups Engagements. (Rs. in Lakhs) <table> <tr> <th></th><th>2025-26</th><th>2024-25</th></tr> <tr> <td>Capital</td><td>55.19</td><td>55.85</td></tr> <tr> <td>Recurring</td><td>3,543.10</td><td>3178.79</td></tr> <tr> <td>Total expenditure</td><td>3598.29</td><td>3234.64</td></tr> <tr> <td>Total R&D expenditure as a percentage of net turnover</td><td>0.96%</td><td>0.96%</td></tr> </table>		2025-26	2024-25	Capital	55.19	55.85	Recurring	3,543.10	3178.79	Total expenditure	3598.29	3234.64	Total R&D expenditure as a percentage of net turnover	0.96%	0.96%			
	2025-26	2024-25																		
Capital	55.19	55.85																		
Recurring	3,543.10	3178.79																		
Total expenditure	3598.29	3234.64																		
Total R&D expenditure as a percentage of net turnover	0.96%	0.96%																		
C) FOREIGN EXCHANGE EARNINGS AND OUTGO																				
		(Rs. in Lakhs)																		
		<table> <tr> <th></th><th>2025-26</th><th>2024-25</th></tr> <tr> <td>Total foreign exchange earned</td><td>89.33</td><td>27.69</td></tr> <tr> <td>Total foreign exchange outgo</td><td></td><td></td></tr> <tr> <td> i) CIF value of imports (Recurring)</td><td>87,229.01</td><td>53,712.17</td></tr> <tr> <td> ii) CIF value of imports (Capital Expenditure)</td><td>395.62</td><td>806.16</td></tr> <tr> <td> iii) Expenditure in foreign currency</td><td>6995.21</td><td>6,353.40</td></tr> </table>		2025-26	2024-25	Total foreign exchange earned	89.33	27.69	Total foreign exchange outgo			i) CIF value of imports (Recurring)	87,229.01	53,712.17	ii) CIF value of imports (Capital Expenditure)	395.62	806.16	iii) Expenditure in foreign currency	6995.21	6,353.40
	2025-26	2024-25																		
Total foreign exchange earned	89.33	27.69																		
Total foreign exchange outgo																				
i) CIF value of imports (Recurring)	87,229.01	53,712.17																		
ii) CIF value of imports (Capital Expenditure)	395.62	806.16																		
iii) Expenditure in foreign currency	6995.21	6,353.40																		

ANNEXURE-2 TO THE DIRECTORS' REPORT

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

[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, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board - Processes and Compliance - Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2026 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. 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.
We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
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: F004468H000396079
Peer Review No. 7415/2025

Date: May 18, 2026
Place: Delhi

Annexure-1

To,
The Members
SUBROS LIMITED

Based on the audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 TO CSAS 4 prescribe by the Institute of Company Secretaries of India. These standards required that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and regulations and maintenance of records.

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 check 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: F004468H000396079
Peer Review No. 7415/2025

Date: May 18, 2026
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 13841 Lakhs**

b) Two percent of average net profit of the company as per sub-section (5) of section 135: **Rs. 276.81 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. 276.81 Lakhs**

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 263.81 Lakhs**

b) Amount spent in Administrative Overheads: **Rs. 13.19 Lakhs**

c) Amount spent on Impact Assessment, if applicable: **NIL**

d) Total Amount spent for Financial Year [(a)+(b)+(c)]: **Rs. 277 Lakhs**

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

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent				
	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
277	NIL				

f) Excess amount for set off, if any:

Sl. No.	Particulars	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	276.81
(ii)	Total amount spent for the Financial Year	277.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.19
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. (a) 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, 2026

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	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.	Financial Year 2025-26	321.70	29.01.2025	Nil
2.	Maruti Suzuki India Limited*	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.	Financial Year 2025-26	3048.25	29.01.2025	Nil

*Due to Amalgamation of MSIL & SMG, the related party transactions of both parties have been consolidated.

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	96.19
Mr. Parmod Kumar Duggal, Executive Director & CEO	70.62

- 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	18.82%
Mr. Hemant K. Agarwal, CFO & SVP (Finance)	13.69%
Mr. Kamal Samtani, Company Secretary	8.41%

Notes:

- 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's approval.
 - 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: **2.57%**
- iv) The number of permanent employees on the rolls of Company **4394** as on **31-03-2026**.
- 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	31.03.2026
% increase in median salary of employees	2.57%
% increase in average salary of managerial personnel	13.36%

- vi) Affirmed that the remuneration is as per the remuneration policy of the Company.

Report on Corporate Governance for the year ended March 31, 2026

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, 2026. 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 committees position during the financial year 2025-26 are given below:

Name of the Director(s)	Category	No. of Board Meetings attended	Whether attended last AGM	No. of Directorships in other Companies#	Committees positions held in other Public Companies @	
					Member	Chairperson
Ms. Shradha Suri	Non Independent, Executive, Promoter	5 of 5	Yes	3	1	-
Dr. Jyotsna Suri	Non Independent, Non-executive,	5 of 5	Yes	5	1	-
Mr. Hisashi Takeuchi	Non Independent, Non-executive, Nominee Director+	4 of 5	No	2	1	-
Mr. Naohisa Kuriyama*** (Attended by Alternate Director of Mr. Naohisa Kuriyama) ##	Non-Independent, Non-executive, Nominee Director++	1 of 1	-	-	-	-
Mr. Yusuke Hara*** (Attended by Alternate Director of Mr. Yusuke Hara)****	Non-Independent, Non-executive, Nominee Director++	0 of 4	-	-	-	-
Mr. Tomoaki Yoshimori	Non Independent, Non-executive, Nominee Director ++	5 of 5	Yes	-	-	-
Mr. Parmod K. Duggal	Non Independent, Executive	5 of 5	Yes	-	-	-
Mr. Arvind Kapur	Independent, Non-executive	5 of 5	Yes	2	1	0
Justice Arjan Kumar Sikri (Retd)	Independent, Non-executive	5 of 5	Yes	1	1	-
Ambassador Deepa Gopalan Wadhwa IFS (Retd)	Independent, Non-executive	5 of 5	Yes	7	6	1
Mr. Ashok Lavasa, IAS (Retd)	Independent, Non-executive	5 of 5	Yes	1	2	0
Mrs. Vanaja N. Sarna, IRS (Retd)	Independent, Non-executive	5 of 5	Yes	4	5	2
Ms. Smita Piyush Mankad	Independent, Non-executive	5 of 5	Yes	7	8	3

Notes:

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

Other than Foreign & Private Companies.

@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.

+Represents Suzuki Motor Corporation, Japan.

+ +Represents DENSO Corporation, Japan.

*** Mr. Naohisa Kuriyama was appointed as Nominee Director of M/s DENSO Corporation, Japan in place of Mr. Yusuke Hara w.e.f. January 30, 2026.

**** Mr. Yasuhiro Iida has vacated his office as Alternate director consequent upon resignation of Mr. Yusuke Hara w.e.f. January 30, 2026.

Dr. Tsunenobu Hori was appointed as Alternate Director to Mr. Naohisa Kuriyama.

Name of the listed entities where the person is a director as on March 31, 2026 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	-	-
Mr. Tsunenobu Hori	-	-
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
Ambassador Deepa Gopalan Wadhwa, IFS(Retd)	NDR Auto Components Limited	Non-Executive, Independent Director
	Bengal & Assam Company 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
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
	SML Mahindra Limited	Non- Executive, Independent Director

Number of Board Meetings

During the year under review, five Board meetings were held on May 22, 2025, August 7, 2025, November 10, 2025, January 30, 2026, and March 30, 2026. 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 shares 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:

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. Naohisa Kuriyama	✓	✓	✓	✓
Mr. Tsunenobu Hori*	✓	✓	✓	✓
Mr. Tomoaki Yoshimori	✓	✓	✓	✓
Mr. Parmod Kumar Duggal	✓	✓	✓	✓
Mr. Arvind Kapur	✓	✓	✓	✓
Justice Arjan Kumar Sikri (Retd)	✓	✓	✓	✓
Ambassador Deepa Gopalan Wadhwa, IFS (Retd)	✓	✓	✓	✓
Mr. Ashok Lavasa, IAS (Retd)	✓	✓	✓	✓
Mrs. Vanaja N. Sarna, IRS (Retd)	✓	✓	✓	✓
Ms. Smita Piyush Mankad	✓	✓	✓	✓

*Alternate to Mr. Naohisa Kuriyama

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 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;
- Reviewing the functioning of Whistle Blower Policy/Vigil Mechanism;
- Reviewing and approval or any subsequent material modification of transactions with Related Parties;
- Reviewing the compliance with Standards on Auditing (SAs), other rules and regulations by two-way communication between auditors and Those Charged With Governance (TCWG).

The Committee reviews the management discussion and analysis of the financial condition and results of operations and any other matter which may be a part of its terms of reference or referred to by the Board of Directors. The committee also reviews internal audit findings its mitigation plan, management activities, borrowings and investments outstanding, legal matters on indirect/direct taxes and others.

The composition of the Audit Committee as on March 31, 2026 along with the details of the meeting held and attended by the members of the Committee during the financial year 2025-26 are detailed below:

Name of Director(s)	Position	Category	Date of Audit Committee Meeting(s)			
			1	2	3	4
			22.05.2025	07.08.2025	10.11.2025	30.01.2026
Mr. Arvind Kapur	Chairman	Independent, Non-Executive	√	√	√	√
Ms. Smita Piyush Mankad	Member	Independent, Non-Executive	√	√	√	√
Mr. Ashok Lavasa, IAS (Retd)	Member	Independent, Non- Executive	√	√	√	√
Mr. Parmod K. Duggal	Member	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 the Secretary to the Committee.

NOMINATION AND REMUNERATION COMMITTEE

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 Executive Directors/ Non-Executive Independent 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, 2026 along with the details of the meeting held and attended by the members of the committee during the financial year 2025-26 are detailed below:

Name of Director(s)	Position	Category	Date of Nomination & Remuneration Committee Meeting
			28.01.2026
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 one time during the financial year 2025-26.

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

The terms of reference are in line with the requirement of Listing Regulations. The Stakeholders Relationship Committee has the powers as provided under Section 178 (5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations which include amongst others:

- To specifically look into complaints received from the shareholders of the Company;
- To ensures speedy disposal of all grievances/complaints relating to shareholders/investors.
- 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 as on March 31, 2026 along with the details of the meeting held and attended by the members of the committee during the financial year 2025-26 are detailed below:

Name of Director(s)	Position	Category	Date of Stakeholders Relationship Committee Meeting(s)			
			1	2	3	4
			22.04.2025	30.07.2025	28.10.2025	28.01.2026
Mr. Ashok Lavasa	Chairman	Independent, Non-Executive	√	√	√	√
Ms. Smita Piyush Mankad	Member	Independent, Non-Executive	√	√	√	√
Ms. Shradha Suri	Member	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 are in line with the requirement of Listing Regulations. The Risk Management Committee has the powers as provided under Regulation 21 of the Listing Regulations which include amongst others:

- 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, 2026 along with the details of the meetings held and attended by the members of the Committee during the financial year 2025-26 are as follows:

Name of Director(s)	Position	Category	Date of Risk Management Committee Meeting(s)	
			1	2
			10.10.2025	20.03.2026
Ambassador Deepa Gopalan Wadhwa, IFS (Retd.)	Chairperson	Independent, Non-Executive	√	√
Mrs. Vanaja N. Sarna, IRS (Retd.)	Member	Independent, Non-Executive	√	√
Mr. Parmod K. Duggal	Member	Executive	-	√

The Risk Management Committee met two times during the financial year 2025-26.

Senior Management: The particulars and changes in Senior Management Personnel are as follows:

S. No	Senior Management Personnel (SMP)	Designations
1	Hemant Kumar Agarwal	CFO & SVP (Finance)
2	Amit Kumar Parashar	EVP & COO (Operations)
3	Srinivasulu 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, 2026 along with the details of the meeting held and attended by the members of the Committee during the financial year 2025-26 are as follows:

Name of Director(s)	Position	Category	Date of Corporate Social Responsibility Committee Meeting(s)	
			1	2
			10.10.2025	20.03.2026
Mr. Arvind Kapur	Chairman	Independent, Non-Executive	√	√
Mrs. Vanaja N. Sarna, IRS (Retd)	Member	Independent, Non-Executive	√	√
Ms. Shradha Suri	Member	Executive	√	√

The CSR Committee met two times during the financial year 2025-26. 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 2025-26 is as follows:

S.No.	Nature of complaint	No. of Shareholder's complaint received during 2025-26	Number of complaint during 2025-26 resolved	Number of pending complaints
1	Non-receipt of Dividend	13	13	0
2	Non-receipt of Split Share Certificate	0	0	0
3	Transmission	0	0	0
4	Duplicate	0	0	0
5	Dematerialization	1	1	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 and commission to Independent Directors. The details of amount paid during the year 2025-26 is as given below:

Name of Director(s)	Sitting Fees for Board Meetings	Sitting Fees for other Meetings	Commission	Total
	Amount in (Rs.)			
Dr. Jyotsna Suri	3,75,000	-	-	3,75,000
Ms. Deepa Gopalan Wadhwa	3,75,000	2,10,000	7,16,300	13,01,300
Mr. Ashok Lavasa	3,75,000	4,55,000	7,16,300	15,46,300
Ms. Vanaja N. Sarna	3,75,000	1,75,000	7,16,300	12,66,300
Ms. Smita Mankad	3,75,000	5,30,000	7,16,300	16,21,300
Mr. Arvind Kapur	3,75,000	4,15,000	7,16,300	15,06,300
Mr. Arjan Kumar Sikri	3,75,000	1,50,000	7,16,300	12,41,300
TOTAL	26,25,000	19,35,000	42,97,800	88,57,800

There is no pecuniary relationship or transactions with the non-executive directors except for payment of rent to Dr. Jyotsna Suri and dividend to Mr. Arvind Kapur.

The remuneration paid/payable to the Chairperson & Managing Director and Executive Director & CEO during the year 2025-26 is as given below:

S.No.	Name of the Director	Salary & Allowances	Contributions(*)	Commission	Other Benefits(**)	Total
Amount in (Rs. Lakhs)						
1	Ms. Shradha Suri,	219.42	10.97	566.06	0.46	796.91
2	Mr. Parmod K. Duggal,	187.11	3.76	-	1.47	192.34
	Total	406.53	14.73	566.06	1.93	989.25

(*) 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	40 th AGM (in respect of the year 2024-25)	September 17, 2025	Held through Video Conferencing/Other Audio Visual Means	11:30 a.m.
2	39 th AGM (in respect of the year 2023-24)	September 18, 2024		11.30 a.m.
3	38 th AGM (in respect of the year 2022-23)	September 5, 2023		11.30 a.m.

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

S.No.	AGM	Subject
1	40 th AGM (in respect of the year 2024-25)	-
2	39 th AGM (in respect of the year 2023-24)	-
3	38 th AGM (in respect of the year 2022-23)	-

c) 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.

d) Whether any special resolution passed last year through postal ballot: None.

e) Details of special resolution proposed to be transacted through postal ballot: There is no immediate proposal for passing any resolution through postal ballot as on the date of this report.

f) 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

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 <https://www.subros.com/investors/financial-results>. Press releases and official media releases are sent to stock exchange(s) 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 informed to the stock exchange(s) and put on the Company's website.

GENERAL SHAREHOLDER INFORMATION

S. No.	Items	Particulars
(a)	Annual General Meeting for FY 2025-26 Day & Date Time Venue	Friday, the September 18, 2026 11:30 AM The Company is conducting meeting through VC/ OAVM pursuant to various MCA Circular and latest dated September 22, 2025 and other applicable circulars. For details kindly refer to the Notice of this AGM.
(b)	Financial year	April 1, 2025 to March 31, 2026
(c)	Dividend Payment Date	17 th October, 2026
(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 2025-26 and FY 2026-27
(e)	Trading of Securities	The securities of the Company are actively traded on BSE and NSE.
(f)	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
(g)	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, 2026 (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	52347	95.68	2816001	4.32
501-1000	1171	2.14	928063	1.42
1001-2000	668	1.22	1022366	1.57
2001-3000	163	0.30	415493	0.64
3001-4000	105	0.19	363936	0.56
4001-5000	65	0.12	309248	0.47
5001-10000	99	0.18	705781	1.08
Above 10000	90	0.17	58674862	89.94
Total	54708	100.00	65235750	100.00

(l) Shareholding Pattern as on March 31, 2026

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	544561	0	0	544561	0.83
Mutual Funds/UT	7023337	70	0	7023407	10.76
Bodies Corporate	2902206	123409	1852550	4878165	7.48
Non-Resident Indian	331267	68824	0	400091	0.61
Trust, Foundations and HUFs	231983	139497	0	371480	0.57
Indian Public	3927970	2713295	197382	6838647	10.48
IEPF Account	0	332249	0	332249	0.52
TOTAL	59808474	3377344	2049932	65235750	100.00

S.No.	Items	Particulars
(m)	Dematerialisation of shares & liquidity	As at March 31, 2026 Demat: 53877 Shareholders (98.42% of the Total Shareholders) Demat: 63185818 Shares 96.85% of the Total Shares
(n)	Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.	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, Nalagarh and Kharkhoda (Under construction)
(q)	Address for correspondence	Registered & Corporate Office: LGF, World Trade Centre, Barakhamba Lane, New Delhi 110001
(r)	Credit Rating	ICRA has assigned 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 the Directors' Report.
- b) The Company has duly complied with the requirements of the 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 <https://www.subros.com/zip/Whistle%20Blower%20Policy.pdf>. It is confirmed that no personnel have 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 subsidiary of the Company.
- f) The policy on related party is available on the website of the Company <https://www.subros.com/zip/Related%20Party%20Transaction%20Policy.pdf>
- 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) The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).
- i) A certificate of Company Secretary in practice confirming that none of the Directors 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.
 - a) Number of complaints of sexual harassment received in the year : NIL

- b) Number of complaints disposed off during the year: NA
- c) Number of cases pending for more than ninety days: NIL
- d) 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, half-yearly and annual financial results of the Company are published in newspapers and uploaded on Company's website <https://www.subros.com/investors/financial-results>.

Modified opinion(s) in Audit Report: During the year 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, 2026 the Company conducted one meeting of the Independent Directors without the presence of Non-Executive Director and members of the management. All the Independent Directors attended the said meetings.

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 requirement 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, 2026.

Parmod K. Duggal
Executive Director & CEO

Place: New Delhi
Date: 18th May, 2026

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,
New Delhi-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 nor 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 : F004468H000396024
Peer Review No 7415/2025

Date: 18th May, 2026

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, 2026, 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 : F004468H000396024
Peer Review No 7415/2025

Date: 18th May, 2026

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:	2025-26
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 K. 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 manufactures 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 (0.02%).

- c. A brief on types of customers:

The sales follow a Business-to-Business (B2B) model, primarily catering to original equipment manufacturers (OEMs) in air conditioning and thermal products such as passenger cars, commercial vehicles, home air conditioners, railways and aftermarket.

IV. Employees

20. Details 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)	1416	1337	94%	79	6%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total employees (D + E)	1416	1337	94%	79	6%
WORKERS						
4.	Permanent (F)	2978	2543	85%	435	15%
5.	Other thanPermanent (G)	2151	2045	95%	106	5%
6.	Total workers (F + G)	5129	4588	89%	541	11%

- 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)	9	7	78%	2	22%
2.	Other than Permanent (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	9	7	78%	2	22%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	19	17	89%	2	11%
5.	Other than permanent (G)	30	30	100%	0	0%
6.	Total differently abled workers (F + G)	49	47	96%	2	4%

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	25.00%

22. Turnover rate for permanent employees and workers:

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	20%	16%	39%	19%	11%	19%	18%	22%	20%
Permanent Workers	33%	36%	41%	43%	74%	46%	31%	55%	43%

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	Joint Venture	26%	No
2	AMPIN C&I POWER FIVE 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 Crores): Rs.3755.52

(iii) Net worth (in Crores): Rs.1243.99

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 2025-26			FY 2024-25		
		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	-	-	-	-	-	-	-

* <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 –

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

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	Higher output and growing demand from customers may drive up emissions, potentially impacting environmental targets and compliance requirements	Low carbon emission technologies adopting alternate fuel in manufacturing process Expanding renewable energy (Solar and Wind) across locations.	Negative– the risk is being mitigated with capital expenditure on technologies to reduce emissions and implementation of renewable energy.

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)
2.	Energy Management	O	Cost savings in energy consumption driven by adoption of renewable energy sources, energy-efficient equipment, and sustainability initiatives	NA	Positive – the initiatives are resulting in lower operating costs due to improved energy efficiency, and reduction in energy requirements from conventional sources.
3.	Employee Health & Safety	R	Non-compliance with legal requirements, occurrence of accidents/injuries in plants, deficiencies in food and water hygiene, and degradation in productivity levels	Ongoing safety training initiatives, comprehensive health check-ups supported by insurance, availability of an in-house dispensary and ambulance services, implementation of machine safety systems, fire extinguishing arrangements, and regular safety audits	Positive – the initiatives are minimizing production loss, elevated workforce morale, reduction in absenteeism and strengthened long-term operational continuity supported by risk transfer strategies.
4.	Waste Management	O	Contributes to environmental sustainability, promotes better public health outcomes, generates economic value, and lowers material expenses	Integration of regrind materials into operations, implementation of paperless approval workflows, and initiation of year-over-year waste minimization programs Additionally, we have established contractual agreements with authorized waste disposal agencies and actively engage with supply chain partners to ensure adherence to waste management guidelines	Positive – the initiatives contribute to pollution reduction, resource conservation, reduced landfill dependency, cost optimization, and improvement in air and water quality in the plant processes.
5.	Water Management	R	Reduction in groundwater levels may result in water scarcity, thereby increasing the risk of operational disruptions	Integration of the use of treated water through STP and ETP, initiated zero discharge efforts across plants and utilities, and continuously optimizing processes to reduce overall water usage. Water harvesting strategies have also been adopted to conserve groundwater -NBF cooling tower merged to saved evaporation water -RO reject water reuse in process after recycle in ETP as well in toilet flushing -Auto water tap installed at washroom in place of manual tap -ON line monitoring of water tank to avoid over flow	Positive – the initiatives promote better water stewardship while ensuring greater operational consistency and reliability.

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)
6.	Labour Management	R	Challenges related to labour availability, strikes, union activities, rising labor costs due to changing regulations, retention of skilled workforce, and increased employee turnover	Actively engaging with the workforce through government schemes and partnerships with technical institutes like ITIs and polytechnics, ensuring competitive salary and wage structures in line with industry norms, maintaining a robust legal compliance system, and promoting various welfare activities for employees	Negative – the labour management initiatives will reduce chances of non-compliance that may result in fines, penalties, or other legal consequences. Company ensures zero penalty within the processes.
7.	Supply Chain Management	R	Regulatory shifts impacting the supply chain, anti-dumping tariffs on imports, global geopolitical instability, logistical challenges, and pressures on competitiveness and costs.	Rigorous plans for the localization, deployment of business continuity and Risk Management Plans to manage supply-related disruptions.	Positive – the initiatives have been reducing dependence on imports with localization, strengthening of supply chain and improvement in operational stability with 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 ISO - 9001:2015 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 (listed entity has flexibility regarding the placement of this disclosure)	Sustainability is fundamental to the Company's values, guiding its product design philosophy. The Company's strategic roadmap involves a gradual shift towards renewable energy, aiming to fulfill 50% of its energy requirements through sustainable sources. The Company's commitment to this transition is reflected in its selection of inputs: Gases: R1234f and R32, chosen for their low environmental impact and compatibility with renewable energy technologies. The Company's operations are aligned with its renewable energy goals and contribute to a more environmental friendly future to achieve the Scope 1 and 2 of the SDG goals.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Parmod K. 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 K. 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	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	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	P5	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 • Business strategies and operations • Risk assessment and mitigation plans • IT & cyber security and its related actions • Regulatory updates The training and awareness programs have strengthened the governance framework, enabling informed, timely, and strategic decision-making aligned with sustainability and regulatory priorities, thereby enhancing stakeholders confidence and long-term value creation.	100%
Key Managerial Personnel	5	• 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	1355	• 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.	91%
Workers	938	• 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 • Labour Laws awareness 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 minimize accident risks, enhancing overall safety, and supporting the implementation of sustainable work habits.	61%

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: (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

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. Weblink: <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 2025-26	FY 2024-25
Directors	None	None
KMPs		
Employees		
Workers		

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

	FY 2025-26		FY 2024-25	
	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
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 2025-26	FY 2024-25
Number of days of accounts payables	82.42	84.08

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 2025-26	FY 2024-25
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	2.59%	2.97%
	b. Number of dealers / distributors to whom sales are made	64	83
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	53%	69%
Share of RPTs in sales	a. Purchases (Purchases with related parties /Total Purchases)	20.92%	19.90%
	b. Sales (Sales to related parties / Total Sales)	82.00%	85.31%
	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)	1.20%	1.48%

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 the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	ESG compliance and BRSR Awareness	This training was held with the major vendors (value chain partners)

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 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D (recurring)	100%	100%	Increase in the use of solar energy across all plants.
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 also been engaging with its supply chain partners to adhere to the waste management guidelines.

5. **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.

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 2025-26	FY 2024-25
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 2025-26			FY 2024-25		
	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	1337	1337	100%	1337	100%	0	0	NA	NA	0	0
Female	79	79	100%	79	100%	79	100%	NA	NA	79	100%
Total	1416	1416	100%	1416	100%	79	100%	NA	NA	79	100%
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	2543	2543	100%	2543	100%	0	0	NA	NA	0	0
Female	435	435	100%	435	100%	435	100%	NA	NA	435	100%
Total	2978	2978	100%	2978	100%	435	100%	NA	NA	435	100%
Other than Permanent workers											
Male	2045	2045	100%	2045	100%	0	0	NA	NA	0	0
Female	106	106	100%	106	100%	106	100%	NA	NA	106	100%
Total	2151	2151	100%	2151	100%	106	100%	NA	NA	106	100%

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

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the Company	0.09%	0.09%

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

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	N.A.	100%	100%	N.A.
ESI	100%	100%	Y	100%	100%	Y
Others	-	-	-	-	-	-

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 working to make all its locations accessible and easy to use for people with disabilities. This includes adding ramps and handrails, providing accessible washrooms, making wheelchairs available, and setting aside accessible seating and parking spaces, depending on what each location can support.

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 a framework to ensure equal opportunities for everyone, promoting gender equality, education, training, and innovation without any discrimination. It follows an equal opportunity policy at the workplace, which is available to all employees on the intranet. This policy ensures that no one is treated unfairly based on disability, race, gender, age, religion, sexual orientation, or beliefs. The Company continues to support equal opportunities for people with disabilities in all areas of employment, including hiring, training, promotions, and working conditions. The policy is also available at <https://www.subros.com/policy.html>.

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

	Permanent employees		Permanent workers	
Gender	Return to workrate	Retention rate	Return to workrate	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	The Company has implemented a comprehensive and fair online grievance redressal system, ensuring employee concerns are addressed transparently and promptly.
Other than Permanent Workers	
Permanent Employees	The grievance system is supported by specialized committees, each focusing on specific aspects of workplace welfare:
Other than Permanent Employees	
	• Internal Committee (IC): 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 workers in association(s) or Unions recognized by the listed entity:

Category	FY 2025-26			FY 2024-25		
	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	1337	0	0%	1200	0	0%
Female	79	0	0%	69	0	0%

Total Permanent Workers						
Male	2543	186	7%	2368	192	8%
Female	435	0	0%	271	0	0%

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	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	1337	622	47%	1182	88%	1200	576	48%	1080	90%
Female	79	34	43%	73	92%	69	43	62%	64	91%
Total	1416	656	46%	1255	89%	1269	619	49%	1144	90%
Workers										
Male	2543	1041	41%	1536	60%	2368	563	24%	1698	72%
Female	435	239	55%	351	81%	271	166	61%	271	100%
Total	2978	1280	43%	1887	63%	2639	729	28%	1969	75%

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	1337	1261	94%	1200	1145	95%
Female	79	74	92%	69	47	68%
Total	1416	1335	94%	1269	1192	94%
Workers						
Male	2543	2543	100%	2368	2368	100%
Female	435	435	100%	271	271	100%
Total	2978	2978	100%	2639	2613	100%

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 integrated all its plants and employees into a comprehensive system certified to ISO 45001. It also follows several other standards to ensure that all processes meet required guidelines. This approach to occupational health and safety helps prevent workplace injuries and illnesses, strengthens compliance with legal and regulatory requirements, and promotes employee involvement through training and awareness programs.

- 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 carries out regular internal and external audits to ensure thorough evaluation of its processes. It has implemented Hazard Identification and Risk Assessment (HIRA) across all areas to proactively identify and reduce potential risks. The Company also focuses on identifying key risks in each department and uses near-miss reporting to strengthen safety practices. All safety measures are implemented in line with applicable factory and labor laws, reflecting the Company's commitment to regulatory compliance and employee well-being.

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

The Company has set up clear procedures that allow workers to report work-related hazards and step away from unsafe situations. This is supported by an active reporting system and participation in Kaizen activities aimed at improving workplace conditions.

d. Do the employees/ workers 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, and have access to non-occupational healthcare services, including dispensaries at all locations. They can also benefit from regular health check-ups, health awareness sessions, yoga programs, and tie-ups with hospitals and pathology centers for their medical needs.

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

Safety Incident/Number	Category*	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	0.1161
Total recordable work-related injuries	Employees	NIL	Nil
	Workers	NIL	1
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.

The Company ensures the strict use of personal protective equipment (PPE) such as helmets, gloves, and safety shoes. All employees undergo a mandatory six-day safety induction program before starting work. Safety Month is celebrated regularly, with awareness programs conducted through classroom training, nukkad natak, and other methods. The Company also carries out periodic mock drills for various situations, including fire, earthquakes, chemical spills, and electrocution. In addition, it follows ISO 45001 standards for workplace safety and conducts regular internal safety audits.

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

	FY 2025-26			FY 2024-25		
	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 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 follows Behaviour-Based Safety practices, with a strong focus on reporting incidents and near misses. It regularly organizes safety-themed months and activities, and emphasizes safety in Long Term Settlements (LTS) and employee appointment letters. The Company also follows a zero-tolerance policy for any violations of safety practices.

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, employees and workers are provided with insurance benefits in case of accidents, and support is also extended to their families in the event of an employee's 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 that all required documentary evidence is collected for the deduction and deposit of statutory dues, supported by declarations from management. It also has a process to withhold payments to value chain partners in cases of default, as applicable.

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 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
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 have formal transition assistance programs. However, unionized employees are provided with a lump sum payment upon retirement to support them in adjusting to 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 its growth and success. By engaging with these groups, the Company align its 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 the Company to identify opportunities, address challenges, and enhance overall performance. By recognizing the significance of these stakeholders, the Company ensure its 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)	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 and 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 and 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 and 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, and 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 and 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 with training on human rights issues and policy (ies) of the entity, in the following format: -

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	1416	709	50%	1269	752	59%
Other than permanent	0	0	0	0	0	0
Total Employees	1416	709	50%	1269	752	59%
Workers						
Permanent	2978	1202	40%	2639	1093	41%
Other than permanent	0	0	0	0	0	0
Total Workers	2978	1202	40%	2639	1093	41%

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

Category	FY 2025-26					FY 2024-25				
	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	1416	0.00	0%	1416	100%	1269	0	0%	1269	100%
Male	1337	0.00	0%	1337	100%	1200	0	0%	1200	100%
Female	79	0.00	0%	79	100%	69	0	0%	69	100%
Other Than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent	2978	1161	39%	1817	61%	0	0	0%	0	0
Male	2543	893	35%	1650	65%	2368	0	0%	2368	100%
Female	435	268	62%	167	38%	271	0	0%	271	100%
Other Then Permanent										
Male	2045	2045	0	-	-	2051	0	0%	2051	100%
Female	106	106	0	-	-	51	0	0%	51	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**	163.16	1*	230.39
Key Managerial Personnel	2**	139.43	0	0
Employees other than BoD and KMP	1334	64279	78	55091
Workers	2543	18474	435	17479

*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 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	5.80%	4.62%

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 designated focal points for addressing human rights through Local Plant HR and Plant Heads at each location of the Company's plants and in case of non-redressal the same can be addressed to Central HR at the corporate level for further attention.

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

The Company has a mechanism in place for whistle blower and protection system, where any person (internal or external) can reach out to the HR Head/Plant Head for their grievance. The mechanism ensures that their concerns are addressed promptly and effectively.

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

	FY 2025-26			FY 2024-25		
	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 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment 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 has implemented comprehensive policies to address both whistle blowing and the prevention of sexual harassment, aiming to safeguard complainants from adverse consequences. These policies ensure unbiased treatment at all employment levels, irrespective of disability, race, gender, age, religion, sexual orientation, or other beliefs.

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

Yes, the Company incorporates human rights into all agreements and contracts. These provisions cover aspects such as the use of safety measures, adherence to minimum wage standards, payment of statutory dues, and the employment of adult workers etc.

10. Assessments for the year:

	% of 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	

11. 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 differently abled visitors and is actively taking steps to establish infrastructure support for these persons across all offices and locations. Specifically, modifications such as staircase modifications and the installation of ramps have been implemented in the 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 2025-26 (in Giga Joules)	FY 2024-25 (in Giga Joules)
From renewable sources		
Total electricity consumption (A)	64,848	57,301
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	64,848	57,301
From non-renewable sources		
Total electricity consumption (D)	1,36,947	1,29,162
Total fuel consumption (E)	70,381	77,955
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	2,07,328	2,07,117
Total energy consumed (A+B+C+D+E+F)	2,72,176	2,64,418
Energy intensity per Crores rupees of turnover (GJ/CR) (Total energy consumed / Revenue from operations)	72.47	78
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity(PPP)* (GJ/Rs) (Total energy consumed / Revenue from operations adjusted for PPP)	0.0001474	0.0001622
Energy intensity (optional) – (Per employees)	41.59	44

*For the purpose of PPP adjustment, conversion rate of INR 20.662/ USD (for 2025) and INR 20.343/ USD (for 2026) and has been taken as per the latest information available on the Implied PPP Conversion Rate page of International Monetary Fund website.

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 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Ground water	1,64,742	1,89,608
(iii) Third party water	43,988	40,249
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	2,08,731	2,29,857
Total volume of water consumption (in kiloliters)	1,83,020	1,89,852
Water intensity per rupee of turnover Kiloliter / Crores (Total water consumption / Revenue from operations)	49	56
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* Kiloliter / Crores (Total water consumption / Revenue from operations adjusted for PPP)	0.0000991	0.0001165
Water intensity (optional) – (per employees)	27.96	31.59

*For the purpose of PPP adjustment, conversion rate of INR 20.662/ USD (for 2025) and INR 20.343/ USD (for 2026) and has been taken as per the latest information available on the Implied PPP Conversion Rate page of International Monetary Fund website.

*The water intensity for total number of units consumed by Company has been given as required by this report and this may not be correct representation of "water intensity by physical output" as multiple products manufactured by the Company are not comparable using a common unit of measurement.

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 2025-26	FY 2024-25
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	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – primary treatment	0	0
- With treatment – Secondary treatment	25,711	40,005

(v) Others		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
Total water discharged (in kiloliters)	25,711	40,005

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 system in place for zero liquid discharge and has been working to utilize the wastages within the process itself.

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

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Nox	KG	1253.43	1486.01
Sox	KG	191.04	165.37
Particulate matter (PM)	KG	336.26	291.14
Persistent organic pollutants (POP)	NA	-	-
Volatile organic compounds (VOC)	NA	-	-
Hazardous air pollutants (HAP)	NA	-	-
Others – (CO)	KG	360.42	504.52

Note: For FY 2024-25, 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 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	13,803.60	14,134.78
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	27,644.46	26,083.46
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO ₂ e/cr	11.04	11.94
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)	tCO ₂ e/cr	224.52	246.76
Total Scope 1 and Scope 2 emission intensity (optional) – (Per employees)	tCO ₂ e/per employees	6.33	6.69

*For the purpose of PPP adjustment, conversion rate of INR 20.662/ USD (for 2025) and INR 20.343 / USD (for 2026) and has been taken as per the latest information available on the Implied PPP Conversion Rate page of International Monetary Fund website.

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 Company 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 the Company's 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 its 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 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	127.23	90.59
E-waste (B)	5.77	1.97
Bio-medical waste (C)	0.01	0.01
Construction and demolition waste (D)	0	0
Battery waste (E)	3.82	0
Radioactive waste (F)	0	0
Other Hazardous waste. (G)	200.72	159.31
Other Non-hazardous waste generated (H). (Break-up by composition i.e. by materials relevant to the sector)	1878.29	1,935.31
Total (A+B + C + D + E + F + G + H)	2379.28	2,187.18
Waste intensity per Cr of turnover (MT/Crore) (Total waste generated / Revenue from operations)	0.63	0.65
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity(PPP)* (MT/Crore) (Total waste generated / Revenue from operations adjusted for PPP)	12.89	13.42
Waste intensity (optional) – (Per employees)	0.36	0.36
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	136.82	92.56
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	136.82	92.56
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	2079.01	2,086.66
Total	2079.02	2,086.67

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 20.662/ USD (for 2025) and INR 20.343/ USD (for 2026) and has been taken as per the latest information available on the Implied PPP Conversion Rate page of International Monetary Fund website.

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 chemicals in 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 the Company's 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			

12. 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					

13. 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 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	1,64,742	1,89,608
(iii) Third party water	43,988	40,249
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	2,08,731	2,29,857
Total volume of water consumption (in kilolitres)	1,83,020	1,89,852
Water intensity per rupee of turnover (Water consumed / turnover)	49	56
Water intensity (optional)– (Per employees)	28.65	31.59
Water discharge by destination and level of treatment (in kilolitres)		
(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
- 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 – please specify Level of treatment	25,711	40,005
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	25,711	40,005

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 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MT/Co ₂ e	14004.55	14342.97
Total Scope 3 emissions per rupee of turnover	tCO ₂ / Cr	3.73	4.26
Total Scope 3 emission intensity (optional) – (per employees)	tCO ₂ / per employees	2.14	2.39

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

Note: Assessment for Scope-3 is dynamic & new inputs related to Emission are under evaluation.

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 installation across location details mentioned below – Hybrid (Solar + Wind) power installation at Chennai location	Installed Solar capacity –13437 KWp Total Power generated – 180 Lac KWh / Year (2025-26) Carbon Emission reduction- 13095 tCo ₂ /Year (2025-26)
2	Waste Management Initiatives	- Recycle of Plastic & E-Waste - Material Reuse: Aluminum casting waste and recycled plastic granules in the Company's 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, E-Waste Battery Waste - 15-20% Non-Hazardous Waste reduction

3	Water conservation and Water reduction	- NBF cooling tower merged to save evaporation water - RO reject water reuse in process after recycle in ETP - Auto water tap installed at washroom in place of manual tap - ON line monitoring of water tank to avoid over flow STP water recycled by installation of UF+RO for cooling system - 50 KL rain water harvesting installed at Pune Plant - Ultrafiltration plant capex raised and under approval. - ETP treated water reuse for rain test and fire hydrant tanks. - R.O. reject water utilization for washroom activities	- 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) - Employee Transport vehicles from Diesel to CNG Fleet across location - Tree Plantation across location – 70000 saplings (10000 saplings / plants / year) and monitoring	- 30% conversion of logistics fleet (covering inbound & outbound) - 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)	- Cooling Tower Water supply pipe line layout to be modify to run 01 Water Pump Instead of 02 Nos. - Zero air loss Auto drain to be provided on air Receiver to reduce air wastage - RO plant old feed water pump 7.5 HP replaced with energy efficient 3 HP pump with same output to save power - 2x2 Ton AC in place of 8 TR AC for quality lab - IE4 grade motor for replacement old rewind motor - IMM conveyer stopped when no material - HVLS fan installed at shop floor reduced air washer consumption - Zero air loss due to moisture drain (03 nos) - VFD installed at 160 T IMM - 5 % reduction in Power consumption across all individual manufacturing process - APFC installed - Spare meter installed in molding m/c - Motion sensor on fan at brazing booth - Cycle time reduction from 130 sec to 80 sec @ HLT - 10 Projects Completed with Saving of 0.53 Lakhs unit upto Mar'26 - VFD Installed in Bending machine Motor - VFD Installed in 110T Press machine - VFD Installed in 63T Press machine - VFD Installed in Compressor - Machine Idle off	- 07~10% Energy savings plant wise

		- VFD Installed in 63T Press machine - VFD Installed in Compressor - Machine Idle off - Energy Motor IE2 to IE4 - VFD Implementation in Water chiller - Borewell Extraction less, Pump running cost saving - LED light installed in place of S.V. Light in Test Center. - LED light installed in place of CFL. Light in Product Gallery. - Air Comp. Replaced with efficient motor.	
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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

8. How many Green Credits have been generated or procured:

a. By the listed entity- None

b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners-

None

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 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	5.37%	1.54%
Directly from within India	78.30%	78.00%

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 2025-26	FY 2024-25
Rural	10.72%	9.40%
Semi-urban	5.89%	5.59%
Urban	82.03%	83.72%
Metropolitan	1.36%	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 in intellectual 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	2007	100%
2.	Project Prayas	5600	100%
	Total	7607	100%

*approximate values

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 2025-26		Remarks	FY 2024-25		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:

- Number of instances of data breaches - Nil
- Percentage of data breaches involving personally identifiable information of customers - Nil
- 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 is in the Business-to-Business segment and supplying the products to its Customers through a process, as per agreed specifications, and safe use of products being ensured to the retail buyers.

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, 2026, 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, 2026, 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, 2026, the Company has capitalised significant costs incurred on internal development of intangible assets amounting to Rs. 3,109.47 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 knowhow, 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, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
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, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above and paragraph 15(h)(vi) below.
- (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, 2026 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any long-term derivative contracts as at March 31, 2026.
- 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 Note 33(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 dividend paid by the Company during the year in respect of the prior year ended March

31, 2025 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 has proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting, and is in accordance with Section 123 of the Act, to the extent applicable.

- 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 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 No.: 506483

UDIN: 26506483ERKQCB7735

Place: New Delhi

Date: May 18, 2026

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, 2026

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, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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 a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

Sahil Arora
Partner

Membership No.: 506483
UDIN:26506483ERKQCB7735

Place: New Delhi
Date: May 18, 2026

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, 2026

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 are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (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 not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year. 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 account, however such differences between the amounts disclosed to the banks and those as per the unaudited books of accounts as given in the table below have been reconciled. (Also, refer Note 35 to the Standalone Financial Statements).

Name of the 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 unaudited books of account (Amount in Rs. Lakhs)	Difference (Amount in Rs. Lakhs)	Reasons 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 2025	42,450.03	42,462.73	(12.70)	Inter-plant goods in transit not considered in return submitted to banks.
ICICI Bank	2,000							
Kotak Mahindra Bank	1,000		Trade payables		52,365.44	54,599.16	(2,233.72)	Payables in respect of services received and reclassification of debit balances 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.
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 2025	45,748.32	45,675.77	72.55	Provision for inventory obsolescence not considered in return submitted to banks
ICICI Bank	2,000							
Kotak Mahindra Bank	1,000		Trade payables		53,511.42	56,795.08	(3,283.66)	Payables in respect of services received and reclassification of debit balances 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.
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 2025	45,924.72	45,923.22	1.50	Immaterial difference noted
ICICI Bank	2,000							
Kotak Mahindra Bank	1,000		Trade payables		55,776.23	54,648.50	1,127.73	Payables in respect of services received and reclassification of debit balances 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.
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 2026	45,130.52	45,120.23	10.29	Provision for inventory obsolescence not considered in return submitted to banks
ICICI Bank	2,000							
Kotak Mahindra Bank	1,000		Trade payables		56,616.97	61,782.12	(5,165.15)	Payables in respect of services received and reclassification of debit balances 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.
State Bank of India	7,500							

- iii. (a) The Company has made investments in 1 company, 3 mutual funds, 8 non-convertible debentures, 1 bond and 6 alternate investment fund. The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties except for unsecured loans (which are interest free) to 150 employees. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans are as per the table given below:

Particulars	Guarantees (Amount in Rs. Lakhs)	Security (Amount in Rs. Lakhs)	Loans (Amount in Rs. Lakhs)	Advances in nature of loans (Amount in Rs. Lakhs)
Aggregate amount granted during the year				
- Subsidiaries	-	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others (employees)	-	-	164.89	-
Balance outstanding as at balance sheet date in respect of the above cases				
- Subsidiaries	-	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others (employees)	-	-	95.20	-

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

- (b) In respect of the aforesaid investments and loans (which are interest free), the terms and conditions under which such investments were made and 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 Sections 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. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.
- 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 books of account maintained by the Company pursuant to the said requirement, 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, 2026 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, 2026 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	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	6.04	-	Assessment Year 2016-17	Income Tax Appellate Tribunal
The Income Tax Act, 1961	Income Tax	14.38	-	Assessment Year 2017-18	Income Tax Appellate Tribunal
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, Maharashtra
The Customs Act, 1962	Custom Duty	3,507.81	-	April 2021 to April 2024	Hon'ble Customs, Excise and Service Tax Appellate Tribunal, Allahabad
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	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
The Central Goods and Services Tax Act, 2017	Interest and Penalty on Goods and Services Tax	2,004.37	-	2020-21 to 2023-24	Additional Commissioner, CGST Gurugram Commissionerate
The Gujarat Goods and Services Tax Act, 2017	Goods and Services Tax	4.76	-	2021-22	Joint Additional Commissioner (Appeals), Ahmedabad

* 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.

- 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 thereon 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) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 33(xiv) to the Standalone Financial Statements.
- (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 by us, as statutory auditors, with the Central Government. Further, no such report has been filed by any other auditor appointed by the Company under the Act. 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 the director(s). 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 as defined in the regulations made by the Reserve Bank of India. Accordingly, the additional 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 Reserve Bank of India (Core Investment Companies) Directions, 2025 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 Section 135(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 No.: 506483

UDIN: 26506483ERKQCB7735

Place: New Delhi

Date: May 18, 2026

CIN: L74899DL1985PLC020134

STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

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

Particulars	Note no	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	56,816.83	55,553.20
Right-of-use assets	27	3,181.60	3,280.40
Capital work-in-progress	3	5,262.32	4,992.77
Intangible assets	4	12,964.19	13,051.53
Intangible assets under development	4	2,644.87	2,876.28
Financial assets			
i) Investment in joint venture	5(a)	176.80	176.80
ii) Other Investments	5(b)	3,945.43	2,894.30
iii) Loans	5(g)	24.32	19.03
iv) Other financial assets	5(h)	3,090.77	1,237.03
Non-current tax assets (net)	9	584.15	118.73
Other non-current assets	7	1,740.35	355.37
Total non-current assets		90,431.63	84,555.44
Current assets			
Inventories	8	45,120.23	37,385.08
Financial assets			
i) Other Investments	5(c)	10,207.76	8,546.07
ii) Trade receivables	5(d)	57,558.07	45,132.23
iii) Cash and cash equivalents	5(e)	1,177.07	3,636.04
iv) Bank balances other than cash and cash equivalents	5(f)	2,621.65	4,020.65
v) Loans	5(g)	70.88	76.67
vi) Other financial assets	5(h)	3,764.50	652.94
Other current assets	7	2,450.92	1,837.90
Total current assets		1,22,971.08	1,01,287.58
TOTAL ASSETS		2,13,402.71	1,85,843.02
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10 (a)	1,304.71	1,304.71
Other equity	10 (b)	1,23,095.17	1,08,088.12
Total equity		1,24,399.88	1,09,392.83
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	11 (a)	2,411.04	-
ii) Lease liabilities	27	0.37	10.07
Provisions	12	2,324.79	1,704.23
Deferred tax liabilities (net)	6	3,368.38	4,096.34
Other non-current liabilities	13 (a)	4,704.23	911.08
Total non-current liabilities		12,808.81	6,721.72
Current liabilities			
Financial liabilities			
i) Borrowings	11 (b)	569.50	-
ii) Lease liabilities	27	18.74	58.46
iii) Supplier's credit	11 (c)	4,475.44	4,025.21
iv) Trade payables			
(a) Total outstanding dues of micro and small enterprises	11 (d)	1,550.33	363.35
(b) Total outstanding dues of creditors other than micro and small enterprises	11 (d)	60,231.79	55,667.43
v) Other financial liabilities	11 (e)	4,684.95	3,950.38
Contract liabilities	13 (c)	1,582.20	330.29
Provisions	12	1,048.45	796.78
Current tax liabilities	13 (d)	-	619.57
Other current liabilities	13 (b)	2,032.62	3,917.00
Total current liabilities		76,194.02	69,728.47
TOTAL LIABILITIES		89,002.83	76,450.19
TOTAL EQUITY AND LIABILITIES		2,13,402.71	1,85,843.02

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

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

Sahil Arora
Partner
Membership No.: 506483

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

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

Place : New Delhi
Date : May 18, 2026

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

Kamal Samtani
Company Secretary
ICSI Membership No.: F5140

Place : New Delhi
Date : May 18, 2026

CIN: L74899DL1985PLC020134

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

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

	Particulars	Note no	For the year ended March 31, 2026	For the year ended March 31, 2025
I	Revenue from operations	14	3,75,551.66	3,36,757.47
II	Other income	15	3,864.84	2,077.88
III	Total income (I + II)		3,79,416.50	3,38,835.35
IV	Expenses			
	Cost of material consumed	16	2,75,216.85	2,42,864.68
	Changes in inventories of finished goods and work-in-progress	17	(1,598.92)	353.61
	Employee benefits expense	18	36,411.20	32,244.84
	Finance costs	19	963.06	1,148.29
	Depreciation and amortization expense	20	12,492.86	12,816.77
	Other expenses	21	33,094.76	29,060.95
	Total expenses (IV)		3,56,579.81	3,18,489.14
V	Profit before exceptional item and tax (III - IV)		22,836.69	20,346.21
VI	Exceptional item: Impact of Labour Codes	39	807.71	-
VII	Profit before tax (V-VI)		22,028.98	20,346.21
VIII	Tax expense: -Current tax -Deferred tax	6	6,221.38 (770.15)	6,275.94 (970.31)
	Total tax expense (VIII)		5,451.23	5,305.63
IX	Profit for the year (VII-VIII)		16,577.75	15,040.58
X	Other comprehensive income <i>Items that will not be reclassified to profit or loss</i>			
	Gain/(Loss) on remeasurements of post employment benefit obligations	28	167.62	(77.65)
	Income tax relating to the above item	6	(42.19)	19.54
	Other comprehensive income for the year, net of tax (X)		125.43	(58.11)
XI	Total comprehensive income for the year (IX + X)		16,703.18	14,982.47
	Earning per equity share (in Rs.) [Face value Rs. 2 each (March 31, 2025 : Rs. 2 each)]	30		
	Basic and Diluted		25.40	23.05

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 referred to in our report of even date

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

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

Sahil Arora
Partner
Membership No.: 506483**Shradha Suri**
Chairperson &
Managing Director
DIN : 00176902**Parmod Kumar Duggal**
Executive Director &
Chief Executive Officer
DIN : 02382912Place : New Delhi
Date : May 18, 2026**Hemant Kumar Agarwal**
Chief Financial Officer &
Senior Vice President (Finance)**Kamal Samtani**
Company Secretary
ICSI Membership No.: F5140Place : New Delhi
Date : May 18, 2026

CIN: L74899DL1985PLC020134

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026**A. Equity share capital**

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

Particulars	Note no	Amount
Balance as at April 1, 2024		1,304.71
Changes in equity share capital during 2024-25		-
Balance as at March 31, 2025	10 (a)	1,304.71
Changes in equity share capital during 2025-26		-
Balance as at March 31, 2026		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, 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	1,08,088.12
Balance as at April 1, 2025	10 (b)	20,817.44	13,025.48	74,245.20	1,08,088.12
Profit for the year		-	-	16,577.75	16,577.75
Other comprehensive Income					
Gain on remeasurements of post employment benefit obligations		-	-	167.62	167.62
Income tax relating to the above item		-	-	(42.19)	(42.19)
Total comprehensive income for the year		-	-	16,703.18	16,703.18
Transactions with owners in their capacity as owners					
Dividends paid		-	-	(1,696.13)	(1,696.13)
Transfer to/(from) retained earnings		-	150.00	(150.00)	-
Balance as at March 31, 2026		20,817.44	13,175.48	89,102.25	1,23,095.17

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

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

Sahil Arora
Partner
Membership No.: 506483

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

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

Place : New Delhi
Date : May 18, 2026

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

Kamal Samtani
Company Secretary
ICSI Membership No.: F5140

Place : New Delhi
Date : May 18, 2026

CIN: L74899DL1985PLC020134

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

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

Particulars	Note no	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from operating activities			
Profit before tax		22,028.98	20,346.21
Adjustments for:			
Depreciation and amortization expense	20	12,492.86	12,816.77
Net loss on disposal of property, plant and equipment	21	90.51	59.62
Interest income	15	(836.09)	(643.54)
Unwinding of discount on financial assets	15	(36.20)	(5.55)
Finance costs	19	963.06	1,148.29
Provision for inventory obsolescence made / (written back)	8	(13.54)	8.57
Unrealized foreign currency (gain)/ loss (net)		11.39	(148.82)
Loss allowance for trade receivables	21	55.00	50.00
Dividend income from investment in joint venture	15	(18.19)	(6.62)
Net gain on sale of investments in mutual funds	15	(372.02)	(367.59)
Gain on maturity of investment in debentures and bonds	15	(2.18)	(1.08)
Net fair value gains on financial assets measured at fair value through profit or loss	15	(81.40)	(47.64)
Government grants	15	(1,547.93)	(230.73)
Gain on termination of lease	15	-	(158.00)
Fair value changes on derivatives	15	(525.98)	(29.48)
Operating profit before changes in operating assets and liabilities		32,208.27	32,790.41
Adjustments for changes in operating assets and liabilities:			
(Increase)/ Decrease in loans		7.35	(12.86)
(Increase)/ Decrease in other financial assets		(162.38)	(26.64)
(Increase)/ Decrease in inventories		(7,721.61)	111.94
(Increase)/ Decrease in trade receivables		(12,480.84)	(16,863.76)
(Increase)/ Decrease in other assets		(613.02)	428.40
Increase/ (Decrease) in provisions		1,039.85	417.18
Increase/ (Decrease) in other liabilities		(2,140.70)	990.15
Increase/ (Decrease) in trade payables		5,739.95	5,742.10
Increase/ (Decrease) in contract liabilities		1,251.91	(479.37)
Increase/ (Decrease) in other financial liabilities		709.99	39.30
Cash generated from operations		17,838.77	23,136.85
Income tax paid (net)		(7,306.37)	(5,653.07)
Net cash inflow from operating activities (A)		10,532.40	17,483.78
Cash flow from investing activities			
Payments for property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development		(14,957.06)	(11,792.71)
Payments for investment in alternative investment funds, debentures and bonds		(4,443.79)	(4,592.04)
Proceeds from maturity of investment in debentures and bonds		1,562.79	1,000.00
Proceeds from sale / (Payments for purchase) of mutual funds (net)		723.53	(7,132.04)
Payments for purchase of other investments		(99.76)	-
Proceeds from sale of property, plant and equipment		227.34	150.87
Receipt of government grants		1,490.82	842.84
Proceeds from maturity of deposits with banks		2,800.00	6,300.00
Payment for investments in deposits with banks		(1,800.00)	(2,000.00)
Dividend received from joint venture		18.19	6.62
Interest received		792.34	761.05
Net cash (outflow) from investing activities (B)		(13,685.60)	(16,455.41)
Cash flow from financing activities			
Proceeds from long term borrowings		2,967.43	-
Proceeds from / (Payments of) of short term borrowings (net)		-	-
Proceeds from supplier's credit (net)		450.23	1,053.61
Principal element of lease payments		(49.42)	(40.80)
Interest paid		(977.88)	(1,146.60)
Dividend paid	10(b)(iii)	(1,696.13)	(1,174.24)
Net cash inflow/(outflow) from financing activities (C)		694.23	(1,308.03)
Net (decrease) in cash and cash equivalents (A+B+C)		(2,458.97)	(279.66)
Cash and cash equivalents at the beginning of the financial year		3,636.04	3,915.70
Cash and cash equivalents at the end of the financial year	5(e)	1,177.07	3,636.04

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents as per above comprise of the following:			
Cash on hand	5(e)	6.58	9.43
Balances with banks - In current accounts	5(e)	1,170.49	3,626.61
		1,177.07	3,636.04

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
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

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

Sahil Arora
Partner
Membership No.: 506483

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

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

Place : New Delhi
Date : May 18, 2026

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

Kamal Samtani
Company Secretary
ICSI Membership No.: F5140

Place : New Delhi
Date : May 18, 2026

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

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, as amended] 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 May 7, 2025 and August 13, 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 1, 2025:

(a) **Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1**

As a result of the adoption of the amendments to Ind AS 1, the Company changed its accounting policy for the classification of borrowings:

"Borrowings are classified as current liabilities unless, at the end of the reporting period, the Company has a right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the Company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Company is required to comply with after the reporting period do not affect the classification."

This new policy did not result in a change in the classification of the Company's borrowings. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

(b) **Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107**

As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company provided new disclosures for liabilities under supplier finance arrangements in note 11(c), note 22(b) and note 36.

(c) **International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12**

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in the jurisdiction in which the Company operates.

(d) **Lack of Exchangeability – Amendments to Ind AS 21**

The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not.

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.

(iv) New standards or amendments not yet adopted

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1 - This amendment also includes specific provisions that will take effect for reporting periods beginning on or after April 1, 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

The Company does not expect this amendment to have an impact on its operations or standalone financial statements.

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) & 22(b)
- g. Provision for inventory obsolescence – Refer note 8
- h. Impairment of property, plant and equipment and intangible assets – Refer note 3 & 4

CIN: L74899DL1985PLC020134

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**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(xiii) 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, 2024	4,142.86	22,629.21	72,186.50	545.21	599.03	1,155.64	1,01,258.45	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	1,05,557.76	4,992.77
Additions	-	-	-	75.93	128.57	513.76	718.26	9,908.61
Transfer from CWIP	2,453.03	334.73	6,843.41	-	-	7.89	9,639.06	(9,639.06)
Disposals / adjustments	-	(4.10)	(2,553.90)	(14.76)	(73.40)	(112.34)	(2,758.50)	-
Balance as at March 31, 2026	6,595.89	22,619.53	80,728.03	644.80	674.83	1,893.50	1,13,156.58	5,262.32
Accumulated depreciation								
Balance as at April 1, 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	-
Depreciation charge during the year	-	714.47	7,763.46	46.22	95.52	306.16	8,925.83	-
Disposals / adjustments	-	(0.64)	(2,418.27)	(11.60)	(55.13)	(105.00)	(2,590.64)	-
Balance as at March 31, 2026	-	5,458.14	49,629.74	368.76	91.03	792.08	56,339.75	-
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
Net carrying amount								
As at March 31, 2026	6,595.89	17,161.39	31,098.29	276.04	583.80	1,101.42	56,816.83	5,262.32

Notes-

- Depreciation pertaining to machineries used for manufacture of moulds has been capitalized during the year amounting to Rs 2.50 Lakhs (Previous year Rs 46.27 Lakhs).
- Capital work-in-progress mainly comprises of building and plant and machinery. Additionally, CWIP as at March 31, 2025 also comprised of freehold land pending approval for its intended use.
- Refer note 25 to these Standalone Financial Statements for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 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. 288.31 Lakhs (Previous year Rs. 495.12 Lakhs) during the year with a consequential impact on "Profit before tax" of an equal amount.
- Refer note 13(a) for government grant related to plant and machinery.
- The Company has leased out a part of building having gross and net carrying amount of Rs. 746.97 Lakhs and Rs. 258.02 Lakhs, respectively, as at March 31, 2026 (March 31, 2025: Rs. 690.58 Lakhs and Rs. 211.27 Lakhs, respectively). (Also refer note 27).
- Refer note 32 for carrying amount of property, plant and equipment pledged as security by the Company.
- Refer note 19 for borrowing costs capitalised by the Company during the year under Capital work-in-progress.

ix) Capital work-in-progress (CWIP)

(a) Ageing:

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

As at March 31, 2026

Particulars	Amount in CWIP for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5,201.18	30.03	31.11	-	5,262.32
Projects temporarily suspended	-	-	-	-	-

(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	-	-	-	-	-

(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, 2026

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	39.47	-	-	-	39.47
- Hose & Tubes	0.88				0.88
- Compressor	56.73	-	-	-	56.73
- Condensor	30.84	-	-	-	30.84
(ii) Plant Utility	257.94	-	-	-	257.94
Total	385.86	-	-	-	385.86

*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.

(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.

x) Significant estimate

A. Estimated useful life of property, plant and equipment

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.

B. Impairment of property, plant and equipment

The estimate for impairment of property, plant, and equipment involves using key assumptions such as discount rates, terminal growth rates, sales growth and margins based on market conditions and internal forecasts. These estimates are regularly reviewed against actual performance and regulatory changes to ensure asset values remain accurate and recoverable.

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(xviii) 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, 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
Additions	42.51	-	-	42.51	3,109.47
Transfer from intangible assets under development	2.25	1,301.56	2,037.07	3,340.88	(3,340.88)
Disposals / adjustments	-	-	-	-	-
Balance as at March 31, 2026	603.09	18,336.77	28,687.11	47,626.97	2,644.87
Accumulated amortization					
Balance as at April 1, 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	-
Amortization charge for the year	68.81	1,308.47	2,093.45	3,470.73	-
Disposals / adjustments	-	-	-	-	-
Balance as at March 31, 2026	488.52	13,649.03	20,525.23	34,662.78	-
Net carrying amount As at March 31, 2025	138.62	4,694.65	8,218.26	13,051.53	2,876.28
Net carrying amount As at March 31, 2026	114.57	4,687.74	8,161.88	12,964.19	2,644.87

Notes-

- Amortization pertaining to software used for manufacture of moulds has been capitalized during the year amounting to Rs Nil (Previous year Rs 1.22 Lakhs).
- Consists of capitalised product development costs being an internally generated intangible asset.
- Intangible assets under development comprises of technical know how and product development cost incurred by the Company.
- Intangible assets under development
 - Ageing:

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

As at March 31, 2026

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	2,243.87	266.67	81.18	53.15	2,644.87
Projects temporarily suspended	-	-	-	-	-
Total	2,243.87	266.67	81.18	53.15	2,644.87

(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

(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, 2026

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 *					
- Heating, ventilation, and air conditioning (HVAC) system	228.57	-	-	-	228.57
- Hose & Tubes	1.13	-	-	-	1.13
- Condensor	-	-	-	-	-
- Radiator	12.28	-	-	-	12.28
Total	241.98	-	-	-	241.98

*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.

(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 *					
- Heating, ventilation, and air conditioning (HVAC) system	831.49	-	-	-	831.49
- 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.

v) 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 –

- whether the costs incurred is towards development of product or in the nature of research,
- the costs, including payroll costs, were directly attributable to relevant projects, and
- 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.

C. Impairment of intangible assets

The estimate for impairment of intangible assets involves using key assumptions such as discount rates, terminal growth rates, sales growth and margins based on market conditions and internal forecasts. These estimates are regularly reviewed against actual performance and regulatory changes to ensure asset values remain accurate and recoverable.

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.

(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 alternative investment funds
- 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 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, 2026	As at March 31, 2025
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, 2025: 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, 2026	As at March 31, 2025
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, 2025: 1,719,061) Fully paid up equity shares of Rs. 17.45 each		
Ampin C&I Power Five Private Limited*		
997,600 (March 31, 2025: Nil) Fully paid up equity shares of Rs. 10 each	99.76	-
Investment in alternative investment funds (at fair value through profit or loss)		
Unquoted (fully paid- up)	1,150.00	-
Investment in debentures and bonds (at amortised cost)		
Quoted (fully paid- up)	1,939.62	2,384.32
Unquoted (fully paid- up)	456.07	210.00
Total non-current investments - other	3,945.43	2,894.30
Aggregate amount of quoted investments	1,939.62	2,384.32
Aggregate market value of quoted investments	1,907.15	2,369.63
Aggregate amount of unquoted investments	2,005.81	509.98
Aggregate amount of impairment in the value of unquoted investments	-	-

* The Company holds 26% equity shares in Ampin C&I Power Five Private Limited ("AMPIN"). However, the Company does not have significant influence, as it does not have any power to participate in the financial and operating policy decisions of AMPIN. Accordingly, the investment has been accounted for as a financial asset under Ind AS 109 – Financial Instruments.

5(c). Current investments - Other*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in mutual funds (at fair value through profit or loss)		
Unquoted		
Nil (March 31, 2025: 5,116,215.615) units of Nippon India Overnight Fund - Direct Growth Plan	-	7,016.27
81,638.152 (March 31, 2025: Nil) units of Nippon India Liquid Fund - Direct Growth Plan	5,505.77	-
22,814.159 (March 31, 2025: Nil) units of Nippon India Money Market Fund - Direct Growth Plan	1,003.83	-
544,879.68 (March 31, 2025: Nil) units of Nippon India Credit Risk Fund - Growth Plan	200.25	-
1,565,817.746 (March 31, 2025: 1,565,817.746) units of Invesco India Arbitrage Fund-Direct Growth Plan	567.31	531.00
Investment in debentures and bonds (at amortised cost)		
Quoted (fully paid- up)	2,930.60	998.80
Total current investments - other	10,207.76	8,546.07
Aggregate amount of quoted investments	2,930.60	998.80
Aggregate market value of quoted investments	2,952.50	997.89
Aggregate amount of unquoted investments	7,277.16	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. (Also refer note 22(b)).

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

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables from contract with customers - billed	48,684.94	41,014.44
Trade receivables from contract with customers - unbilled*	8,883.86	4,076.79
Trade receivables from contract with customers - related parties (Refer note 24)	161.21	188.99
Less: Loss allowance	(171.94)	(147.99)
Total trade receivables	57,558.07	45,132.23
Current portion	57,558.07	45,132.23
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, 2026	As at March 31, 2025
Trade receivables considered good - Secured	17.45	17.65
Trade receivables considered good - Unsecured	57,698.33	45,212.29
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	14.23	50.28
Total	57,730.01	45,280.22
Loss allowance	(171.94)	(147.99)
Total trade receivables	57,558.07	45,132.23

Ageing of Trade receivables as on March 31, 2026

(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	8,883.86	44,933.21	3,677.55	151.86	51.83	17.12	0.35	57,715.78
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
– considered good	-	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	14.23	14.23
Total	8,883.86	44,933.21	3,677.55	151.86	51.83	17.12	14.58	57,730.01

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

5(e). Cash and cash equivalents*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- In current accounts	1,170.49	3,626.61
Cash on hand	6.58	9.43
Total cash and cash equivalents	1,177.07	3,636.04

There are no 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, 2026	As at March 31, 2025
Earmarked balances with banks		
Unpaid dividend accounts	21.65	20.65
Others		
Deposits with original maturity of more than three months but less than 12 months	2,600.00	4,000.00
Total bank balances other than cash and cash equivalents	2,621.65	4,020.65

5(g). Loans*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Loans to employees	70.88	24.32	76.67	19.03
Total loans	70.88	24.32	76.67	19.03

Breakup of security details*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026	As at March 31, 2025
Loans considered good - Secured	-	-
Loans considered good - Unsecured	95.20	95.70
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	95.20	95.70
Loss allowance	-	-
Total loans	95.20	95.70

5(h). Other financial assets*(All amounts in Rs. Lakhs, unless otherwise stated)*

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Security deposits				
Related parties (refer note 24)	-	256.89	-	256.89
Others	129.51	780.01	17.03	728.22
Deposits with maturity of more than 12 months	-	400.00	-	-
Interest accrued on financial instruments	235.97	-	192.22	-
Derivative asset	328.51	-	-	-
Government grant receivable (refer note 13(a))	2,939.24	1,511.03	298.97	-
Insurance claim recoverable	-	-	1.89	-
Recoverable from sale of property plant and equipment	131.27	142.84	142.83	251.92
Total other financial assets	3,764.50	3,090.77	652.94	1,237.03

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, 2026	For the year ended March 31, 2025
Tax expense		
Current tax		
Current tax on profits for the year	6,383.79	6,149.85
Adjustments for current tax of prior year	(162.41)	126.09
Total current tax expense	6,221.38	6,275.94
Deferred tax		
Decrease / (increase) in deferred tax assets	(1,205.47)	(261.12)
(Decrease) / increase in deferred tax liabilities	435.32	(709.19)
Total deferred tax expense / (credit)	(770.15)	(970.31)
Total tax expense / (credit)	5,451.23	5,305.63

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, 2026	For the year ended March 31, 2025
Accounting profit before tax	22,028.98	20,346.21
Computed tax expense at applicable tax rate of 25.168% (previous year 25.168%)	5,544.26	5,120.73
Tax effect of :		
Tax effects of the amounts which are not deductible in calculating taxable income	74.86	50.02
Adjustment on account of lower tax rate	(5.48)	8.79
Adjustment for current tax of prior year	(162.41)	126.09
Tax expense recognized in Standalone Statement of Profit and Loss	5,451.23	5,305.63

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
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
2025-26				
Deferred tax liability in relation to:				
Property, plant and equipment and intangible assets	5,091.83	(436.45)	-	5,528.28
Others	1.13	1.13	-	-
Total deferred tax liability(A)	5,092.96	(435.32)	-	5,528.28
Deferred tax assets in relation to:				
Expenses deductible in future years	701.96	1,198.53	-	1,900.49
Right-of-use assets	38.94	19.38	-	58.32

Lease liabilities	17.25	(12.44)	-	4.81
Remeasurement of post employment benefit obligations	238.47	-	(42.19)	196.28
Total deferred tax assets (B)	996.62	1,205.47	(42.19)	2,159.90
Deferred tax liability(net) (C) = (A) - (B)	4,096.34	770.15	(42.19)	3,368.38

Note:

Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.

7. Other assets

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Capital advances	-	1,740.35	-	355.37
Advances other than capital advances:				
Advance to suppliers				
-Related party (refer note 24)	0.54	-	1.66	-
-Others	1,205.32	-	644.83	-
Prepaid expenses	671.28	-	571.52	-
Recoverable from statutory authorities	573.78	-	619.89	-
Total other assets	2,450.92	1,740.35	1,837.90	355.37

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, 2026	As at March 31, 2025
Raw material and spares *	34,064.47	28,598.33
Work-in progress	5,920.84	4,647.29
Finished goods	1,101.67	776.30
Stores	4,033.25	3,363.16
Total Inventories	45,120.23	37,385.08

* Net of provision for inventory obsolescence amounting to Rs. 426.22 Lakhs as at March 31, 2026 (March 31, 2025: Rs. 439.76 Lakhs). An amount of Rs. 13.54 Lakhs has been written back during the year ended March 31, 2026 (Rs. 8.57 Lakhs has been provided during the year ended March 31, 2025) 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, 2026	As at March 31, 2025
Raw material and spares	6,960.02	5,185.04
Finished goods	476.66	305.38

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, 2026	As at March 31, 2025
Advance tax (net of provisions - March 31, 2026: Rs. 25,914.97 Lakhs; March 31, 2025: Rs 13,543.74 Lakhs)	584.15	118.73
Total non-current tax assets	584.15	118.73

10. Equity

10(a). Equity share capital

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

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized share capital 125,000,000 (as at March 31, 2025 : 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, 2025 : 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, 2025 : 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, 2026		For the year ended March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	6,52,35,750	1,304.71	6,52,35,750	1,304.71
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	6,52,35,750	1,304.71	6,52,35,750	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, 2026		As at March 31, 2025	
	Number of shares held	% of holding	Number of shares held	% of holding
Deeksha Holding Limited	1,01,37,760	15.54%	1,01,37,760	15.54%
Jyotsna Holding Private Limited	34,48,000	5.29%	34,48,000	5.29%
Shradha Suri	55,87,040	8.56%	55,87,040	8.56%
Denso Corporation	1,30,47,150	20.00%	1,30,47,150	20.00%
Suzuki Motor Corporation	78,00,000	11.96%	78,00,000	11.96%

D. Details of shareholding of promoters:

Name of the promoter	As at March 31, 2026			As at March 31, 2025		
	Number of shares	% total shares	% Change during the year	Number of shares	% total shares	% Change during the year
Shradha Suri	55,87,040	8.56%	0.00%	55,87,040	8.56%	0.00%
Deeksha Holding Limited	1,01,37,760	15.54%	0.00%	1,01,37,760	15.54%	0.00%
Jyotsna Holding Private Limited	34,48,000	5.29%	0.00%	34,48,000	5.29%	0.00%
R.R. Holdings Private Limited	32,08,000	4.92%	0.00%	32,08,000	4.92%	0.00%
JS Family Trust	16,19,200	2.48%	0.00%	16,19,200	2.48%	0.00%

**10(b). Other equity
Reserves and surplus**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Securities premium	20,817.44	20,817.44
General reserve	13,175.48	13,025.48
Retained earnings	89,102.25	74,245.20
Total other equity	1,23,095.17	1,08,088.12

i) Securities premium

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	20,817.44	20,817.44
Issue of equity shares	-	-
Closing balance	20,817.44	20,817.44

Securities premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

ii) General reserve

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	13,025.48	12,875.48
Transfer from retained earnings	150.00	150.00
Closing balance	13,175.48	13,025.48

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, 2026	For the year ended March 31, 2025
Opening balance	74,245.20	60,586.97
Add: Profit for the year	16,577.75	15,040.58
Less: Remeasurement gain/(loss) on post employment benefit obligation, net of tax	125.43	(58.11)
Less: Appropriations		
Transfer to general reserve	(150.00)	(150.00)
Dividend on equity shares	(1,696.13)	(1,174.24)
Closing balance	89,102.25	74,245.20

During the year, a dividend of Rs. 2.60 per share, total dividend Rs. 1,696.13 Lakhs (previous year: Rs. 1.8 per share, total dividend Rs. 1,174.24 Lakhs) was paid to equity shareholders.

The Board of Directors recommended a final dividend of Rs. 3 per share (nominal value of Rs. 2 per share) for the financial year 2025-26 (March 31, 2025: Rs. 2.60 per share for the financial year 2024-25). 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. 1,957.07 Lakhs (March 31, 2025: Rs. 1,696.13 Lakhs).

11. Financial liabilities**11(a). Non-current borrowings**

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

Particulars	Security (Refer note below)	Maturity date	Terms of repayment	Coupon/Interest rate	As at March 31, 2026	As at March 31, 2025
Secured						
Term loans	Plant and machinery -	June, 2030	Sixteen quarterly equal instalments commencing from September, 2026	7.25% - 8.00% (1M REPO + 200 bps) (March 31, 2025 : Not Applicable)	2,980.54	-
Indian Rupee loans from banks*	First pari passu charge on movable fixed assets to the extent of 1.25 times of sanctioned amount (Refer note 32 for carrying amount of assets pledged as security)	(March 31, 2025: Not applicable)	(March 31, 2025: Not applicable)			
Total borrowings					2,980.54	-
Less: Current maturities of long term debt [included in note 11(b)]					556.39	-
Less: Interest accrued [included in note 11(b)]					13.11	-
Non-current borrowings					2,411.04	-

* The Company is required to comply with financial covenants on the said loan. Refer note 22(c) for the disclosure.

11(b). Current borrowings

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

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
From banks		
Current maturities of long term debt*	569.50	-
Total current borrowings	569.50	-

* Includes interest accrued on long-term borrowings.

Note: Borrowings are subsequently measured at amortised cost and therefore interest accrued on current borrowings are included in the carrying amounts.

11(c). Supplier's credit (current)

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

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured:		
Supplier's credit	4,475.44	4,025.21
Total	4,475.44	4,025.21

The Company has supplier's credit arrangements where suppliers of goods and services are initially paid by Receivables Exchange of India ("Exchange") and settlement with Exchange is done according to the terms and conditions of the arrangements. These arrangements provide the entity with extended payment terms, or the entity's suppliers with early payment terms, compared to the related invoice payment due date.

The Company has entered into a reverse factoring arrangement for its trade payables to its suppliers ("sellers"). For this purpose, the Company, as "buyer," has executed a master agreement with the Exchange for supplier financing. The Exchange operates the platform under the brand name "RXIL". It acts as an intermediary that connects the buyer, the seller, and participating financiers (banks or financial institutions) on a common platform for the factoring or reverse factoring of invoices. The Company uploads the invoice details of the suppliers along with other relevant information on the RXIL portal, where financiers bid to provide financing. Once the bid is accepted by the Company, suppliers are paid by the financiers on or before the due date of their invoice and the Company pays the financier upto 90 days from the date of acceptance depending on the terms. The Company bears the interest in the range of 5.25% - 8% p.a.

The primary objective of this facility is to ensure suppliers are paid on or before their due dates while enhancing the Company's working capital position through access to financing.



Range of payment due dates	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Liability under supplier's credit arrangement	Upto 90 days from the date of acceptance	Upto 90 days from the date of acceptance	Upto 90 days from the date of acceptance
Comparable trade payables that are not part of the supplier's credit arrangement	30-60 Days	30-60 Days	30-60 Days

Carrying amount of liabilities under supplier finance arrangement	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Liabilities under supplier finance arrangement	4,475.44	4,025.21	2,971.60
of which the supplier has received payment from the finance provider	4,475.44	4,025.21	2,971.60

-There were no business combinations or foreign exchange differences that would affect the liabilities under the supplier's credit arrangement in either period.

The carrying amounts of supplier's credit are considered to be reasonable approximations of their fair values, due to their short-term nature.

Presentation in the Standalone Balance Sheet and Standalone Statement of Cash Flows

The Company derecognises the original trade payables when those payables become part of the supplier's credit arrangement. The related Supplier's credit are presented as a separate line item on the face of the Standalone Balance Sheet, because they represent financing obtained by the Company and are sufficiently different from trade payables. All supplier's credit are classified as current, since they are required to be settled within 90 days from the date of acceptance.

Management considers that the finance provider settles the invoices as a payment agent on behalf of the entity. The payments made by the finance provider are therefore presented as operating cash outflows and financing cash inflows in equal but opposite amounts at the point when the finance provider pays the supplier. When the Company subsequently pays the amount outstanding to the finance provider, this is presented as a financing cash outflow.

Refer Note 36 for Net Debt Reconciliation.

11(d). Trade payables

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

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Trade payables: micro and small enterprises (refer Note 37)	1,550.33	363.35
Trade payables: others	47,923.52	45,733.60
Trade payables to related parties (refer note 24)	12,308.27	9,933.83
Total	61,782.12	56,030.78

Ageing of trade payables as at March 31, 2026

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

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	101.93	1,448.40	-	-	-	-	1,550.33
- Others	7,204.50	43,786.23	9,154.34	42.96	35.61	8.15	60,231.79
Disputed trade payables							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
Total	7,306.43	45,234.63	9,154.34	42.96	35.61	8.15	61,782.12

Ageing of trade payables as at March 31, 2025

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

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

11(e). Other financial liabilities (current)

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

Particulars	As at March 31, 2026	As at March 31, 2025
Capital creditors*	828.45	614.68
Interest accrued	18.78	11.50
Security deposit received		
-Related party (refer note 24)	6.14	6.14
-Others	50.74	53.49
Unclaimed dividend**	21.65	20.65
Derivative liability	-	197.47
Others		
Due to directors (refer note 24)	604.76	460.28
Payable to employees	3,154.43	2,586.17
Total	4,684.95	3,950.38

* Includes Rs. 197.67 Lakhs (March 31, 2025: Rs. 124.96 Lakhs) payable to related parties. Refer note 24.

** The Company has deposited an amount of Rs. 3.98 Lakhs (Previous year Rs. 3.26 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, 2026 and March 31, 2025.

12. Provisions

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-Current	Current	Non-Current
Provision for employee benefits:				
Provision for leave encashment (refer note 28)	673.49	-	473.78	-
Provision for gratuity (refer note 28)	-	1,896.89	-	1,325.05
Provision for long service award	56.92	215.87	67.63	208.93
Provision for warranty	318.04	212.03	255.37	170.25
Total	1,048.45	2,324.79	796.78	1,704.23

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, 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
For the year ended March 31, 2026	
Balance as at April 1, 2025	425.62
Charged/(credited) to profit or loss	
Additional provisions recognized	539.23

Unwinding of discount on provision for warranty	8.48
Discounting of additional provision recognized	(8.98)
Amounts written back during the year	-
Amounts utilized during the year	(434.28)
As at March 31, 2026	530.07

Sensitivity analysis

As at March 31, 2026, provision for warranty had a carrying amount of Rs. 530.07 Lakhs (March 31, 2025: Rs. 425.62 Lakhs). If warranty claim costs were to differ by 10% of the management's estimates, the provision would be an estimated Rs. 53.01 Lakhs higher or lower (March 31, 2025: Rs. 42.56 Lakhs higher or lower).

13 (a). 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 related to assets 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. Further, government grants relating to the purchase of property, plant and equipment which is not similar in nature to the other grant, are deducted from the cost of the related assets in arriving at the carrying value of the assets.

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, 2026	As at March 31, 2025
Government grants		
Opening balance	911.08	-
Grants during the year	5,642.13	1,141.81
Less: Released to profit or loss (Refer note 15)	(1,547.93)	(230.73)
Less: Adjusted from the cost of the related assets	(41.43)	-
Less: Exchange variations	(3.30)	-
Closing balance	4,960.55	911.08
Less: Current portion (refer note 13(b))	256.32	-
Total	4,704.23	911.08

Note:

- a) 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.

During the year ended March 31, 2026, the Company has recognized a recognized a grant receivable of Rs. 5,535.65 Lakhs (previous year: 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. The Company has recognized Rs. 1,477.69 Lakhs (previous year: Rs. 230.73 Lakhs) as income in the Standalone Statement of Profit and Loss for the year ended March 31, 2026 corresponding to the useful life elapsed up to that date.

- b) The Company has also received government grant 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) and incremental operating costs incurred for reduction of consumption of HCFCs. As on March 31, 2025, the Company was 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. These conditions have been complied with during the year ended March 31, 2026.

During the year ended March 31, 2026, the Company has received the government grant amounting to Rs. 36.24 Lakhs related to property, plant and equipment which along with opening balance of Rs. 8.48 Lakhs has been adjusted from the cost of related assets. Further, an amount of Rs. 70.24 Lakhs receivable against incremental operating costs has been recognised as income in the Standalone Statement of Profit and Loss as there is reasonable assurance that the grant will be received.

- c) The Company has also benefited from other forms of government assistance as mentioned in Note 18.

13 (b). Other current liabilities

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

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues	1,776.30	3,917.00
Government grant (refer note 13(a))	256.32	-
Total	2,032.62	3,917.00

13 (c). Contract liabilities (current)

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

Particulars	As at March 31, 2026	As at March 31, 2025
Contract liabilities	1,582.20	330.29
Total	1,582.20	330.29

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, 2026, the Company recognised revenue of Rs. 186.69 Lakhs arising from opening contract liabilities as of April 1, 2025. During the previous year, the Company recognised revenue of Rs. 516.40 Lakhs arising from opening contract liabilities as at April 1, 2024.

13 (d). Current tax liabilities

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

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	619.57	89.67
Current tax payable for the year	6,383.79	6,149.85
Less:- Taxes paid	7,003.36	5,619.95
Closing balance	-	619.57

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 most likely amount 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.

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, 2026	For the year ended March 31, 2025
Revenue from contracts with customers		
- Sale of products	3,73,866.30	3,35,390.86
- Sale of services	338.13	309.58
Other operating revenues		
- Sale of scrap	1,347.23	1,057.03
Total	3,75,551.66	3,36,757.47

Note 1: Unsatisfied contracts:

The following table shows unsatisfied performance obligation resulting from contracts:

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

Particulars	As at March 31, 2026	As at March 31, 2025
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at reporting date	1,582.20	330.29

Management expects that transaction price allocated to unsatisfied contracts as of March 31, 2026 will be recognized as revenue during the next reporting period.

Note 2: Reconciliation of revenue recognised with contract price:

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract Price	3,75,830.67	3,37,084.18
Adjustments for:		
- Rebate/discounts	(279.01)	(326.71)
Revenue from Operations	3,75,551.66	3,36,757.47

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 13(a) 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, 2026	For the year ended March 31, 2025
Interest income on:		
a) Financial assets at amortized cost	718.47	622.58
b) Financial assets at fair value through profit or loss	102.25	-
c) Others	15.37	20.96
Exchange variation on foreign currency transactions (net)	278.14	468.41
Fair value changes on derivatives	525.98	29.48
Unwinding of discount on financial asset	36.20	5.55
Rental income	33.65	35.57
Dividend income from investment in joint venture	18.19	6.62
Net gain on sale of investments in mutual funds	372.02	367.59
Gain on maturity of investment in debentures and bonds	2.18	1.08
Government grant (refer note 13(a))	1,547.93	230.73
Gain on termination of lease	-	158.00
Net fair value gains on financial assets measured at fair value through profit or loss	81.40	47.64
Other miscellaneous income	133.06	83.67
Total	3,864.84	2,077.88

16. Cost of material consumed

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw material and spares		
Raw material and spares at the beginning of the year	28,598.33	28,585.62
Add: Purchase of raw material and spares	2,80,682.99	2,42,877.39
Less: Raw material and spares at the end of the year	34,064.47	28,598.33
Total	2,75,216.85	2,42,864.68

Refer note 31 for expenses capitalized during the year ended March 31, 2026 and March 31, 2025.

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, 2026	For the year ended March 31, 2025
Opening balance		
Finished goods	776.30	968.74
Work-in-progress	4,647.29	4,808.46
Total opening balance (a)	5,423.59	5,777.20
Closing balance		
Finished goods	1,101.67	776.30
Work-in-progress	5,920.84	4,647.29
Total closing balance (b)	7,022.51	5,423.59
Total changes in inventories of finished goods and work-in-progress (a-b)	(1,598.92)	353.61

18. Employee benefits expense

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus*	31,912.35	27,640.61
Contribution to provident fund and employees' state insurance scheme (refer note 28)**	1,288.09	1,211.61
Gratuity (refer note 28)	385.43	356.56
Staff welfare expenses	2,825.33	3,036.06
Total	36,411.20	32,244.84

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.194.44 Lakhs (March 31, 2025: Rs. 152.60 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 Viksit Bharat Rozgar Yojana amounting to Rs. 30.76 Lakhs (March 31, 2025: Rs. Nil).

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 13(a).

(ii) Refer note 31 for expenses capitalized during the year ended March 31, 2026 and March 31, 2025.

19. Finance costs

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest costs:		
- Loans from banks	126.08	116.95
- Other financing arrangements	747.42	711.27
Exchange differences regarded as an adjustment to borrowing costs	101.37	255.30
Interest on lease liabilities (refer note 27)	3.85	37.22
Other finance costs	19.55	27.55
	998.27	1,148.29
Less:- Amount capitalized (refer note below)	35.21	-
Total	963.06	1,148.29

Note: Pertains to specific borrowings that are directly attributable to the construction of Company's plant in Kharkhoda (Haryana) included in Capital work-in-progress as at March 31, 2026.

20. Depreciation and amortization expense

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (refer note 3)	8,923.33	9,375.69
Depreciation of right-of-use assets (refer note 27)	98.80	110.07
Amortization of intangible assets (refer note 4)	3,470.73	3,331.01
Total	12,492.86	12,816.77

Also refer note 31 for expenses capitalized during the year ended March 31, 2026 and March 31, 2025.

21. Other expenses

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores	6,577.09	5,768.56
Power and fuel	4,737.99	4,279.95
Rent (refer note 27)	483.08	358.18
Repair and maintenance: Building	588.53	521.51
Repair and maintenance: Plant and machinery	3,195.73	2,652.82
Repair and maintenance: Others	443.74	502.00
Rates, taxes and fees	82.29	59.47
Insurance	500.41	620.25
Royalty	5,464.50	5,076.93
Warranty expenses	530.25	306.87
Selling and distribution expenses:		
- Freight outward expense	4,170.46	3,493.06
- Packing charges	1,956.57	1,574.99
Legal and professional charges	483.34	491.24
Vehicle running and maintenance	166.68	159.62
Travelling and conveyance	620.50	624.35
Payment to auditors (refer note 21(a) below)	75.85	71.91
Net loss on disposal of property, plant and equipment	90.51	59.62
Loss allowance for trade receivables	55.00	50.00
Corporate social responsibility expenses (refer note 21(b) below)	277.98	171.18
Director's sitting fees and commission (refer note 24)	88.58	84.24
Other miscellaneous expenses	2,505.68	2,134.20
Total	33,094.76	29,060.95

Also refer note 31 for expenses capitalized during the year ended March 31, 2026 and March 31, 2025.

21(a). Details of payment to auditors

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Payment to auditors*		
As auditor:		
Fees for statutory audit services	50.00	50.00
Fees for tax audit	1.50	1.50
Fees for attestation and certification:		
- Limited reviews	7.50	7.50
- Certification services	10.50	6.50
Out-of-pocket expenses	6.35	6.41
Total	75.85	71.91

* Excluding applicable taxes

21(b). Corporate social responsibility expenses

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contribution to green plantations	1.67	13.50
Contribution to education for under-privileged children	87.53	52.84
Contribution to skills developments	117.90	87.63
Contribution to social campaign	16.36	-
Contribution to paralympic sports	37.80	6.32
Contribution to preventive healthcare	9.22	9.31
Contribution to technology development	7.50	1.58
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	-	-
Total	277.98	171.18
<i>Amount required to be spent as per Section 135 of the Act</i>	276.81	170.68
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(i) On purpose other than above	277.98	171.18
Total	277.98	171.18

Details of ongoing CSR projects under Section 135(6) of the Act

Balance as at April 1, 2025		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2026	
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
-	-	276.81	277.98	-	-	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at April 1, 2025	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, 2026
-	-	-	-	-

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 1, 2025	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2026
-	-	-	-

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
-	-	-	-

22. Financial instruments and risk management**22(a). Financial instruments by category**

The carrying amount of financial instruments by categories as of March 31, 2026 is as follows:

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

Particulars	FVOCI	FVTPL	Amortized cost	Total
Financial assets				
i) Investments	-	8,826.90	5,326.29	14,153.19
ii) Trade receivables	-	-	57,558.07	57,558.07
iii) Cash and cash equivalents	-	-	1,177.07	1,177.07
iv) Bank balance other than cash and cash equivalents	-	-	2,621.65	2,621.65
v) Loans	-	-	95.20	95.20
vi) Other financial assets	-	328.51	6,526.76	6,855.27
Total financial assets	-	9,155.41	73,305.04	82,460.45
Financial liabilities				
i) Borrowings	-	-	2,980.54	2,980.54
ii) Supplier's credit	-	-	4,475.44	4,475.44
iii) Trade payables	-	-	61,782.12	61,782.12
iv) Other financial liabilities	-	-	4,684.95	4,684.95
Total financial liabilities	-	-	73,923.05	73,923.05

The carrying amount 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) Borrowings	-	-	-	-
ii) Supplier's credit	-	-	4,025.21	4,025.21
iii) Trade payables	-	-	56,030.78	56,030.78
iv) Other financial liabilities	-	197.47	3,752.91	3,950.38
Total financial liabilities	-	197.47	63,808.90	64,006.37

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	Note no	As at March 31, 2026			
		Level 1	Level 2	Level 3	Total
Financial assets					
Investments	5(b) & (c)	7,277.16	1,150.00	399.74	8,826.90
Derivative asset	5(h)	-	328.51	-	328.51
Total financial assets		7,277.16	1,478.51	399.74	9,155.41
Financial liabilities					
Derivative liability	11(e)	-	-	-	-
Total financial liabilities		-	-	-	-

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

Particulars	Note 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
Derivative asset	5(h)	-	-	-	-
Total financial assets		7,547.27	-	299.98	7,847.25
Financial liabilities					
Derivative liability	11(e)	-	197.47	-	197.47
Total financial liabilities		-	197.47	-	197.47

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	Note no	As at March 31, 2026				
		Carrying amount	Fair value			Total
			Level 1	Level 2	Level 3	
Financial assets						
Investments	5(b) & (c)	5,326.29	4,870.22	-	456.07	5,326.29
Security deposits	5(h)	1,166.41	-	-	1,166.41	1,166.41
Loans to employees	5(g)	95.20	-	-	95.20	95.20
Trade receivables	5(d)	57,558.07	-	-	57,558.07	57,558.07
Cash and cash equivalents	5(e)	1,177.07	-	-	1,177.07	1,177.07
Deposits with original maturity of more than three months but less than 12 months	5(f)	2,600.00	-	-	2,600.00	2,600.00
Unpaid dividend accounts	5(f)	21.65	-	-	21.65	21.65
Interest accrued on financial instruments	5(h)	235.97	-	-	235.97	235.97
Deposits with maturity of more than 12 months	5(h)	400.00	-	-	400.00	400.00
Recoverable from sale of property plant and equipment	5(h)	274.11	-	-	274.11	274.11
Government grant receivable	5(h)	4,450.27	-	-	4,450.27	4,450.27
Insurance claim recoverable	5(h)	-	-	-	-	-
Total financial assets		73,305.04	4,870.22	-	68,434.82	73,305.04
Financial liabilities						
Borrowings	11(a) & 11(b)	2,980.54	-	-	2,980.54	2,980.54
Supplier's credit	11(c)	4,475.44	-	-	4,475.44	4,475.44
Trade payables	11(d)	61,782.12	-	-	61,782.12	61,782.12
Capital creditors	11(e)	828.45	-	-	828.45	828.45
Interest accrued	11(e)	18.78	-	-	18.78	18.78
Security deposit received	11(e)	56.88	-	-	56.88	56.88
Unclaimed dividend	11(e)	21.65	-	-	21.65	21.65
Others						
Due to directors	11(e)	604.76	-	-	604.76	604.76
Payable to employees	11(e)	3,154.43	-	-	3,154.43	3,154.43
Total financial liabilities		73,923.05	-	-	73,923.05	73,923.05

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

Particulars	Note no	As at March 31, 2025				
		Carrying amount	Fair value			Total
			Level 1	Level 2	Level 3	
Financial assets						
Investments	5(b) & (c)	3,593.12	3,383.12	-	210.00	3,593.12
Security deposits	5(h)	1,002.14	-	-	1,002.14	1,002.14
Loans to employees	5(g)	95.70	-	-	95.70	95.70
Trade receivables	5(d)	45,132.23	-	-	45,132.23	45,132.23
Cash and cash equivalents	5(e)	3,636.04	-	-	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	4,000.00
Unpaid dividend accounts	5(f)	20.65	-	-	20.65	20.65
Interest accrued on financial instruments	5(h)	192.22	-	-	192.22	192.22
Deposits with maturity of more than 12 months	5(h)	-	-	-	-	-
Recoverable from sale of property plant and equipment	5(h)	394.75	-	-	394.75	394.75
Government grant receivable	5(h)	298.97	-	-	298.97	298.97
Insurance claim recoverable	5(h)	1.89	-	-	1.89	1.89
Total financial assets		58,367.71	3,383.12	-	54,984.59	58,367.71
Financial liabilities						
Borrowings	11(a) & 11(b)	-	-	-	-	-
Supplier's credit	11(c)	4,025.21	-	-	4,025.21	4,025.21
Trade payables	11(d)	56,030.78	-	-	56,030.78	56,030.78
Capital creditors	11(e)	614.68	-	-	614.68	614.68
Interest accrued	11(e)	11.50	-	-	11.50	11.50
Security deposit received	11(e)	59.63	-	-	59.63	59.63
Unclaimed dividend	11(e)	20.65	-	-	20.65	20.65
Others						
Due to directors	11(e)	460.28	-	-	460.28	460.28
Payable to employees	11(e)	2,586.17	-	-	2,586.17	2,586.17
Total financial liabilities		63,808.90	-	-	63,808.90	63,808.90

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in the active market. This includes listed 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 investment in bonds & 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, 2026 and March 31, 2025.

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.

The carrying amounts of short term financial assets and liabilities like trade receivables, investments, cash and cash equivalents, deposit with banks, government grant receivable, sale of property plant and equipment, insurance claim recoverable, trade payables, supplier's credit, capital creditors, security deposit received, payable to employees are considered to be the same as their fair values, due to their short-term nature.

The fair value of other non-current financial assets and liabilities is determined as the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Company evaluates fair value using parameters such as prevailing interest rates, relevant risk factors, the individual creditworthiness of the counterparty, and the specific risk characteristics of the financial assets and liabilities. Based on this assessment, the fair value is considered to be approximately equal to the carrying amount.

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.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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, Supplier's Credit and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowings and supplier's credit 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
Market risk- interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Availability of other committed credit lines and borrowings

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 subject to insignificant credit risk.

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 significantly reducing 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:**(All amounts in Rs. Lakhs, unless otherwise stated)**

Particulars	As at March 31, 2026	As at March 31, 2025
Loss allowance at the beginning of the year	147.99	97.99
Add: Increase in loss allowance recognised in profit or loss during the year	55.00	50.00
Less: Receivables written off during the year as uncollectible	(31.05)	-
Loss allowance at the end of the year	171.94	147.99

Loss allowance as at March 31, 2026 and March 31, 2025 was determined as follows under the simplified approach:

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

As at March 31, 2026	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	53,817.07	2,684.99	992.56	97.42	54.44	83.53	57,730.01
Expected loss rate	0.06%	0.64%	2.95%	7.43%	25.13%	86.06%	
Expected credit losses - Trade receivables	32.79	17.05	29.29	7.24	13.68	71.89	171.94
Carrying amount of trade receivables (net of impairment)	53,784.28	2,667.94	963.27	90.18	40.76	11.64	57,558.07

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

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

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.

As disclosed in note 11(c), the Company has entered into a supplier's credit arrangement. This has improved the Company's working capital. The Company has no significant concentration of liquidity risk with any individual finance provider.

(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, 2026	As at March 31, 2025
Floating rate:		
-Expiring within one year (cash credit, working capital loans and other facilities)	28,552.67	30,504.28
-Expiring beyond one year (bank loans)	8,282.57	-

(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, 2026				
Non-derivatives				
Borrowings (including interest)	745.63	2,717.72	-	3,463.35
Supplier's credit	4,475.44	-	-	4,475.44
Trade payables	61,782.12	-	-	61,782.12
Other financial liabilities	4,684.95	-	-	4,684.95
Lease liabilities (including interest)	11.62	9.68	-	21.30
Total non-derivatives liabilities	71,699.76	2,727.40	-	74,427.16
Derivatives (net settled)				
Foreign exchange forward contracts	-	-	-	-

Total derivatives liabilities	-	-	-	-
As at March 31, 2025				
Non-derivatives				
Borrowings (including interest)	-	-	-	-
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

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, 2026	As at March 31, 2025
Hedge of foreign currency payables	USD (In Lakhs)	35.00	43.00
	Rs. (in Lakhs)	3,331.46	3,694.99
	JPY (in Lakhs)	11,404.91	8,350.00
	Rs. (in Lakhs)	6,934.97	4,830.30
	CNH (in Lakhs)	320.00	143.00
	Rs. (in Lakhs)	4,437.05	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, 2026	As at March 31, 2025
Trade payables and capital creditors	USD (In Lakhs)	-	6.71
	Rs. (in Lakhs)	-	573.18
	JPY (in Lakhs)	185.38	831.21
	Rs. (in Lakhs)	110.21	471.57
	CNH (in Lakhs)	39.76	6.56
	Rs. (in Lakhs)	545.22	77.10
	CHF (in Lakhs)	0.01	-
	Rs. (in Lakhs)	0.92	-
	EUR (in Lakhs)	-	0.25
	Rs. (in Lakhs)	-	22.63

Foreign currency sensitivity analysis

The Company is mainly exposed to JPY, CNH and CHF (March 31, 2025: USD, JPY, CNH and EUR) 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, 2026		For the year ended March 31, 2025	
	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	11.02	(11.02)	47.16	(47.16)
CNH impact	54.52	(54.52)	7.71	(7.71)
CHF impact	0.09	(0.09)	-	-
EURO impact	-	-	2.26	(2.26)

(ii) Interest rate risk**a) Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Variable rate borrowings	2,980.54	-
Fixed rate borrowings	-	-
Total	2,980.54	-

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	As at March 31, 2026		
	Weighted average interest rate %	Balance	% of total loans
Indian Rupee loans from banks	7.34%	2,980.54	100%

Particulars	As at March 31, 2025		
	Weighted average interest rate %	Balance	% of total loans
Indian Rupee loans from banks	-	-	-

b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest rates - increase by 50 basis points	11.15	-
Interest rates - decrease by 50 basis points	(11.15)	-

(iii) 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:

- 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
- maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors Net Debt to EBITDA ratio i.e., Net Debt (borrowings, supplier's credit and lease liabilities net of cash and cash equivalents) divided by EBITDA (Profit before exceptional item and 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 EBITDA ratios were as follows:

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

Particulars	March 31, 2026	March 31, 2025
Net Debt (In Lakhs)	6,298.02	457.70
EBITDA (In Lakhs)	36,292.61	34,311.27
Net Debt to EBITDA	0.17	0.01

The Net debt to EBITDA ratio for the current year increased from 0.01 to 0.17 due to increase in debt on account of long-term borrowings availed by the Company for their Kharkhoda plant under construction and decrease in cash and cash equivalents during the year ended March 31, 2026.

Loan covenants

Under the terms of the borrowing facilities, the Company is required to comply with the following financial covenants at the end of each annual reporting period:

Covenant	Threshold
Debt/ EBITDA	Maximum 2.00x
Debt Service Coverage Ratio	Minimum 1.5x
Interest Coverage Ratio	Minimum 3.00x
Fixed Assets Coverage Ratio	Minimum 1.25x

The Company has complied with these covenants as at March 31, 2026 (March 31, 2025: Not applicable).

There are no indications that the Company would have difficulties complying with the covenants when they will be next tested as at March 31, 2027.

Dividends

Particulars	As at March 31, 2026	As at March 31, 2025
On Equity shares of Rs. 2 each		
Final dividend		
Dividend paid (Rs. In Lakhs)	1,696.13	1,174.24
Dividend per equity share (Rs.)	2.60	1.80

The Board of Directors recommended a final dividend of Rs. 3 per share (nominal value of Rs. 2 per share) for the financial year 2025-26 (March 31, 2025: Rs. 2.6 per share for the financial year 2024-25). 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. 1,957.07 Lakhs (March 31, 2025: Rs. 1,696.13 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, 2026	3,75,462.33	89.33	3,75,551.66
For the year ended March 31, 2025	3,36,729.78	27.69	3,36,757.47
Non current segment assets			
As at March 31, 2026	82,610.16	-	82,610.16
As at March 31, 2025	80,109.55	-	80,109.55

- Domestic information includes sales of products and services rendered to customers located in India.
- Overseas information includes sales of products and services rendered to customers located outside India.
- 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.
- Revenue from transactions with a single external customer amounting to 10 per cent or more of the Company's revenues is Rs. 297,668.12 Lakhs from one customer (previous year: Rs. 283,249.87 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. Arvind Kapur, Independent Director
 Mr. Arjan Kumar Sikri, Independent Director
 Ms. Deepa Gopalan Wadhwa, Independent Director
 Mr. Ashok Lavasa, Independent Director
 Ms. Vanaja Narayanan Sarna, Independent Director
 Ms. Smita Piyush Mankad, Independent Director
 Mr. Hisashi Takeuchi, Nominee Director
 Mr. Naohisa Kuriyama, Nominee Director (Upto March 28, 2025)
 Mr. Naohisa Kuriyama, Nominee Director (From January 30, 2026)
 Mr. Tomoaki Yoshimori, Nominee Director
 Mr. Yasuhiro Iida, Alternate Director (From March 28, 2025 upto January 30, 2026)
 Ms. Yusuke Hara, Nominee Director (From March 28, 2025 upto January 30, 2026)
 Mr. Tsunenobu Hori, Alternate Director (From January 30, 2026)
 Mr. Hemant Kumar Agarwal, Chief Financial Officer
 Mr. Kamal Samtani, Company Secretary

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, India

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 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, 2026	For the year ended March 31, 2025
Sale of goods		
Entity having significant influence over the Company, Denso Corporation	30.71	15.17
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	2.97	2.63

- Global Autotech Limited	602.89	505.12
	636.57	522.92
Rental income		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	33.65	32.50
	33.65	32.50
Dividend received		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	18.19	6.62
	18.19	6.62
Sale 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	3.29	-
	3.29	-
Reimbursement of expenses received		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	6.30	9.07
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	1.32	1.22
	7.62	11.77
Purchase of materials		
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	31,566.65	27,649.01
- Hemkunt Service Station Private Limited	9.04	9.48
	31,575.69	27,658.49
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	93.14	117.54
- Primatel Fibcom Limited	13.95	2.50
	107.09	120.04
Purchase of intangible assets (Technical knowhow)		
Entity having significant influence over the Company, Denso Corporation	335.69	322.42
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	809.03	680.93
	1,144.72	1,003.35
Receiving of services		
Entities over which key management personnel and/or their close family members have control or joint control		
- SHS Transport Private Limited	1,081.82	740.42
- Rohan Motors Limited	21.54	22.27
	1,103.36	762.69
Royalty expenses		
Entity having significant influence over the Company, Denso Corporation	5,464.50	5,076.93
	5,464.50	5,076.93
Dividend paid		
Entity having significant influence over the Company, Denso Corporation	339.23	234.85
Entities over which key management personnel and/or their close family members have control or joint control		
- Deeksha Holding Limited	263.58	182.48
- Jyotsna Holding Private Limited	89.65	62.06
- RR Holdings Private Limited	83.41	57.74
- JS Family Trust	42.10	29.15
- SHS Transport Private Limited	25.47	17.63
- Rohan Motors Limited	0.17	0.12
Key management personnel		
- Ms. Shradha Suri	145.26	100.57
- Mr. Arvind Kapur	0.55	0.38
	989.42	684.98

Rent paid		
Entities over which key management personnel and/or their close family members have control or joint control		
- Prima Infratech Private Limited	310.70	286.59
- SHS Transport Private Limited	5.48	5.13
Key management personnel		
- Ms. Shradha Suri	8.55	8.00
- Ms. Jyotsna Suri	30.00	30.00
Close family members of key management personnel		
- Mr. Keshav Suri	3.41	3.29
- Ms. Pia Marwah	10.56	9.60
- Ms. Bani Marwah	10.56	9.60
- Master Vir Marwah	10.56	9.60
	389.82	361.81
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	0.38	0.96
	0.38	0.96

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contribution to funds		
Post employment benefit plan of the Company		
- Subros Employees Group Gratuity Cum Life Assurance Trust	-	18.81
	-	18.81
Key management personnel compensation		
Short term benefits	1,226.45	1,020.45
Post employment benefits	22.34	23.12
Other long term employee benefits	0.30	0.94
	1,249.09	1,044.51
Short term benefits		
- Ms. Shradha Suri	785.88	639.68
- Mr. Parmod Kumar Duggal	187.62	153.62
- Mr. Hemant Kumar Agarwal	121.79	102.42
- Mr. Kamal Samtani	42.60	40.50
Other short term benefits (sitting fees and commission)		
- Ms. Jyotsna Suri	3.75	3.00
- Mr. Arvind Kapur	15.06	13.78
- Mr. Ashok Lavasa	15.46	14.73
- Ms. Deepa Gopalan Wadhwa	13.01	13.98
- Ms. Vanaja Narayanan Sarna	12.66	12.13
- Ms. Smita Piyush Mankad	16.21	13.98
- Mr. Arjan Kumar Sikri	12.41	12.63
	1,226.45	1,020.45
Post employment benefits		
- Ms. Shradha Suri	10.82	11.71
- Mr. Parmod Kumar Duggal	4.63	4.56
- Mr. Hemant Kumar Agarwal	4.08	4.88
- Mr. Kamal Samtani	2.81	1.97
	22.34	23.12
Other long term employee benefits		
- Ms. Shradha Suri	0.21	0.45
- Mr. Parmod Kumar Duggal	0.09	0.40
- Mr. Hemant Kumar Agarwal	^	0.08
- Mr. Kamal Samtani	^	0.01
	0.30	0.94

^ Below rounding off norms adopted by the Company.

(b) Outstanding balances :

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

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	3.86	0.53
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	157.18	188.24
- Rohan Motors Limited	0.17	0.22
	161.21	188.99
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
- 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	256.89
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
	0.54	1.66
Trade payables		
Entity having significant influence over the Company, Denso Corporation	2,602.31	2,419.78
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	9,510.97	7,364.59
- SHS Transport Private Limited	190.99	146.85
- Prima Infratech Private Limited	-	1.13
- Rohan Motors Limited	3.42	0.77
- Hemkunt Service Station Private Limited	0.58	0.71
	12,308.27	9,933.83
Other financial liabilities (capital creditors)		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	197.67	121.76
Entities over which key management personnel and/or their close family members have control or joint control		
- Primatel Fibcom Limited	-	3.20
	197.67	124.96

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	566.06	424.46
- Mr. Arvind Kapur	6.45	5.97
- Mr. Ashok Lavasa	6.45	5.97
- Ms. Deepa Gopalan Wadhwa	6.45	5.97
- Ms. Vanaja Narayanan Sarna	6.45	5.97
- Ms. Smita Piyush Mankad	6.45	5.97
- Mr. Arjan Kumar Sikri	6.45	5.97
	604.76	460.28

Terms and conditions:

- All transactions with related parties are in ordinary course of business and on arm's length basis.
- All outstanding balances are unsecured and will be settled through normal banking channels.
- 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 is Rs. 10,786.70 Lakhs (net of capital advances of Rs.1,740.35 Lakhs) (March 31, 2025: Rs. 3,076.23 Lakhs (net of capital advances of Rs. 355.37 Lakhs)).

26. Contingent liabilities

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

Claims against the Company not acknowledged as debts

Particulars	As at March 31, 2026	As at March 31, 2025
Sales tax matters	79.74	79.74
Goods and services tax matters	2,016.33	131.78
Excise matters	75.81	75.81
Entry tax matters	211.20	-
Custom matters	3,759.39	1,905.49
Income tax matters	1,112.44	1,814.57
Claims made by workmen	691.94	777.34
Total	7,946.85	4,784.73

Notes:

- 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.
- 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, 2026	As at March 31, 2025
Right-of-use assets		
Leasehold land	3,163.99	3,214.44
Buildings	17.61	65.96
Total	3,181.60	3,280.40

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

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities		
Current	18.74	58.46
Non-current	0.37	10.07
Total	19.11	68.53

Additions to the right-of-use assets during the current financial year were Rs. Nil (March 31, 2025: Rs. 105.32 Lakhs). The Company has de-recognised lease liability amounting to Rs. Nil (March 31, 2025: Rs. 482.14 Lakhs) and corresponding right-of-use assets amounting to Rs. Nil (March 31, 2025: Rs. 324.14 Lakhs) on account of lease termination resulting in net gain of Rs. Nil (March 31, 2025: Rs. 158.00 Lakhs).

(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, 2026	For the year ended March 31, 2025
Depreciation of right-of-use assets (refer note 20)		
Leasehold land	50.45	50.45
Buildings	48.35	59.62
Total	98.80	110.07

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense (included in finance costs - refer note 19)	3.85	37.22
Expense relating to short term leases (included in other expenses - refer note 21)	483.08	358.18
Total	486.93	395.40

The total cash outflow for leases (including interest on lease liabilities) for the year ended March 31, 2026 was Rs. 536.35 Lakhs (March 31, 2025: Rs. 436.20 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 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, 2026	As at March 31, 2025
Upto 1 year	28.03	33.72
1-5 years	-	28.03
More than 5 years	-	-
Total	28.03	61.75

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, 2026	For the year ended March 31, 2025
Employer's contribution to Provident Fund*	1,181.57	1,026.36
Employer's contribution to Employees State Insurance Scheme*	137.28	185.25

* Included in "Contribution to provident fund and employees' state insurance scheme" 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. Also refer note 39.

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, 2026	
Discount rate (per annum)	7.90%
Rate of increase in compensation level (per annum)	7.00%

As at March 31, 2025

Discount rate (per annum)	7.04%
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:

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

PARTICULARS	
For the year ended March 31, 2026	
Current service cost	292.15
Past service cost (refer note 39)	690.58
Actuarial loss/(gain)	-
Net interest cost/(income) or the net defined benefit liability/(asset)	93.28
Expenses recognized in Standalone Statement of Profit and Loss*	1,076.01
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

*Disclosed Rs. 385.43 Lakhs (March 31, 2025: Rs. 356.56 Lakhs) under Employee benefits expenses in Note 18 and Rs. 690.58 Lakhs (March 31, 2025: Rs. Nil) under Exceptional item in Note 39.

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, 2026		
Actuarial gains/(loss) on:		
-changes in demographic assumptions	-	-
-changes in financial assumptions	276.36	
-experience variance	(118.38)	
-plan asset	9.64	
Total	167.62	
For the year ended March 31, 2025		
Actuarial gains/(loss) on:		
-changes in demographic assumptions	-	
-changes in financial assumptions	(54.04)	
-experience variance	(26.36)	
-plan asset	2.75	
Total	(77.65)	

Actuarial (gain) / loss on obligations

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

PARTICULARS		Gratuity (Funded)
For the year ended March 31, 2026		
Actuarial (gain) / loss arising from change in demographic assumption		
Actuarial (gain) / loss arising from change in financial assumption	(276.36)	
Actuarial (gain) / loss arising from experience adjustment	118.38	
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	

Actuarial gain / (loss) on plan assets

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

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2026	
Return on plan assets, excluding amount recognized in net interest expense	122.41
Remeasurement for actuarial (gain)/loss arising because of change in effect of asset ceiling	(132.05)
Component of defined benefit costs recognized in other comprehensive income	(9.64)
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)

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. Further, the past service cost for the year is included in the "Exceptional item" 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, 2026	
Present value of obligation	3,767.65
Fair value of plan assets	1,870.76
Surplus/(deficit)	(1,896.89)
Asset ceiling	-
Net asset/(liability)	(1,896.89)
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)

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, 2026	
Present value of the obligation as at the beginning	3,063.75
Current service cost	292.15
Interest cost	215.70
Remeasurement (or actuarial) (gain)/loss arising from:	
-Change in demographic assumptions	(276.36)
-Change in financial assumptions	118.38
-experience variance	-
Past service cost	690.58
Benefits paid	(336.55)
Present value of the obligation as at the end	3,767.65
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

Movement in the fair value of the plan assets are as follows:

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2026	
Fair value of plan assets at the beginning	1,738.70
Interest income	132.06
Employer contribution	
Benefits paid	-
Actuarial gain/(loss) on plan assets	-
Fair value of plan assets at the end	1,870.76
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

Major categories of plan assets (as % of total plan assets):

PARTICULARS	Gratuity (Funded)
As at March 31, 2026	
Funds managed by insurer	100%
Total	100%
As at March 31, 2025	
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, 2026	
	Change in defined benefit obligation
Increase in discount rate by 0.5%	Decrease by 147.58
Decrease in discount rate by 0.5%	Increase by 158.78
Increase in expected salary growth rate by 0.5%	Increase by 139.38
Decrease in expected salary growth rate by 0.5%	Decrease by 132.26
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

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, 2026 is 13.12 years (March 31, 2025 is 13.24 years).

The Company expects that benefit paid during the next financial year would be Rs. 560.72 Lakhs (March 31, 2025: Rs. 413.83 Lakhs).

Maturity Profile of Defined Benefit Obligation

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

Year	Gratuity (Funded)
As at March 31, 2026	
April 1, 2026 - March 31, 2027	288.35
April 1, 2027 - March 31, 2028	376.18
April 1, 2028 - March 31, 2029	284.53
April 1, 2029 - March 31, 2030	280.59
April 1, 2030 - March 31, 2031	272.82
April 1, 2031 - March 31, 2032	283.73
April 1, 2032 Onwards	1,981.45
Total	3,767.65
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

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. 673.49 Lakhs (March 31, 2025: Rs. 473.78 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, 2026	As at March 31, 2025
Leave obligations not expected to be settled within the next 12 months	587.17	420.86

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, 2026	For the year ended March 31, 2025
Capital expenditure (refer note 3)	55.19	55.85
Revenue expenditure - charged to Standalone Statement of Profit and Loss*	1,585.15	1,288.92
Revenue expenditure - towards development cost (refer note 4)	1,957.95	1,889.87
Total	3,598.29	3,234.64

* 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

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share (Rs.)	25.40	23.05
Diluted earnings per share (Rs.)	25.40	23.05
Profit attributable to the equity holders of the Company used in calculating basic earnings per shares and diluted earnings per share (Rs. Lakhs)	16,577.75	15,040.58
Weighted average number of equity shares for the purpose of basic earnings per share and diluted earnings per share (numbers)	6,52,35,750	6,52,35,750

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, 2026	For the year ended March 31, 2025
Cost of material consumed	215.70	1,043.77
Salaries, wages and other amenities to staff	1,557.59	1,718.15
Power and fuel	77.56	114.77
Interest costs	35.21	-
Rent	5.70	71.04
Repair and maintenance	89.24	110.24
Depreciation and amortization	2.50	47.49
Other overheads	316.82	353.38
Total	2,300.32	3,458.84

32. Assets pledged as security

The Company has sanctioned term loan and working capital limits which have not been availed as at March 31, 2026 and March 31, 2025 (Refer note 22(b) for undrawn banking facilities). These sanctioned term loan is secured against plant and machinery and working capital limits, to the extent applicable, are secured against current assets of the Company, both present and future. The carrying amount of plant & machinery and current assets pledged as security are as follows:

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

Particulars	Note no	As at March 31, 2026	As at March 31, 2025
Non-current:			
Pari passu charge			
Plant and machinery	3	31,098.29	-
Total plant and machinery offered as security		31,098.29	-
Current:			
First Charge			
Inventories	8	45,120.23	37,385.08
Financial assets			
- Other investments	5(c)	10,207.76	8,546.07
- Trade receivables	5(d)	57,558.07	45,132.23
- Cash and cash equivalents	5(e)	1,177.07	3,636.04
- Other bank balances	5(f)	2,600.00	4,000.00
- Loans	5(g)	70.88	76.67
- Other financial assets	5(h)	3,764.50	652.94
Other current assets	7	2,450.92	1,837.90
Total current assets offered as security		1,22,949.43	1,01,266.93

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 un audited books of accounts, however such differences between the amount disclosed to the banks and those as per the unaudited 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:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(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.

(xii) 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.

(xiii) 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.

(xiv) 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, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025		
(a) Current ratio = Current assets / Current liabilities		1,22,971.08	1,01,287.58	76,194.02	69,728.47	1.61	1.45	11.03%	-
(b) Debt-equity ratio = Total debt / Shareholder's equity	Note (i)	7,475.09	4,093.74	1,24,399.88	1,09,392.83	0.06	0.04	50.00%	Increased due to availment of long-term borrowings

(c) Debt service coverage ratio = Earnings available for debt service / Debt service	Note (ii)	35,066.09	34,245.61	77.40	40.80	453.05	839.35	-46.02%	Decreased due to higher interest payments made in current year on long-term borrowings availed
(d) Return on equity ratio = Profits for the year / Average shareholder's equity		16,577.75	15,040.58	1,16,896.35	1,02,488.71	14.18%	14.68%	-0.50%	-
(e) Inventory turnover ratio = Cost of goods sold / Average inventory		2,73,617.92	2,43,218.28	41,252.66	37,445.34	6.63	6.50	2.00%	-
(f) Trade receivables turnover ratio = Revenue from operations / Average trade receivables		3,75,551.66	3,36,757.47	51,345.15	36,725.35	7.31	9.17	-20.28%	-
(g) Trade payables turnover ratio = Total purchases / Average trade payables	Note (iii)	3,13,238.09	2,71,087.72	58,906.45	53,234.14	5.32	5.09	4.52%	-
(h) Net capital turnover ratio = Revenue from operations / Working capital		3,75,551.66	3,36,757.47	46,777.06	31,559.10	8.03	10.67	-24.74%	-
(i) Net profit ratio = Profit for the year / Revenue from operations		16,577.75	15,040.58	3,75,551.66	3,36,757.47	4.41%	4.47%	-0.06%	-
(j) Return on capital employed = Earning before Interest & taxes / Capital employed	Note (iv)	22,992.05	21,494.50	1,16,452.68	98,374.69	19.74%	21.85%	-2.11%	-
(k) Return on Investment = Earning before Interest & taxes / Total assets		22,992.05	21,494.50	2,13,402.71	1,85,843.02	10.77%	11.57%	-0.80%	-

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, 2026

(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 unaudited books of account	Amount of difference	Reason for material discrepancies
June 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	42,450.03	42,462.73	(12.70)	Inter-plant goods in transit not considered in return submitted to banks.
June 2025	ICICI Bank	2,000						
June 2025	Kotak Mahindra Bank	1,000						Payables in respect of services received and reclassification of debit balances 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 2025	State Bank of India	7,500		Trade payables	52,365.44	54,599.16	(2,233.72)	
September 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	45,748.32	45,675.77	72.55	Provision for inventory obsolescence not considered in return submitted to banks.
September 2025	ICICI Bank	2,000						
September 2025	Kotak Mahindra Bank	1,000						Payables in respect of services received and reclassification of debit balances 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 2025	State Bank of India	7,500		Trade payables	53,511.42	56,795.08	(3,283.66)	
December 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	45,924.72	45,923.22	1.50	Immaterial difference noted.
December 2025	ICICI Bank	2,000						
December 2025	Kotak Mahindra Bank	1,000						Payables in respect of services received and reclassification of debit balances 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 2025	State Bank of India	7,500		Trade payables	55,776.23	54,648.50	1,127.73	
March 2026	HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	45,130.52	45,120.23	10.29	Provision for inventory obsolescence not considered in return submitted to banks.
March 2026	ICICI Bank	2,000						
March 2026	Kotak Mahindra Bank	1,000						Payables in respect of services received and reclassification of debit balances 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 2026	State Bank of India	7,500		Trade payables	56,616.97	61,782.12	(5,165.15)	

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 unaudited 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						
June 2024	State Bank of India	7,500		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.
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						
September 2024	State Bank of India	7,500		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.
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						
December 2024	State Bank of India	7,500		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.
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						
March 2025	State Bank of India	7,500		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.

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, 2026	As at March 31, 2025
Cash and cash equivalents	1,177.07	3,636.04
Borrowings	(2,980.54)	-
Supplier's credit	(4,475.44)	(4,025.21)
Lease liabilities	(19.11)	(68.53)
Net debt	(6,298.02)	(457.70)

Description	Other assets	Liabilities from financing activities			Net debt
	Cash & cash equivalents	Borrowings	Supplier's credit	Lease liabilities	
As at April 1, 2024	3,915.70	-	(2,971.60)	(486.15)	457.95
Cash flows	(279.66)	-	(1,053.61)	40.80	(1,292.47)
Interest expense	-	(644.26)	(430.76)	(37.22)	(1,112.24)
Interest capitalized	-	-	-	-	-
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)
Cash flows	(2,458.97)	(2,967.43)	(450.23)	49.42	(5,827.21)
Interest expense	-	(5.88)	(103.51)	(3.85)	(113.24)
Interest capitalized	-	(35.21)	-	-	(35.21)
Interest paid	-	27.98	103.51	3.85	135.34
Other non-cash movements	-	-	-	-	-
- Acquisition of lease	-	-	-	-	-
- Derecognition of lease	-	-	-	-	-
As at March 31, 2026	1,177.07	(2,980.54)	(4,475.44)	(19.11)	(6,298.02)

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, 2026	March 31, 2025
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1,550.33	363.35
(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. On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour and Employment published Central Rules on May 8, 2026 and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact as "Impact of Labour Codes" under "Exceptional item" in the Standalone Financial Statements for the year ended March 31, 2026. The incremental impact consisting of gratuity of Rs. 690.58 Lakhs and leave encashment of Rs. 117.13 Lakhs primarily arises due to change in wage definition. The Company continues to monitor the Central Rules in conjunction with draft State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

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 13(a) 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 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 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 derecognised 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, at the end of the reporting period, the Company has a right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Covenants that the Company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Company is required to comply with after the reporting period do not affect the classification at the reporting date.

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 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 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.

xi) 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) Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the Standalone Financial Statements. Significant impact on the Standalone Financial Statements from non-recurring events are considered and reported as exceptional items.

xxiii) 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. The Standalone Financial Statements were approved by the Board of Directors and authorized for issue on May 18, 2026.

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

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

Sahil Arora
Partner
Membership No.: 506483

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

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

Place : New Delhi
Date : May 18, 2026

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

Kamal Samtani
Company Secretary
ICSI Membership No.: F5140

Place : New Delhi
Date : May 18, 2026

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 Lakhs)	
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
2. Names of subsidiaries which have been liquidated or sold during the year.

NA
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	31-03-2026
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	184.81
6	Profit / Loss for the year	
	i. Considered in Consolidation	8.01
	i. Not Considered in Consolidation	-

Notes:- 1. Names of Associates or joint ventures which are yet to commence operations
2. Names of Associates or joint ventures which have been liquidated or sold during the year.

NA
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 Consolidated Financial Statements), which comprise the Consolidated Balance Sheet as at March 31, 2026, 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, 2026, 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 ventures 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, 2026, the Company has capitalised significant costs incurred on internal development of intangible assets amounting to Rs. 3,109.47 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 knowhow, 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 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 reports of the other auditors 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 of its joint venture, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Board of 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 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 respective companies 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 respective companies.

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 judgment 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 entity 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. 8.01 Lakhs for the year ended March 31, 2026 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 reports 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 the other auditor of the joint venture included in these Consolidated Financial Statements has reported qualification or adverse remark in their CARO 2020 report on the financial statements of the joint venture:

Name of the Company	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 that in respect of the joint venture the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and 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, 2026 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 whose audit under Section 143 of the Act has been completed, none of the directors of the Company and its joint venture incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 16(b) above and paragraph 16(h)(vi) below.
 - (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 (as amended), 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 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, 2026 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, 2026.
 - 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, 2026, 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 auditors 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 incorporated in India during the year in respect of the prior year ended March 31, 2025 is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 10(b) and 5(a) to the Consolidated Financial Statements, the respective Board of Directors of the Company and its joint venture have proposed final dividend for the year, which is subject to the approval of the respective members at their ensuing Annual General Meetings, and is in accordance with section 123 of the Act, to the extent applicable.

- 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 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 11, 2026, 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, the Company has used an accounting software for maintaining its books of account for the year ended March 31, 2026, wherein the accounting software did not have the audit trail feature enabled throughout the year. (Refer Note 47 to the Financial Statements).

As the accounting software did not have the audit trail feature during the year ended March 31, 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 is not applicable."

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 incorporated in India. 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

Place: New Delhi
Date: May 18, 2026

Membership No.: 506483
UDIN: 26506483MZDIW7301

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, 2026

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, 2026, we have audited the internal financial controls with reference to Consolidated Financial Statements of Subros Limited (hereinafter referred to as "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 Ministry of Corporate Affairs 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, which is company incorporated in India, are 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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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, 2026, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Sahil Arora

Partner

Place: New Delhi

Membership No.: 506483

Date: May 18, 2026

UDIN: 26506483MZDIW7301

CIN: L74899DL1985PLC020134

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026

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

Particulars	Note no	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	56,816.83	55,553.20
Right-of-use assets	27	3,181.60	3,280.40
Capital work-in-progress	3	5,262.32	4,992.77
Intangible assets	4	12,964.19	13,051.53
Intangible assets under development	4	2,644.87	2,876.28
Investment accounted for using the equity method	5(a)	184.81	194.99
Financial assets			
i) Investments	5(b)(i)	3,945.43	2,894.30
ii) Loans	5(b)(vi)	24.32	19.03
iii) Other financial assets	5(b)(vii)	3,090.77	1,237.03
Non-current tax assets (net)	9	584.15	118.73
Other non-current assets	7	1,740.35	355.37
Total non-current assets		90,439.64	84,573.63
Current assets			
Inventories	8	45,120.23	37,385.08
Financial assets			
i) Investments	5(b)(ii)	10,207.76	8,546.07
ii) Trade receivables	5(b)(iii)	57,558.07	45,132.23
iii) Cash and cash equivalents	5(b)(iv)	1,177.07	3,636.04
iv) Bank balances other than cash and cash equivalents	5(b)(v)	2,621.65	4,020.65
v) Loans	5(b)(vi)	70.88	76.67
vi) Other financial assets	5(b)(vii)	3,764.50	652.94
Other current assets	7	2,450.92	1,837.90
Total current assets		1,22,971.08	1,01,287.58
TOTAL ASSETS		2,13,410.72	1,85,861.21
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10 (a)	1,304.71	1,304.71
Other equity	10 (b)	1,23,105.10	1,08,108.23
Total equity		1,24,409.81	1,09,412.94
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	11 (a)	2,411.04	-
ii) Lease liabilities	27	0.37	10.07
Provisions	12	2,324.79	1,704.23
Deferred tax liabilities (net)	6	3,366.46	4,094.42
Other non-current liabilities	13 (a)	4,704.23	911.08
Total non-current liabilities		12,806.89	6,719.80
Current liabilities			
Financial liabilities			
i) Borrowings	11 (b)	569.50	-
ii) Lease liabilities	27	18.74	58.46
iii) Supplier's credit	11 (c)	4,475.44	4,025.21
iv) Trade payables			
(a) Total outstanding dues of micro and small enterprises	11 (d)	1,550.33	363.35
(b) Total outstanding dues of creditors other than micro and small enterprises	11 (d)	60,231.79	55,667.43
v) Other financial liabilities	11 (e)	4,684.95	3,950.38
Contract liabilities	13 (c)	1,582.20	330.29
Provisions	12	1,048.45	796.78
Current tax liabilities	13 (d)	-	619.57
Other current liabilities	13 (b)	2,032.62	3,917.00
Total current liabilities		76,194.02	69,728.47
TOTAL LIABILITIES		89,000.91	76,448.27
TOTAL EQUITY AND LIABILITIES		2,13,410.72	1,85,861.21

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

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

Sahil Arora
Partner
Membership No.: 506483

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

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

Place : New Delhi
Date : May 18, 2026

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

Kamal Samtani
Company Secretary
ICSI Membership No.: F5140

Place : New Delhi
Date : May 18, 2026

CIN: L74899DL1985PLC020134

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

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

	Particulars	Note no	For the year ended March 31, 2026	For the year ended March 31, 2025
I	Revenue from operations	14	3,75,551.66	3,36,757.47
II	Other income	15	3,846.65	2,071.26
III	Total income (I + II)		3,79,398.31	3,38,828.73
IV	Expenses			
	Cost of material consumed	16	2,75,216.85	2,42,864.68
	Changes in inventories of finished goods and work-in-progress	17	(1,598.92)	353.61
	Employee benefits expense	18	36,411.20	32,244.84
	Finance costs	19	963.06	1,148.29
	Depreciation and amortization expense	20	12,492.86	12,816.77
	Other expenses	21	33,094.76	29,060.95
	Total expenses (IV)		3,56,579.81	3,18,489.14
V	Profit before exceptional item, share of net profits of joint venture accounted for using equity method and tax (III - IV)		22,818.50	20,339.59
VI	Share of net profit of joint venture accounted for using equity method	5(a)	5.14	19.63
VII	Profit before exceptional item and tax (V + VI)		22,823.64	20,359.22
VIII	Exceptional item: Impact of Labour Codes	39	807.71	-
IX	Profit before tax (VII-VIII)		22,015.93	20,359.22
X	Tax expense: -Current tax -Deferred tax	6	6,221.38 (770.15)	6,275.94 (970.31)
	Total tax expense (X)		5,451.23	5,305.63
XI	Profit for the year (IX-X)		16,564.70	15,053.59
XII	Other comprehensive income <i>Items that will not be reclassified to profit or loss</i>			
	Gain/(Loss) on remeasurements of post employment benefit obligations	28	167.62	(77.65)
	Share of other comprehensive income of joint venture accounted for using equity method	5(a)	2.87	(1.44)
	Income tax relating to the above item	6	(42.19)	19.54
	Other comprehensive income for the year, net of tax (XII)		128.30	(59.55)
XIII	Total comprehensive income for the year (XI + XII)		16,693.00	14,994.04
	Earnings per equity share (in Rs.) [Face value Rs. 2 each (March 31, 2025 : Rs. 2 each)]	30		
	Basic and Diluted		25.39	23.07

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 referred to in our report of even date

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

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

Sahil Arora
Partner
Membership No.: 506483Shradha Suri
Chairperson &
Managing Director
DIN : 00176902Parmod Kumar Duggal
Executive Director &
Chief Executive Officer
DIN : 02382912Place : New Delhi
Date : May 18, 2026Hemant Kumar Agarwal
Chief Financial Officer &
Senior Vice President (Finance)Kamal Samtani
Company Secretary
ICSI Membership No.: F5140Place : New Delhi
Date : May 18, 2026

CIN: L74899DL1985PLC020134

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026**A. Equity share capital**

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

Particulars	Note no	Amount
Balance at April 1, 2024	10 (a)	1,304.71
Changes in equity share capital during 2024-25		-
Balance at March 31, 2025		1,304.71
Changes in equity share capital during 2025-26		-
Balance at March 31, 2026		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, 2024	10 (b)	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		-	-	(77.65)	(77.65)
Loss on remeasurements of post employment benefit obligations		-	-	(1.44)	(1.44)
Share of other comprehensive income of joint venture accounted for using equity method		-	-	19.54	19.54
Income tax relating to the above item		-	-	-	-
Total comprehensive income for the year		-	-	14,994.04	14,994.04
Transactions with owners in their capacity as owners		-	-	(1,174.24)	(1,174.24)
Dividends paid		-	150.00	(150.00)	-
Transfer to/(from) retained earnings		-	-	-	-
Balance as at March 31, 2025		20,817.44	13,025.48	74,265.31	1,08,108.23
Balance as at April 1, 2025		20,817.44	13,025.48	74,265.31	1,08,108.23
Profit for the year		-	-	16,564.70	16,564.70
Other comprehensive income		-	-	167.62	167.62
Gain on remeasurements of post employment benefit obligations		-	-	2.87	2.87
Share of other comprehensive income of joint venture accounted for using equity method		-	-	(42.19)	(42.19)
Income tax relating to the above item		-	-	-	-
Total comprehensive income for the year		-	-	16,693.00	16,693.00
Transactions with owners in their capacity as owners		-	-	(1,696.13)	(1,696.13)
Dividends paid		-	150.00	(150.00)	-
Transfer to/(from) retained earnings		-	-	-	-
Balance as at March 31, 2026		20,817.44	13,175.48	89,112.18	1,23,105.10

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

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

Sahil Arora
Partner
Membership No.: 506483**Shradha Suri**
Chairperson &
Managing Director
DIN : 00176902**Parmod Kumar Duggal**
Executive Director &
Chief Executive Officer
DIN : 02382912Place : New Delhi
Date : May 18, 2026**Hemant Kumar Agarwal**
Chief Financial Officer &
Senior Vice President (Finance)**Kamal Samtani**
Company Secretary
ICSI Membership No.: F5140Place : New Delhi
Date : May 18, 2026

CIN: L74899DL1985PLC020134

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

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

Particulars	Note no	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from operating activities			
Profit before tax		22,015.93	20,359.22
Adjustments for:			
Depreciation and amortization expense	20	12,492.86	12,816.77
Net loss on disposal of property, plant and equipment	21	90.51	59.62
Interest income	15	(836.09)	(643.54)
Unwinding of discount on financial asset	15	(36.20)	(5.55)
Finance costs	19	963.06	1,148.29
Provision for inventory obsolescence made/ (written back)	8	(13.54)	8.57
Unrealized foreign currency (gain)/ loss (net)		11.39	(148.82)
Loss allowance for trade receivables	21	55.00	50.00
Net gain on sale of investment in mutual fund	15	(372.02)	(367.59)
Gain on maturity of investment in debentures and bonds	15	(2.18)	(1.08)
Net fair value gains on financial assets measured at fair value through profit or loss	15	(81.40)	(47.64)
Government grants	15	(1,547.93)	(230.73)
Gain on termination of lease	15	-	(158.00)
Fair value changes on derivatives	15	(525.98)	(29.48)
Share of net profit of joint venture accounted for using equity method	5(a)	(5.14)	(19.63)
Operating profit before changes in operating assets and liabilities		32,208.27	32,790.41
Adjustments for changes in operating assets and liabilities:			
(Increase)/ Decrease in loans		7.35	(12.86)
(Increase)/ Decrease in other financial assets		(162.38)	(26.64)
(Increase)/ Decrease in inventories		(7,721.61)	111.94
(Increase)/ Decrease in trade receivables		(12,480.84)	(16,863.76)
(Increase)/ Decrease in other assets		(613.02)	428.40
Increase/ (Decrease) in provisions		1,039.85	417.18
Increase/ (Decrease) in other liabilities		(2,140.70)	990.15
Increase/ (Decrease) in trade payables		5,739.95	5,742.10
Increase/ (Decrease) in contract liabilities		1,251.91	(479.37)
Increase/ (Decrease) in other financial liabilities		709.99	39.30
Cash generated from operations		17,838.77	23,136.85
Income tax paid (net)		(7,306.37)	(5,653.07)
Net cash inflow from operating activities (A)		10,532.40	17,483.78
Cash flow from investing activities			
Payments for property, plant and equipment, capital work-in-progress, intangible assets and intangible assets under development		(14,957.06)	(11,792.71)
Payments for investment in alternative investment funds, debentures and bonds		(4,443.79)	(4,592.04)
Proceeds from maturity of investment in debentures and bonds		1,562.79	1,000.00
Proceeds from sale / (Payment for purchase) of mutual funds (net)		723.53	(7,132.04)
Payments for purchase of other investments		(99.76)	-
Proceeds from sale of property, plant and equipment		227.34	150.87
Receipt of government grants		1,490.82	842.84
Proceeds from maturity of deposits with banks		2,800.00	6,300.00
Payment for investments in deposits with banks		(1,800.00)	(2,000.00)
Dividend received from joint venture		18.19	6.62
Interest received		792.34	761.05
Net cash (outflow) from investing activities (B)		(13,685.60)	(16,455.41)
Cash flow from financing activities			
Proceeds from long term borrowings		2,967.43	-
Proceeds from / (Payments of) of short term borrowings (net)		-	-
Proceeds from supplier's credit (net)		450.23	1,053.61
Principal element of lease payments		(49.42)	(40.80)
Interest paid		(977.88)	(1,146.60)
Dividend paid	10(b)(iii)	(1,696.13)	(1,174.24)
Net cash inflow/(outflow) from financing activities (C)		694.23	(1,308.03)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(2,458.97)	(279.66)
Cash and cash equivalents at the beginning of the financial year		3,636.04	3,915.70
Cash and cash equivalents at the end of the financial year	5(b)(iv)	1,177.07	3,636.04



Particulars	Note no	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents as per above comprise of the following:			
Cash on hand	5(b)(iv)	6.58	9.43
Balances with banks - In current accounts	5(b)(iv)	1,170.49	3,626.61
		1,177.07	3,636.04

Particulars	Note no	For the year ended March 31, 2026	For the year ended March 31, 2025
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

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

Sahil Arora
Partner
Membership No.: 506483

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

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

Place : New Delhi
Date : May 18, 2026

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

Kamal Samtani
Company Secretary
ICSI Membership No.: F5140

Place : New Delhi
Date : May 18, 2026

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

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, as amended] 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 May 7, 2025 and August 13, 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 1, 2025:

(a) **Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1**

As a result of the adoption of the amendments to Ind AS 1, the Company changed its accounting policy for the classification of borrowings:

"Borrowings are classified as current liabilities unless, at the end of the reporting period, the Company has a right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the Company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Company is required to comply with after the reporting period do not affect the classification."

This new policy did not result in a change in the classification of the Company's borrowings. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

(b) **Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107**

As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company provided new disclosures for liabilities under supplier finance arrangements in note 11(c), note 22(b) and note 35.

(c) **International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12**

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in the jurisdiction in which the Company operates.

(d) Lack of Exchangeability – Amendments to Ind AS 21

The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not.

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.

(iv) New standards or amendments not yet adopted

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1 - This amendment also includes specific provisions that will take effect for reporting periods beginning on or after April 1, 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

The Company does not expect this amendment to have an impact on its operations or consolidated financial statements.

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) & 22(b)
- g. Provision for inventory obsolescence – Refer note 8
- h. Impairment of property, plant and equipment and intangible assets – Refer note 3 & 4

CIN: L74899DL1985PLC020134

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026**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(xiii) 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, 2024	4,142.86	22,629.21	72,186.50	545.21	599.03	1,155.64	1,01,258.45	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	1,05,557.76	4,992.77
Additions	-	-	-	75.93	128.57	513.76	718.26	9,908.61
Transfer from CWIP	2,453.03	334.73	6,843.41	-	-	7.89	9,639.06	(9,639.06)
Disposals / adjustments	-	(4.10)	(2,553.90)	(14.76)	(73.40)	(112.34)	(2,758.50)	-
Balance as at March 31, 2026	6,595.89	22,619.53	80,728.03	644.80	674.83	1,893.50	1,13,156.58	5,262.32
Accumulated depreciation As at April 1, 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	-
Depreciation charge during the year	-	714.47	7,763.46	46.22	95.52	306.16	8,925.83	-
Disposals / adjustments	-	(0.64)	(2,418.27)	(11.60)	(55.13)	(105.00)	(2,590.64)	-
Balance as at March 31, 2026	-	5,458.14	49,629.74	368.76	91.03	792.08	56,339.75	-
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
Net carrying amount As at March 31, 2026	6,595.89	17,161.39	31,098.29	276.04	583.80	1,101.42	56,816.83	5,262.32

Notes-

- Depreciation pertaining to machineries used for manufacture of moulds has been capitalized during the year amounting to Rs 2.50 Lakhs (Previous year Rs 46.27 Lakhs).
- Capital work-in-progress mainly comprises of building and plant and machinery. Additionally, CWIP as at March 31, 2025 also comprised of freehold land pending approval for its intended use.
- Refer note 25 to these Consolidated Financial Statements for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 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. 288.31 Lakhs (Previous year Rs. 495.12 Lakhs) during the year with a consequential impact on "Profit before tax" of an equal amount.
- Refer note 13(a) for government grant related to plant and machinery.
- The Company has leased out a part of building having gross and net carrying amount of Rs. 746.97 Lakhs and Rs. 258.02 Lakhs, respectively, as at March 31, 2026 (March 31, 2025: Rs. 690.58 Lakhs and Rs. 211.27 Lakhs, respectively). (Also refer note 27).
- Refer note 32 for carrying amount of property, plant and equipment pledged as security by the Company.
- Refer note 19 for borrowing costs capitalised by the Company during the year under Capital work-in-progress.

ix) Capital work-in-progress (CWIP)

(a) Ageing:

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

Particulars	As at March 31, 2026				
	Amount in CWIP for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5,201.18	30.03	31.11	-	5,262.32
Projects temporarily suspended	-	-	-	-	-

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

Particulars	As at March 31, 2025				
	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	-	-	-	-	-

(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)

Particulars	As at March 31, 2026				
	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	39.47	-	-	-	39.47
- Hose & Tubes	0.88	-	-	-	0.88
- Compressor	56.73	-	-	-	56.73
- Condensor	30.84	-	-	-	30.84
(ii) Plant Utility	257.94				257.94
Total	385.86	-	-	-	385.86

*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.

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

Particulars	As at March 31, 2025				
	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.

x) Significant estimate**A. Estimated useful life of property, plant and equipment**

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.

B. Impairment of property, plant and equipment

The estimate for impairment of property, plant, and equipment involves using key assumptions such as discount rates, terminal growth rates, sales growth and margins based on market conditions and internal forecasts. These estimates are regularly reviewed against actual performance and regulatory changes to ensure asset values remain accurate and recoverable.

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 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(xviii) 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, 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
Additions	42.51	-	-	42.51	3,109.47
Transfer from intangible assets under development	2.25	1,301.56	2,037.07	3,340.88	(3,340.88)
Disposals / adjustments	-	-	-	-	-
Balance as at March 31, 2026	603.09	18,336.77	28,687.11	47,626.97	2,644.87
Accumulated amortization					
As at April 1, 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	-
Amortization charge for the year	68.81	1,308.47	2,093.45	3,470.73	-
Disposals / adjustments	-	-	-	-	-
Balance as at March 31, 2026	488.52	13,649.03	20,525.23	34,662.78	-
Net carrying amount As at March 31, 2025	138.62	4,694.65	8,218.26	13,051.53	2,876.28
Net carrying amount As at March 31, 2026	114.57	4,687.74	8,161.88	12,964.19	2,644.87

Notes-

- Amortization pertaining to software used for manufacture of moulds has been capitalized during the year amounting to Rs Nil (Previous year Rs 1.22 Lakhs).
- Consists of capitalised product development costs being an internally generated intangible asset.
- Intangible assets under development comprises of technical know how and product development cost incurred by the Company.
- Intangible assets under development

(a) Ageing:

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

Particulars	As at March 31, 2026				
	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	2,243.87	266.67	81.18	53.15	2,644.87
Projects temporarily suspended	-	-	-	-	-
Total	2,243.87	266.67	81.18	53.15	2,644.87

(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

(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)

Particulars	As at March 31, 2026				
	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 *					
- Heating, ventilation, and air conditioning (HVAC) system	228.57	-	-	-	228.57
- Hose & Tubes	1.13	-	-	-	1.13
- Condensor	-	-	-	-	-
- Radiator	12.28	-	-	-	12.28
Total	241.98	-	-	-	241.98

*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.

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

Particulars	As at March 31, 2025				
	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 *					
- Heating, ventilation, and air conditioning (HVAC) system	831.49	-	-	-	831.49
- 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.

v) 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 –

- whether the costs incurred is towards development of product or in the nature of research,
- the costs, including payroll costs, were directly attributable to relevant projects, and
- 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.

C. Impairment of intangible assets

The estimate for impairment of intangible assets involves using key assumptions such as discount rates, terminal growth rates, sales growth and margins based on market conditions and internal forecasts. These estimates are regularly reviewed against actual performance and regulatory changes to ensure asset values remain accurate and recoverable.

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, 2026	Carrying amount as at March 31, 2025
Denso Subros Thermal Engineering Centre India Private Limited [1,767,999 (March 31, 2025: 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.	194.99	183.42
Add:- Share of net profit of joint venture accounted for using equity method					5.14	19.63
Add:- Share of other comprehensive income of joint venture accounted for using equity method					2.87	(1.44)
Less: Dividend income received during the year					(18.19)	(6.62)
Total equity accounted investment					184.81	194.99

* 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, 2026	As at March 31, 2025
Current assets		
Financial assets		
(i) Trade receivables	388.23	269.26
(ii) Cash and cash equivalents	763.28	705.43
(iii) Other financial assets	17.23	10.19
Other current assets	142.00	184.37
Total current assets	1,310.74	1,169.25
Total non-current assets	279.13	260.08
Current liabilities		
Financial liabilities		
(i) Lease liabilities	25.19	15.71
(ii) Trade payables	80.55	65.09
(ii) Other financial liabilities	87.96	86.05
Other current liabilities	45.08	44.20
Current Tax liability(net)	6.50	-
Short-term provisions	400.50	343.91

Total current liabilities	645.78	554.96
Total non-current liabilities	233.27	124.42
Net assets	710.82	749.95

Reconciliation to carrying amounts

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

Description	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening net assets	749.95	705.47
Profit for the year	19.80	75.49
Other comprehensive income	11.02	(5.54)
Dividend paid on equity shares	(69.95)	(25.47)
Closing net assets	710.82	749.95
Company's share in %	26%	26%
Company's share in INR Lakhs	184.81	194.99
Carrying amount	184.81	194.99

Summarized Statement of Profit and Loss

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

Description	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	1,975.93	1,795.44
Other income	73.01	39.33
Employee benefits expense	(1,511.47)	(1,200.35)
Finance costs	(4.69)	(4.54)
Depreciation and amortization expense	(48.69)	(46.79)
Other expenses	(435.28)	(463.49)
Income tax expenses	(29.01)	(44.11)
Profit for the year	19.80	75.49
Other comprehensive income	11.02	(5.54)
Total comprehensive income	30.82	69.95

Note:

- There are contingent liabilities related to joint venture amounting to Rs. 92.60 Lakhs as on March 31, 2026 (March 31, 2025: Rs. Rs. 187.88 Lakhs).
- There are no commitments related to joint venture as on March 31, 2026 and March 31, 2025.
- The Board of Directors of joint venture recommended a final dividend of Rs. 0.45 per share (nominal value of Rs. 10 per share) for the financial year 2025-26 (March 31, 2025: Rs. 1.03 per share for the financial year 2024-25). 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. 30.82 Lakhs (March 31, 2025: Rs. 69.95 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 alternative investment funds
- 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 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

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

Particulars	As at March 31, 2026	As at March 31, 2025
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, 2025: 1,719,061) Fully paid up equity shares of Rs. 17.45 each		
Ampin C&I Power Five Private Limited*		
997,600 (March 31, 2025: Nil) Fully paid up equity shares of Rs. 10 each	99.76	-
Investment in alternative investment funds (at fair value through profit or loss)		
Unquoted (fully paid- up)	1,150.00	-
Investment in debentures and bonds (at amortised cost)		
Quoted (fully paid- up)	1,939.62	2,384.32
Unquoted (fully paid- up)	456.07	210.00
Total non-current investments - other	3,945.43	2,894.30
Aggregate amount of quoted investments	1,939.62	2,384.32
Aggregate market value of quoted investments	1,907.15	2,369.63
Aggregate amount of unquoted investments	2,005.81	509.98
Aggregate amount of impairment in the value of unquoted investments	-	-

* The Company holds 26% equity shares in Ampin C&I Power Five Private Limited ("AMPIN"). However, the Company does not have significant influence, as it does not have any power to participate in the financial and operating policy decisions of AMPIN. Accordingly, the investment has been accounted for as a financial asset under Ind AS 109 – Financial Instruments.

5(b)(ii). Current investments

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

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in mutual funds (at fair value through profit or loss)		
Unquoted		
Nil (March 31, 2025: 5,116,215.615) units of Nippon India Overnight Fund - Direct Growth Plan	-	7,016.27
81,638.152 (March 31, 2025: Nil) units of Nippon India Liquid Fund - Direct Growth Plan	5,505.77	-
22,814.159 (March 31, 2025: Nil) units of Nippon India Money Market Fund - Direct Growth Plan	1,003.83	-
544,879.68 (March 31, 2025: Nil) units of Nippon India Credit Risk Fund - Growth Plan	200.25	-
1,565,817.746 (March 31, 2025: 1,565,817.746) units of Invesco India Arbitrage Fund-Direct Growth Plan	567.31	531.00
Investment in debentures and bonds (at amortised cost)		
Quoted (fully paid- up)	2,930.60	998.80
Total current investments - other	10,207.76	8,546.07
Aggregate amount of quoted investments	2,930.60	998.80
Aggregate market value of quoted investments	2,952.50	997.89
Aggregate amount of unquoted investments	7,277.16	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. (Also refer note 22(b)).

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

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables from contract with customers - billed	48,684.94	41,014.44
Trade receivables from contract with customers - unbilled*	8,883.86	4,076.79
Trade receivables from contract with customers - related parties (Refer note 24)	161.21	188.99
Less: Loss allowance	(171.94)	(147.99)
Total trade receivables	57,558.07	45,132.23
Current portion	57,558.07	45,132.23
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 contract 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, 2026	As at March 31, 2025
Trade receivables considered good - Secured	17.45	17.65
Trade receivables considered good - Unsecured	57,698.33	45,212.29
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	14.23	50.28
Total	57,730.01	45,280.22
Loss allowance	(171.94)	(147.99)
Total trade receivables	57,558.07	45,132.23

Ageing of Trade receivables as on March 31, 2026

(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	8,883.86	44,933.21	3,677.55	151.86	51.83	17.12	0.35	57,715.78
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								
– considered good	-	-	-	-	-	-	-	-
– which have significant increase in credit risk	-	-	-	-	-	-	-	-
– credit impaired	-	-	-	-	-	-	14.23	14.23
Total	8,883.86	44,933.21	3,677.55	151.86	51.83	17.12	14.58	57,730.01

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

5(b)(iv). Cash and cash equivalents

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

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- In current accounts	1,170.49	3,626.61
Cash on hand	6.58	9.43
Total cash and cash equivalents	1,177.07	3,636.04

There are no 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, 2026	As at March 31, 2025
Earmarked balances with banks		
Unpaid dividend accounts	21.65	20.65
Others		
Deposits with original maturity of more than three months but less than 12 months	2,600.00	4,000.00
Total bank balances other than cash and cash equivalents	2,621.65	4,020.65

5(b)(vi). Loans

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Loans to employees	70.88	24.32	76.67	19.03
Total loans	70.88	24.32	76.67	19.03

Breakup of security details

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

Particulars	As at March 31, 2026	As at March 31, 2025
Loans considered good - Secured	-	-
Loans considered good - Unsecured	95.20	95.70
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	95.20	95.70
Loss allowance	-	-
Total loans	95.20	95.70

5(b)(vii). Other financial assets

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Security deposits				
Related parties (refer note 24)	-	256.89	-	256.89
Others	129.51	780.01	17.03	728.22
Deposits with maturity of more than 12 months	-	400.00	-	-
Interest accrued on financial instruments	235.97	-	192.22	-
Derivative asset	328.51	-	-	-
Government grant receivable (refer note 13(a))	2,939.24	1,511.03	298.97	-
Insurance Claim Recoverable	-	-	1.89	-
Recoverable from sale of property plant and equipment	131.27	142.84	142.83	251.92
Total other financial assets	3,764.50	3,090.77	652.94	1,237.03

6. Tax expense

a) Income tax expense in the Consolidated Statement of Profit and Loss comprises:

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Tax expense		
Current tax		
Current tax on profits for the year	6,383.79	6,149.85
Adjustments for current tax of prior year	(162.41)	126.09
Total current tax expense	6,221.38	6,275.94
Deferred tax		
Decrease / (increase) in deferred tax assets	(1,205.47)	(261.12)
(Decrease) / increase in deferred tax liabilities	435.32	(709.19)
Total deferred tax expense / (credit)	(770.15)	(970.31)
Total tax expense / (credit)	5,451.23	5,305.63

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, 2026	For the year ended March 31, 2025
Accounting profit before tax	22,015.93	20,359.22
Computed tax expense at applicable tax rate of 25.168% (previous year 25.168%)	5,540.97	5,124.01
Tax effect of :		
Tax effects of the amounts which are not deductible in calculating taxable income	78.15	46.74
Adjustment on account of lower tax rate	(5.48)	8.79
Adjustment for current tax of prior year	(162.41)	126.09
Tax expense recognized in Consolidated Statement of Profit and Loss	5,451.23	5,305.63

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
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
2025-26				
Deferred tax liability in relation to:				
Property, plant and equipment and intangible assets	5,091.83	(436.45)	-	5,528.28
Others	1.13	1.13	-	-
Total deferred tax liability (A)	5,092.96	(435.32)	-	5,528.28
Deferred tax assets in relation to:				
Expenses deductible in future years	701.96	1,198.53	-	1,900.49
Right-of-use assets	38.94	19.38	-	58.32

Lease liabilities	17.25	(12.44)	-	4.81
Remeasurement of post employment benefit obligations	240.39	-	(42.19)	198.20
Total deferred tax assets (B)	998.54	1,205.47	(42.19)	2,161.82
Deferred tax liability(net) (C) = (A) - (B)	4,094.42	770.15	(42.19)	3,366.46

Note:

1. Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.

7. Other assets

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non-current	Current	Non-current
Capital advances	-	1,740.35	-	355.37
Advances other than capital advances :				
Advance to suppliers				
-Related party (refer note 24)	0.54	-	1.66	-
-Others	1,205.32	-	644.83	-
Prepaid expenses	671.28	-	571.52	-
Recoverable from statutory authorities	573.78	-	619.89	-
Total other assets	2,450.92	1,740.35	1,837.90	355.37

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, 2026	As at March 31, 2025
Raw material and spares *	34,064.47	28,598.33
Work-in progress	5,920.84	4,647.29
Finished goods	1,101.67	776.30
Stores	4,033.25	3,363.16
Total Inventories	45,120.23	37,385.08

* Net of provision for inventory obsolescence amounting to Rs. 426.22 Lakhs as at March 31, 2026 (March 31, 2025: Rs. 439.76 Lakhs). An amount of Rs. 13.54 Lakhs has been written back during the year ended March 31, 2026 (Rs. 8.57 Lakhs has been provided during the year ended March 31, 2025) 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, 2026	As at March 31, 2025
Raw material and spares	6,960.02	5,185.04
Finished goods	476.66	305.38

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, 2026	As at March 31, 2025
Advance tax (net of provisions - March 31, 2026: Rs. 25,914.97 Lakhs; March 31, 2025: Rs. 13,543.74 Lakhs)	584.15	118.73
Total non-current tax assets	584.15	118.73

10. Equity**10(a). Equity share capital**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Authorized share capital 125,000,000 (as at March 31, 2025 : 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, 2025 : 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, 2025 : 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, 2026		For the year ended March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	6,52,35,750	1,304.71	6,52,35,750	1,304.71
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	6,52,35,750	1,304.71	6,52,35,750	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, 2026		As at March 31, 2025	
	Number of shares held	% of holding	Number of shares held	% of holding
Deeksha Holding Limited	1,01,37,760	15.54%	1,01,37,760	15.54%
Jyotsna Holding Private Limited	34,48,000	5.29%	34,48,000	5.29%
Shradha Suri	55,87,040	8.56%	55,87,040	8.56%
Denso Corporation	1,30,47,150	20.00%	1,30,47,150	20.00%
Suzuki Motor Corporation	78,00,000	11.96%	78,00,000	11.96%

D. Details of shareholding of promoters :

Name of the promoter	As at March 31, 2026			As at March 31, 2025		
	Number of shares	% total shares	% Change during the year	Number of shares	% total shares	% Change during the year
Shradha Suri	55,87,040	8.56%	0.00%	55,87,040	8.56%	0.00%
Deeksha Holding Limited	1,01,37,760	15.54%	0.00%	1,01,37,760	15.54%	0.00%
Jyotsna Holding Private Limited	34,48,000	5.29%	0.00%	34,48,000	5.29%	0.00%
R.R. Holdings Private Limited	32,08,000	4.92%	0.00%	32,08,000	4.92%	0.00%
JS Family Trust	16,19,200	2.48%	0.00%	16,19,200	2.48%	0.00%

**10(b). Other equity
Reserves and surplus**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Securities premium	20,817.44	20,817.44
General reserve	13,175.48	13,025.48
Retained earnings	89,112.18	74,265.31
Total other equity	1,23,105.10	1,08,108.23

i) Securities premium

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	20,817.44	20,817.44
Issue of equity shares	-	-
Closing balance	20,817.44	20,817.44

Securities premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

ii) General reserve

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	13,025.48	12,875.48
Transfer from retained earnings	150.00	150.00
Closing balance	13,175.48	13,025.48

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, 2026	For the year ended March 31, 2025
Opening balance	74,265.31	60,595.51
Add: Profit for the year	16,564.70	15,053.59
Less: Remeasurement gain/ (loss) on post employment benefit obligation, net of tax and share of other comprehensive income of joint venture accounted for using equity method	128.30	(59.55)
Less: Appropriations		
Transfer to general reserve	(150.00)	(150.00)
Dividend on equity shares	(1,696.13)	(1,174.24)
Closing balance	89,112.18	74,265.31

During the year, a dividend of Rs. 2.60 per share, total dividend Rs. 1,696.13 Lakhs (previous year: Rs. 1.8 per share, total dividend Rs. 1,174.24 Lakhs) was paid to equity shareholders.

The Board of Directors recommended a final dividend of Rs. 3 per share (nominal value of Rs. 2 per share) for the financial year 2025-26 (March 31, 2025: Rs. 2.60 per share for the financial year 2024-25). 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. 1,957.07 Lakhs (March 31, 2025: Rs. 1,696.13 Lakhs).

11. Financial liabilities**11(a). Non-current borrowings**

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

Particulars	Security (Refer note below)	Maturity date	Terms of repayment	Coupon/ Interest rate	As at March 31, 2026	As at March 31, 2025
Secured Term loans Indian Rupee loans from banks*	Plant and machinery - First pari passu charge on movable fixed assets to the extent of 1.25 times of sanctioned amount (Refer note 32 for carrying amount of assets pledged as security)	June, 2030 (March 31, 2025: Not applicable)	Sixteen quarterly equal instalments commencing from September, 2026 (March 31, 2025: Not applicable)	7.25% - 8.00% (1M REPO + 200 bps) (March 31, 2025 : Not Applicable)	2,980.54	-
Total borrowings					2,980.54	-
Less: Current maturities of long term debt [included in note 11(b)]					556.39	-
Less: Interest accrued [included in note 11(b)]					13.11	-
Non-current borrowings					2,411.04	-

*Note: The Company is required to comply with financial covenants. Refer note 22(c) for the disclosure.

11(b). Current borrowings

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

Particulars	As at March 31, 2026	As at March 31, 2025
Secured From banks Current maturities of long term debt*	569.50	-
Total current borrowings	569.50	-

* Includes interest accrued on long-term borrowings.

Note: Borrowings are subsequently measured at amortised cost and therefore interest accrued on current borrowings are included in the carrying amounts.

11(c). Supplier's credit (current)

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

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured: Supplier's credit	4,475.44	4,025.21
Total	4,475.44	4,025.21

The Company has supplier's credit arrangements where suppliers of goods and services are initially paid by Receivables Exchange of India ("Exchange") and settlement with Exchange is done according to the terms and conditions of the arrangements. These arrangements provide the entity with extended payment terms, or the entity's suppliers with early payment terms, compared to the related invoice payment due date.

The Company has entered into a reverse factoring arrangement for its trade payables to its suppliers ("sellers"). For this purpose, the Company, as "buyer," has executed a master agreement with the Exchange for supplier financing. The Exchange operates the platform under the brand name "RXIL". It acts as an intermediary that connects the buyer, the seller, and participating financiers (banks or financial institutions) on a common platform for the factoring or reverse factoring of invoices. The Company uploads the invoice details of the suppliers along with other relevant information on the RXIL portal, where financiers bid to provide financing. Once the bid is accepted by the Company, suppliers are paid by the financiers on or before the due date of their invoice and the Company pays the financier upto 90 days from the date of acceptance depending on the terms. The Company bears the interest in the range of 5.25% - 8% p.a.

The primary objective of this facility is to ensure suppliers are paid on or before their due dates while enhancing the Company's working capital position through access to financing.

Range of payment due dates	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Liability under supplier's credit arrangement	Upto 90 days from the date of acceptance	Upto 90 days from the date of acceptance	Upto 90 days from the date of acceptance
Comparable trade payables that are not part of the supplier's credit arrangement	30-60 Days	30-60 Days	30-60 Days

Carrying amount of liabilities under supplier finance arrangement	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Liabilities under supplier finance arrangement	4,475.44	4,025.21	2,971.60
of which the supplier has received payment from the finance provider	4,475.44	4,025.21	2,971.60

-There were no business combinations or foreign exchange differences that would affect the liabilities under the supplier's credit arrangement in either period.

The carrying amounts of supplier's credit are considered to be reasonable approximations of their fair values, due to their short-term nature.

Presentation in the Consolidated Balance Sheet and Consolidated Statement of Cash Flows

The Company derecognises the original trade payables when those payables become part of the supplier's credit arrangement. The related Supplier's credit are presented as a separate line item on the face of the Consolidated Balance Sheet, because they represent financing obtained by the Company and are sufficiently different from trade payables. All supplier's credit are classified as current, since they are required to be settled within 90 days from the date of acceptance.

Management considers that the finance provider settles the invoices as a payment agent on behalf of the entity. The payments made by the finance provider are therefore presented as operating cash outflows and financing cash inflows in equal but opposite amounts at the point when the finance provider pays the supplier. When the Company subsequently pays the amount outstanding to the finance provider, this is presented as a financing cash outflow.

Refer Note 35 for Net Debt Reconciliation.

11(d). Trade payables

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

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Trade payables: micro and small enterprises (refer Note 37)	1,550.33	363.35
Trade payables: others	47,923.52	45,733.60
Trade payables to related parties (refer note 24)	12,308.27	9,933.83
Total	61,782.12	56,030.78

Ageing of trade payables as at March 31, 2026

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

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	101.93	1,448.40	-	-	-	-	1,550.33
- Others	7,204.50	43,786.23	9,154.34	42.96	35.61	8.15	60,231.79
Disputed trade payables							
- Micro and small enterprises	-	-	-	-	-	-	-
- Others	-	-	-	-	-	-	-
Total	7,306.43	45,234.63	9,154.34	42.96	35.61	8.15	61,782.12

Ageing of trade payables as at March 31, 2025

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

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

11(e). Other financial liabilities (current)

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

Particulars	As at March 31, 2026	As at March 31, 2025
Capital creditors*	828.45	614.68
Interest accrued	18.78	11.50
Security deposit received		
-Related party (refer note 24)	6.14	6.14
-Others	50.74	53.49
Unclaimed dividend**	21.65	20.65
Derivative liability	-	197.47
Others		
Due to director (refer note 24)	604.76	460.28
Payable to employees	3,154.43	2,586.17
Total	4,684.95	3,950.38

* Includes Rs. 197.67 Lakhs (March 31, 2025: Rs. 124.96 Lakhs) payable to related parties. Refer note 24.

** The Company has deposited an amount of Rs. 3.98 Lakhs (Previous year Rs. 3.26 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, 2026 and March 31, 2025.

12. Provisions

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Current	Non- Current	Current	Non- Current
Provision for employee benefits:				
Provision for leave encashment (refer note 28)	673.49	-	473.78	-
Provision for gratuity (refer note 28)	-	1,896.89	-	1,325.05
Provision for long service award	56.92	215.87	67.63	208.93
Provision for warranty	318.04	212.03	255.37	170.25
Total	1,048.45	2,324.79	796.78	1,704.23

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, 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
For the year ended March 31, 2026	
Balance as at April 1, 2025	425.62
Charged/(credited) to profit or loss	
Additional provisions recognized	539.23
Unwinding of discount on provision for warranty	8.48
Discounting of additional provision recognized	(8.98)
Amounts written back during the year	-
Amounts utilized during the year	(434.28)
As at March 31, 2026	530.07

Sensitivity analysis

As at March 31, 2026, provision for warranty had a carrying amount of Rs. 530.07 Lakhs (March 31, 2025: Rs. 425.62 Lakhs). If warranty claim costs were to differ by 10% of the management's estimates, the provision would be an estimated Rs. 53.01 Lakhs higher or lower (March 31, 2025: Rs. 42.56 Lakhs higher or lower).

13(a). 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 related to assets 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. Further, government grants relating to the purchase of property, plant and equipment which is not similar in nature to the other grant, are deducted from the cost of the related assets in arriving at the carrying value of the assets.

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, 2026	As at March 31, 2025
Government grants		
Opening balance	911.08	-
Grants during the year	5,642.13	1,141.81
Less: Released to profit or loss (Refer note 15)	(1,547.93)	(230.73)
Less: Adjusted from the cost of the related assets	(41.43)	-
Less: Exchange variations	(3.30)	-
Closing balance	4,960.55	911.08
Less: Current portion (refer note 13(b))	256.32	-
Total	4,704.23	911.08

Note:

a) 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.

During the year ended March 31, 2026, the Company has recognized a recognized a grant receivable of Rs. 5,535.65 Lakhs (previous year: 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. The Company has recognized Rs. 1,477.69 Lakhs (previous year: Rs. 230.73 Lakhs) as income in the Consolidated Statement of Profit and Loss for the year ended March 31, 2026 corresponding to the useful life elapsed up to that date.

b) The Company has also received government grant 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) and incremental operating costs incurred for reduction of consumption of HCFCs. As on March 31, 2025, the Company was 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. These conditions have been complied with during the year ended March 31, 2026.

During the year ended March 31, 2026, the Company has received the government grant amounting to Rs. 36.24 Lakhs related to property, plant and equipment which alongwith opening balance of Rs. 8.48 Lakhs has been adjusted from the cost of related assets. Further, an amount of Rs. 70.24 Lakhs received as incremental operating costs has been recognised as income in the Consolidated Statement of Profit and Loss as there is reasonable assurance that the grant will be received.

c) The Company has also benefited from other forms of government assistance as mentioned in Note 18.

13 (b). Other current liabilities

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

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues	1,776.30	3,917.00
Government grant (refer note 13(a))	256.32	-
Total	2,032.62	3,917.00

13 (c). Contract liabilities (current)

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

Particulars	As at March 31, 2026	As at March 31, 2025
Contract liabilities	1,582.20	330.29
Total	1,582.20	330.29

Notes:

- Contract liabilities represent payments received from the customers in excess of the goods sold by the Company.
- During the year ended March 31, 2026, the Company recognised revenue of Rs. 186.69 Lakhs arising from opening contract liabilities as of April 1, 2025. During the previous year, the Company recognised revenue of Rs. 516.40 Lakhs arising from opening contract liabilities as at April 1, 2024.

13 (d). Current tax liabilities

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

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	619.57	89.67
Current tax payable for the year	6,383.79	6,149.85
Less:- Taxes paid	7,003.36	5,619.95
Closing balance	-	619.57

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.

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, 2026	For the year ended March 31, 2025
Revenue from contracts with customers		
- Sale of products	3,73,866.30	3,35,390.86
- Sale of services	338.13	309.58
Other operating revenues		
- Sale of scrap	1,347.23	1,057.03
Total	3,75,551.66	3,36,757.47

Note 1: Unsatisfied contracts:

The following table shows unsatisfied performance obligation resulting from contracts:

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

Particulars	As at March 31, 2026	As at March 31, 2025
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at reporting date	1,582.20	330.29

Management expects that transaction price allocated to unsatisfied contracts as of March 31, 2026 will be recognized as revenue during the next reporting period.

Note 2: Reconciliation of revenue recognised with contract price:

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract Price	3,75,830.67	3,37,084.18
Adjustments for:		
- Rebate/discounts	(279.01)	(326.71)
Revenue from Operations	3,75,551.66	3,36,757.47

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 13(a) 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, 2026	For the year ended March 31, 2025
Interest income on:		
a) Financial assets at amortized cost	718.47	622.58
b) Financial assets at fair value through profit or loss	102.25	-
c) Others	15.37	20.96
Exchange variation on foreign currency transactions (net)	278.14	468.41
Fair value changes on derivatives	525.98	29.48

Unwinding of discount on financial asset	36.20	5.55
Rental income	33.65	35.57
Net gain on sale of investments in mutual funds	372.02	367.59
Gain on maturity of investment in debentures and bonds	2.18	1.08
Government grant (Refer note 13(a))	1,547.93	230.73
Gain on termination of lease	-	158.00
Net fair value gains on financial assets measured at fair value through profit or loss	81.40	47.64
Other miscellaneous income	133.06	83.67
Total	3,846.65	2,071.26

16. Cost of material consumed

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw material and spares		
Raw material and spares at the beginning of the year	28,598.33	28,585.62
Add: Purchase of raw material and spares	2,80,682.99	2,42,877.39
Less: Raw material and spares at the end of the year	34,064.47	28,598.33
Total	2,75,216.85	2,42,864.68

Refer note 31 for expenses capitalized during the year ended March 31, 2026 and March 31, 2025.

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, 2026	For the year ended March 31, 2025
Opening Balance		
Finished goods	776.30	968.74
Work-in-progress	4,647.29	4,808.46
Total opening balance (a)	5,423.59	5,777.20
Closing balance		
Finished goods	1,101.67	776.30
Work-in-progress	5,920.84	4,647.29
Total closing balance (b)	7,022.51	5,423.59
Total changes in inventories of finished goods and work-in-progress (a-b)	(1,598.92)	353.61

18. Employee benefits expense

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus*	31,912.35	27,640.61
Contribution to provident fund and employees' state insurance scheme (refer note 28)**	1,288.09	1,211.61
Gratuity (refer note 28)	385.43	356.56
Staff welfare expenses	2,825.33	3,036.06
Total	36,411.20	32,244.84

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.194.44 Lakhs (March 31, 2025: Rs. 152.60 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 Viksit Bharat Rozgar Yojana amounting to Rs. 30.76 Lakhs (March 31, 2025: Rs. Nil).

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 13(a).

(ii) Refer note 31 for expenses capitalized during the year ended March 31, 2026 and March 31, 2025.

19. Finance costs

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest costs:		
- Loans from banks	126.08	116.95
- Other financing arrangements	747.42	711.27
Exchange differences regarded as an adjustment to borrowing costs	101.37	255.30
Interest on lease liabilities (refer note 27)	3.85	37.22
Other finance costs	19.55	27.55
	998.27	1,148.29
Less:- Amount capitalized (refer note below)	35.21	-
Total	963.06	1,148.29

Note: Pertains to specific borrowings that are directly attributable to the construction of Company's plant in Kharkhoda (Haryana) included in Capital work-in-progress as at March 31, 2026.

20. Depreciation and amortization expense

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment (refer note 3)	8,923.33	9,375.69
Depreciation of right-of-use assets (refer note 27)	98.80	110.07
Amortization of intangible assets (refer note 4)	3,470.73	3,331.01
Total	12,492.86	12,816.77

Also refer note 31 for expenses capitalized during the year ended March 31, 2026 and March 31, 2025.

21. Other expenses

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores	6,577.09	5,768.56
Power and fuel	4,737.99	4,279.95
Rent (refer note 27)	483.08	358.18
Repair and maintenance: Building	588.53	521.51
Repair and maintenance: Plant and machinery	3,195.73	2,652.82
Repair and maintenance: Others	443.74	502.00
Rates, taxes and fees	82.29	59.47
Insurance	500.41	620.25
Royalty	5,464.50	5,076.93
Warranty expenses	530.25	306.87
Selling and distribution expenses:		
- Freight outward expense	4,170.46	3,493.06
- Packing charges	1,956.57	1,574.99
Legal and professional charges	483.34	491.24
Vehicle running and maintenance	166.68	159.62
Travelling and conveyance	620.50	624.35
Payment to auditors (refer note 21(a) below)	75.85	71.91
Net loss on disposal of property, plant and equipment	90.51	59.62
Loss allowance for trade receivables	55.00	50.00
Corporate social responsibility expenses (refer note 21(b) below)	277.98	171.18
Director's sitting fees and commission (refer note 24)	88.58	84.24
Other miscellaneous expenses	2,505.68	2,134.20
Total	33,094.76	29,060.95

Also refer note 31 for expenses capitalized during the year ended March 31, 2026 and March 31, 2025.

21(a). Details of payment to auditors

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Payment to auditors*		
As auditor:		
Fees for statutory audit services	50.00	50.00
Fees for tax audit	1.50	1.50
Fees for attestation and certification:		
- Limited reviews	7.50	7.50
- Certification services	10.50	6.50
Out-of-pocket expenses	6.35	6.41
Total	75.85	71.91

* Excluding applicable taxes

21(b). Corporate social responsibility expenses

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contribution to green plantations	1.67	13.50
Contribution to education for under-privileged children	87.53	52.84
Contribution to skills developments	117.90	87.63
Contribution to social campaign	16.36	-
Contribution to paralympic sports	37.80	6.32
Contribution to preventive healthcare	9.22	9.31
Contribution to technology development	7.50	1.58
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	-	-
Total	277.98	171.18
<i>Amount required to be spent as per Section 135 of the Act</i>	276.81	170.68
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than above	277.98	171.18
Total	277.98	171.18

Details of ongoing CSR projects under Section 135(6) of the Act

Balance as at April 1, 2025		Amount required to be spent during the year	Amount spent during the year		Balance as at March 31, 2026	
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
-	-	276.81	277.98	-	-	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance unspent as at April 1, 2025	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, 2026
-	-	-	-	-

Details of excess CSR expenditure under Section 135(5) of the Act

Balance excess spent as at April 1, 2025	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at March 31, 2026
-	-	-	-

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
-	-	-	-

22. Financial instruments and risk management**22(a). Financial instruments by category**

The carrying amount of financial instruments by categories as of March 31, 2026 is as follows:

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

Particulars	FVOCI	FVTPL	Amortized cost	Total
Financial assets				
i) Investments	-	8,826.90	5,326.29	14,153.19
ii) Trade receivables	-	-	57,558.07	57,558.07
iii) Cash and cash equivalents	-	-	1,177.07	1,177.07
iv) Bank balance other than cash and cash equivalents	-	-	2,621.65	2,621.65
v) Loans	-	-	95.20	95.20
vi) Other financial assets	-	328.51	6,526.76	6,855.27
Total financial assets	-	9,155.41	73,305.04	82,460.45
Financial liabilities				
i) Borrowings	-	-	2,980.54	2,980.54
ii) Supplier's credit	-	-	4,475.44	4,475.44
iii) Trade payables	-	-	61,782.12	61,782.12
iv) Other financial liabilities	-	-	4,684.95	4,684.95
Total financial liabilities	-	-	73,923.05	73,923.05

The carrying amount 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) Borrowings	-	-	-	-
ii) Supplier's credit	-	-	4,025.21	4,025.21
iii) Trade payables	-	-	56,030.78	56,030.78
iv) Other financial liabilities	-	197.47	3,752.91	3,950.38
Total financial liabilities	-	197.47	63,808.90	64,006.37

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)

As at March 31, 2026					
Particulars	Note no	Level 1	Level 2	Level 3	Total
Financial assets					
Investments	5(b)(i) & (ii)	7,277.16	1,150.00	399.74	8,826.90
Derivatives asset	5(b)(vii)	-	328.51	-	328.51
Total financial assets		7,277.16	1,478.51	399.74	9,155.41
Financial liabilities					
Derivative liability	11(e)	-	-	-	-
Total financial liabilities		-	-	-	-

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

As at March 31, 2025					
Particulars	Note no	Level 1	Level 2	Level 3	Total
Financial assets					
Investments	5(b)(i) & (ii)	7,547.27	-	299.98	7,847.25
Derivative asset	5(b)(vii)	-	-	-	-
Total financial assets		7,547.27	-	299.98	7,847.25
Financial liabilities					
Derivative liability	11(e)	-	197.47	-	197.47
Total financial liabilities		-	197.47	-	197.47

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)

As at March 31, 2026						
Particulars	Notes No.	Carrying amount	Fair value			Total
			Level 1	Level 2	Level 3	
Financial assets						
Investments	5(b)(i) & (ii)	5,326.29	4,870.22	-	456.07	5,326.29
Security deposits	5(b)(vii)	1,166.41	-	-	1,166.41	1,166.41
Loans to employees	5(b)(vi)	95.20	-	-	95.20	95.20
Trade receivables	5(b)(iii)	57,558.07	-	-	57,558.07	57,558.07
Cash and cash equivalents	5(b)(iv)	1,177.07	-	-	1,177.07	1,177.07
Deposits with original maturity of more than three months but less than 12 months	5(b)(v)	2,600.00	-	-	2,600.00	2,600.00
Unpaid dividend accounts	5(b)(v)	21.65	-	-	21.65	21.65
Interest accrued on financial instruments	5(b)(vii)	235.97	-	-	235.97	235.97
Deposits with maturity of more than 12 months	5(b)(vii)	400.00	-	-	400.00	400.00
Recoverable from sale of property plant and equipment	5(b)(vii)	274.11	-	-	274.11	274.11
Government grant receivable	5(b)(vii)	4,450.27	-	-	4,450.27	4,450.27
Insurance claim recoverable	5(b)(vii)	-	-	-	-	-
Total financial assets		73,305.04	4,870.22	-	68,434.82	73,305.04
Financial liabilities						
Borrowings	11(a) & 11(b)	2,980.54	-	-	2,980.54	2,980.54
Supplier's credit	11(c)	4,475.44	-	-	4,475.44	4,475.44
Trade payables	11(d)	61,782.12	-	-	61,782.12	61,782.12
Capital creditors	11(e)	828.45	-	-	828.45	828.45
Interest accrued	11(e)	18.78	-	-	18.78	18.78
Security deposit received	11(e)	56.88	-	-	56.88	56.88
Unclaimed dividend	11(e)	21.65	-	-	21.65	21.65
Others						
Due to directors	11(e)	604.76	-	-	604.76	604.76
Payable to employees	11(e)	3,154.43	-	-	3,154.43	3,154.43
Total financial liabilities		73,923.05	-	-	73,923.05	73,923.05

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

Particulars	Notes No.	As at March 31, 2025				
		Carrying amount	Fair value			Total
			Level 1	Level 2	Level 3	
Financial assets						
Investments	5(b)(i) & (ii)	3,593.12	3,383.12		210.00	3,593.12
Security deposits	5(b)(vii)	1,002.14	-	-	1,002.14	1,002.14
Loans to employees	5(b)(vi)	95.70	-	-	95.70	95.70
Trade receivables	5(b)(iii)	45,132.23	-	-	45,132.23	45,132.23
Cash and cash equivalents	5(b)(iv)	3,636.04	-	-	3,636.04	3,636.04
Deposits with original maturity of more than three months	5(b)(v)	4,000.00	-	-	4,000.00	4,000.00
Unpaid dividend accounts	5(b)(v)	20.65	-	-	20.65	20.65
Interest accrued on financial instruments	5(b)(vii)	192.22	-	-	192.22	192.22
Deposits with maturity of more than 12 months	5(b)(vii)	-	-	-	-	-
Recoverable from sale of property plant and equipment	5(b)(vii)	394.75	-	-	394.75	394.75
Government grant receivable	5(b)(vii)	298.97	-	-	298.97	298.97
Insurance claim recoverable	5(b)(vii)	1.89	-	-	1.89	1.89
Total financial assets		58,367.71	3,383.12	-	54,984.59	58,367.71
Financial liabilities						
Borrowings	11(a) & 11(b)	-	-	-	-	-
Supplier's credit	11(c)	4,025.21	-	-	4,025.21	4,025.21
Trade payables	11(d)	56,030.78	-	-	56,030.78	56,030.78
Capital creditors	11(e)	614.68	-	-	614.68	614.68
Interest accrued	11(e)	11.50	-	-	11.50	11.50
Security deposit received	11(e)	59.63	-	-	59.63	59.63
Unclaimed dividend	11(e)	20.65	-	-	20.65	20.65
Others						-
Due to directors	11(e)	460.28	-	-	460.28	460.28
Payable to employees	11(e)	2,586.17	-	-	2,586.17	2,586.17
Total financial liabilities		63,808.90	-	-	63,808.90	63,808.90

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in the active market. This includes listed 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 investment in bonds & 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, 2026 and March 31, 2025.

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.

The carrying amounts of short term financial assets and liabilities like trade receivables, investments, cash and cash equivalents, deposit with banks, government grant receivable, sale of property plant and equipment, insurance claim recoverable, trade payables, supplier's credit, capital creditors, security deposit received, payable to employees are considered to be the same as their fair values, due to their short-term nature.

The fair value of other non-current financial assets and liabilities is determined as the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Company evaluates fair value using parameters such as prevailing interest rates, relevant risk factors, the individual creditworthiness of the counterparty, and the specific risk characteristics of the financial assets and liabilities. Based on this assessment, the fair value is considered to be approximately equal to the carrying amount.

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.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

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, Supplier's Credit and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowings and supplier's credit 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
Market risk- interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Availability of other committed credit lines and borrowings

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 subject to insignificant credit risk.

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 significantly reducing 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:

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

Particulars	As at March 31, 2026	As at March 31, 2025
Loss allowance at the beginning of the year	147.99	97.99
Add: Increase in loss allowance recognised in profit or loss during the year	55.00	50.00
Less: Receivables written off during the year as uncollectible	(31.05)	-
Loss allowance at the end of the year	171.94	147.99

Loss allowance as at March 31, 2026 and March 31, 2025 was determined as follows under the simplified approach:

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

As at March 31, 2026	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	53,817.07	2,684.99	992.56	97.42	54.44	83.53	57,730.01
Expected loss rate	0.06%	0.64%	2.95%	7.43%	25.13%	86.06%	
Expected credit losses - Trade receivables	32.79	17.05	29.29	7.24	13.68	71.89	171.94
Carrying amount of trade receivables (net of impairment)	53,784.28	2,667.94	963.27	90.18	40.76	11.64	57,558.07

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

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

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.

As disclosed in note 11(c), the Company has entered into a supplier's credit arrangement. This has improved the Company's working capital. The Company has no significant concentration of liquidity risk with any individual finance provider.

(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, 2026	As at March 31, 2025
Floating rate:		
-Expiring within one year (cash credit, working capital loans and other facilities)	28,552.67	30,504.28
-Expiring beyond one year (bank loans)	8,282.57	-

(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, 2026				
Non-derivatives				
Borrowings (including interest)	745.63	2,717.72	-	3,463.35
Supplier's credit	4,475.44	-	-	4,475.44
Trade payables	61,782.12	-	-	61,782.12
Other financial liabilities	4,684.95	-	-	4,684.95
Lease liabilities (including interest)	11.62	9.68	-	21.30
Total non-derivatives liabilities	71,699.76	2,727.40	-	74,427.16

Derivatives (net settled)				
Foreign exchange forward contracts	-	-	-	-
Total derivatives liabilities	-	-	-	-
As at March 31, 2025				
Non-derivatives				
Borrowings (including interest)	-	-	-	-
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

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, 2026	As at March 31, 2025
Hedge of foreign currency payables	USD (In Lakhs)	35.00	43.00
	Rs. (in Lakhs)	3,331.46	3,694.99
	JPY (in Lakhs)	11,404.91	8,350.00
	Rs. (in Lakhs)	6,934.97	4,830.30
	CNH (in Lakhs)	320.00	143.00
	Rs. (in Lakhs)	4,437.05	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, 2026	As at March 31, 2025
Trade payables and capital creditors	USD (In Lakhs)	-	6.71
	Rs. (in Lakhs)	-	573.18
	JPY (in Lakhs)	185.38	831.21
	Rs. (in Lakhs)	110.21	471.57
	CNH (in Lakhs)	39.76	6.56
	Rs. (in Lakhs)	545.22	77.10
	CHF (in Lakhs)	0.01	-
	Rs. (in Lakhs)	0.92	-
	EUR (in Lakhs)	-	0.25
	Rs. (in Lakhs)	-	22.63

Foreign currency sensitivity analysis

The Company is mainly exposed to JPY, CNH and CHF (March 31, 2025: USD, JPY, CNH and EUR) 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, 2026		For the year ended March 31, 2025	
	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	11.02	(11.02)	47.16	(47.16)
CNH impact	54.52	(54.52)	7.71	(7.71)
CHF impact	0.09	(0.09)	-	-
EURO impact	-	-	2.26	(2.26)

(ii) Interest rate risk**a) Interest rate risk exposure**

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Variable rate borrowings	2,980.54	-
Fixed rate borrowings	-	-
Total	2,980.54	-

As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

Particulars	As at March 31, 2026		
	Weighed average interest rate	Balance	% of total loans
	%		
Indian Rupee loans from banks	7.34%	2,980.54	100%

Particulars	As at March 31, 2025		
	Weighed average interest rate	Balance	% of total loans
	%		
Indian Rupee loans from banks	-	-	-

b) Sensitivity

Profit or loss is sensitive to higher / lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest rates - increase by 50 basis points	11.15	-
Interest rates - decrease by 50 basis points	(11.15)	-

(iii) 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:

- 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
- maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors Net Debt to EBITDA ratio i.e., Net Debt (borrowings, supplier's credit and lease liabilities net of cash and cash equivalents) divided by EBITDA (Profit before exceptional item and 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 EBITDA ratios were as follows:

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

Particulars	March 31, 2026	March 31, 2025
Net Debt (In Lakhs)	6,298.02	457.70
EBITDA (In Lakhs)	36,279.56	34,324.28
Net Debt to EBITDA	0.17	0.01

The Net debt to EBITDA ratio for the current year increased from 0.01 to 0.17 due to increase in debt on account of long-term borrowings availed by the Company for their Kharkhoda plant under construction and decrease in cash and cash equivalents during the year ended March 31, 2026.

Loan covenants

Under the terms of the borrowing facilities, the Company is required to comply with the following financial covenants at the end of each annual reporting period:

Covenant	Threshold
Debt/ EBITDA	Maximum 2.00x
Debt Service Coverage Ratio	Minimum 1.5x
Interest Coverage Ratio	Minimum 3.00x
Fixed Assets Coverage Ratio	Minimum 1.25x

The Company has complied with these covenants as at March 31, 2026 (March 31, 2025: Not applicable).

There are no indications that the Company would have difficulties complying with the covenants when they will be next tested as at March 31, 2027.

Dividends

Particulars	As at March 31, 2026	As at March 31, 2025
On Equity shares of Rs. 2 each		
Final dividend		
Dividend paid (Rs. In Lakhs)	1,696.13	1,174.24
Dividend per equity share	2.60	1.80

The Board of Directors recommended a final dividend of Rs. 3 per share (nominal value of Rs. 2 per share) for the financial year 2025-26 (March 31, 2025: Rs. 2.6 per share for the financial year 2024-25). 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. 1,957.07 Lakhs (March 31, 2025: Rs. 1,696.13 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, 2026	3,75,462.33	89.33	3,75,551.66
For the year ended March 31, 2025	3,36,729.78	27.69	3,36,757.47
Non current segment assets			
As at March 31, 2026	82,610.16	-	82,610.16
As at March 31, 2025	80,109.55	-	80,109.55

a) Domestic information includes sales of products and services rendered to customers located in India.

b) Overseas information includes sales of products 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. 297,668.12 Lakhs from one customer (previous year: Rs. 283,249.87 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. Arvind Kapur, Independent Director

Mr. Arjan Kumar Sikri, Independent Director

Ms. Deepa Gopalan Wadhwa, Independent Director

Mr. Ashok Lavasa, Independent Director

Ms. Vanaja Narayanan Sarna, Independent Director

Ms. Smita Piyush Mankad, Independent Director

Mr. Hisashi Takeuchi, Nominee Director

Mr. Naohisa Kuriyama, Nominee Director (Upto March 28, 2025)

Mr. Naohisa Kuriyama, Nominee Director (From January 30, 2026)

Mr. Tomoaki Yoshimori, Nominee Director

Mr. Yasuhiro Iida, Alternate Director (From March 28, 2025 upto January 30, 2026)

Ms. Yusuke Hara, Nominee Director (From March 28, 2025 upto January 30, 2026)

Mr. Tsunenobu Hori, Alternate Director (From January 30, 2026)

Mr. Hemant Kumar Agarwal, Chief Financial Officer

Mr. Kamal Samtani, Company Secretary

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, India

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 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, 2026	For the year ended March 31, 2025
Sale of goods		
Entity having significant influence over the Company, Denso Corporation	30.71	15.17
Entities over which key management personnel and/or their close family members have control or joint control		
- Rohan Motors Limited	2.97	2.63

- Global Autotech Limited	602.89	505.12
	636.57	522.92
Rental income		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	33.65	32.50
	33.65	32.50
Dividend received		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	18.19	6.62
	18.19	6.62
Sale 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	3.29	-
	3.29	-
Reimbursement of expenses received		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	6.30	9.07
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	1.32	1.22
	7.62	11.77
Purchase of materials		
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	31,566.65	27,649.01
- Hemkunt Service Station Private Limited	9.04	9.48
	31,575.69	27,658.49
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	93.14	117.54
- Primatel Fibcom Limited	13.95	2.50
	107.09	120.04
Purchase of intangible assets (Technical knowhow)		
Entity having significant influence over the Company, Denso Corporation	335.69	322.42
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	809.03	680.93
	1,144.72	1,003.35
Receiving of services		
Entities over which key management personnel and/or their close family members have control or joint control		
- SHS Transport Private Limited	1,081.82	740.42
- Rohan Motors Limited	21.54	22.27
	1,103.36	762.69
Royalty expenses		
Entity having significant influence over the Company, Denso Corporation	5,464.50	5,076.93
	5,464.50	5,076.93
Dividend paid		
Entity having significant influence over the Company, Denso Corporation	339.23	234.85
Entities over which key management personnel and/or their close family members have control or joint control		
- Deeksha Holding Limited	263.58	182.48
- Jyotsna Holding Private Limited	89.65	62.06
- RR Holdings Private Limited	83.41	57.74
- JS Family Trust	42.10	29.15
- SHS Transport Private Limited	25.47	17.63
- Rohan Motors Limited	0.17	0.12
Key management personnel		
- Ms. Shradha Suri	145.26	100.57
- Mr. Arvind Kapur	0.55	0.38
	989.42	684.98

Rent paid		
Entities over which key management personnel and/or their close family members have control or joint control		
- Prima Infratech Private Limited	310.70	286.59
- SHS Transport Private Limited	5.48	5.13
Key management personnel		
- Ms. Shradha Suri	8.55	8.00
- Ms. Jyotsna Suri	30.00	30.00
Close family members of key management personnel		
- Mr. Keshav Suri	3.41	3.29
- Ms. Pia Marwah	10.56	9.60
- Ms. Bani Marwah	10.56	9.60
- Master Vir Marwah	10.56	9.60
	389.82	361.81
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	0.38	0.96
	0.38	0.96

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contribution to funds		
Post employment benefit plan of the Company		
- Subros Employees Group Gratuity Cum Life Assurance Trust	-	18.81
	-	18.81
Key management personnel compensation		
Short term benefits	1,226.45	1,020.45
Post employment benefits	22.34	23.12
Other long term employee benefits	0.30	0.94
	1,249.09	1,044.51
Short term benefits		
- Ms. Shradha Suri	785.88	639.68
- Mr. Parmod Kumar Duggal	187.62	153.62
- Mr. Hemant Kumar Agarwal	121.79	102.42
- Mr. Kamal Samtani	42.60	40.50
Other short term benefits (sitting fees and commission)		
- Ms. Jyotsna Suri	3.75	3.00
- Mr. Arvind Kapur	15.06	13.78
- Mr. Ashok Lavasa	15.46	14.73
- Ms. Deepa Gopalan Wadhwa	13.01	13.98
- Ms. Vanaja Narayanan Sarna	12.66	12.13
- Ms. Smita Piyush Mankad	16.21	13.98
- Mr. Arjan Kumar Sikri	12.41	12.63
	1,226.45	1,020.45
Post employment benefits		
- Ms. Shradha Suri	10.82	11.71
- Mr. Parmod Kumar Duggal	4.63	4.56
- Mr. Hemant Kumar Agarwal	4.08	4.88
- Mr. Kamal Samtani	2.81	1.97
	22.34	23.12
Other long term employee benefits		
- Ms. Shradha Suri	0.21	0.45
- Mr. Parmod Kumar Duggal	0.09	0.40
- Mr. Hemant Kumar Agarwal	^	0.08
- Mr. Kamal Samtani	^	0.01
	0.30	0.94

^ Below rounding off norms adopted by the Company.

(b) Outstanding balances :**(All amounts in Rs. Lakhs, unless otherwise stated)**

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	3.86	0.53
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	157.18	188.24
- Rohan Motors Limited	0.17	0.22
	161.21	188.99
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
- 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	256.89
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
	0.54	1.66
Trade payables		
Entity having significant influence over the Company, Denso Corporation	2,602.31	2,419.78
Entities over which key management personnel and/or their close family members have control or joint control		
- Global Autotech Limited	9,510.97	7,364.59
- SHS Transport Private Limited	190.99	146.85
- Prima Infratech Private Limited	-	1.13
- Rohan Motors Limited	3.42	0.77
- Hemkunt Service Station Private Limited	0.58	0.71
	12,308.27	9,933.83
Other financial liabilities (capital creditors)		
Joint venture, Denso Subros Thermal Engineering Centre India Private Limited	197.67	121.76
Entities over which key management personnel and/or their close family members have control or joint control		
- Primatel Fibcom Limited	-	3.20
	197.67	124.96
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	566.06	424.46
- Mr. Arvind Kapur	6.45	5.97
- Mr. Ashok Lavasa	6.45	5.97
- Ms. Deepa Gopalan Wadhwa	6.45	5.97

- Ms. Vanaja Narayanan Sarna	6.45	5.97
- Ms. Smita Piyush Mankad	6.45	5.97
- Mr. Arjan Kumar Sikri	6.45	5.97
	604.76	460.28

Terms and conditions:

- All transactions with related parties are in ordinary course of business and on arm's length basis.
- All outstanding balances are unsecured and will be settled through normal banking channels.
- 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 is Rs. 10,786.70 Lakhs (net of capital advances of Rs. 1,740.35 Lakhs) (March 31, 2025: Rs. 3,076.23 Lakhs (net of capital advances of Rs. 355.37 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, 2026	As at March 31, 2025
Sales tax matters	79.74	79.74
Goods and services tax matters	2,016.33	131.78
Excise matters	75.81	75.81
Entry tax matters	211.20	-
Custom matters	3,759.39	1,905.49
Income tax matters	1,112.44	1,814.57
Claims made by workmen	691.94	777.34
Total	7,946.85	4,784.73

Notes:

- 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.
- 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 Consolidated Balance Sheet

The Consolidated Balance Sheet shows the following amounts relating to leases:

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

Particulars	As at March 31, 2026	As at March 31, 2025
Right-of-use assets		
Leasehold land	3,163.99	3,214.44
Buildings	17.61	65.96
Total	3,181.60	3,280.40

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

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities		
Current	18.74	58.46
Non-current	0.37	10.07
Total	19.11	68.53

Additions to the right-of-use assets during the current financial year were Rs. Nil (March 31, 2025: Rs. 105.32 Lakhs). The Company has de-recognised lease liability amounting to Rs. Nil (March 31, 2025: Rs. 482.14 Lakhs) and corresponding right-of-use assets amounting to Rs. Nil (March 31, 2025: Rs. 324.14 Lakhs) on account of lease termination resulting in net gain of Rs. Nil (March 31, 2025: Rs. 158.00 Lakhs).

(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, 2026	For the year ended March 31, 2025
Depreciation of right-of-use assets (refer note 20)		
Leasehold land	50.45	50.45
Buildings	48.35	59.62
Total	98.80	110.07

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense (included in finance costs - refer note 19)	3.85	37.22
Expense relating to short term leases (included in other expenses - refer note 21)	483.08	358.18
Total	486.93	395.40

The total cash outflow for leases (including interest on lease liabilities) for the year ended March 31, 2026 was Rs. 536.35 Lakhs (March 31, 2025: Rs. 436.20 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, 2026	As at March 31, 2025
Upto 1 year	28.03	33.72
1-5 years	-	28.03
More than 5 years	-	-
Total	28.03	61.75

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, 2026	For the year ended March 31, 2025
Employer's contribution to Provident Fund*	1,181.57	1,026.36
Employer's contribution to Employees State Insurance Scheme*	137.28	185.25

* Included in "Contribution to provident fund and employees' state insurance scheme" 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. Also refer note 39.

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, 2026	
Discount rate (per annum)	7.90%
Rate of increase in compensation level (per annum)	7.00%
As at March 31, 2025	
Discount rate (per annum)	7.04%
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:

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

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2026	
Current service cost	292.15
Past service cost (refer note 39)	690.58
Actuarial loss/(gain)	-
Net interest cost/(income) or the net defined benefit liability/(asset)	93.28
Expenses recognized in Consolidated Statement of Profit and Loss*	1,076.01

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

*Disclosed Rs. 385.43 Lakhs (March 31, 2025: Rs. 356.56 Lakhs) under Employee benefits expenses in Note 18 and Rs. 690.58 Lakhs (March 31, 2025: Rs. Nil) under Exceptional item in Note 39.

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, 2026	
Actuarial gains/(loss) on:	
-changes in demographic assumptions	-
-changes in financial assumptions	276.36
-experience variance	(118.38)
-plan asset	9.64
Total	167.62
For the year ended March 31, 2025	
Actuarial gains/(loss) on:	
-changes in demographic assumptions	-
-changes in financial assumptions	(54.04)
-experience variance	(26.36)
-plan asset	2.75
Total	(77.65)

Actuarial (gain) / loss on obligations

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

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2026	
Actuarial (gain) / loss arising from change in demographic assumption	-
Actuarial (gain) / loss arising from change in financial assumption	(276.36)
Actuarial (gain) / loss arising from experience adjustment	118.38
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

Actuarial gain / (loss) on plan assets

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

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2026	
Return on plan assets, excluding amount recognized in net interest expense	122.41
Remeasurement for actuarial (gain)/loss arising because of change in effect of asset ceiling	(132.05)
Component of defined benefit costs recognized in other comprehensive income	(9.64)
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)

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. Further, the past service cost for the year is included in the "Exceptional item" 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, 2026	
Present value of obligation	3,767.65
Fair value of plan assets	1,870.76
Surplus/(deficit)	(1,896.89)
Asset ceiling	-
Net asset/(liability)	(1,896.89)
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)

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, 2026	
Present value of the obligation as at the beginning	3,063.75
Current service cost	292.15
Interest cost	215.70
Remeasurement (or actuarial) (gain)/loss arising from:	
-Change in demographic assumptions	(276.36)
-Change in financial assumptions	118.38
-experience variance	-
Past service cost	690.58
Benefits paid	(336.55)
Present value of the obligation as at the end	3,767.65
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

Movement in the fair value of the plan assets are as follows:

PARTICULARS	Gratuity (Funded)
For the year ended March 31, 2026	
Fair value of plan assets at the beginning	1,738.70
Interest income	132.06
Employer contribution	
Benefits paid	-
Actuarial gain/(loss) on plan assets	-
Fair value of plan assets at the end	1,870.76

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

Major categories of plan assets (as % of total plan assets):

PARTICULARS	Gratuity (Funded)
As at March 31, 2026	
Funds managed by insurer	100%
Total	100%
As at March 31, 2025	
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, 2026	Change in defined benefit obligation
Increase in discount rate by 0.5%	Decrease by 147.58
Decrease in discount rate by 0.5%	Increase by 158.78
Increase in expected salary growth rate by 0.5%	Increase by 139.38
Decrease in expected salary growth rate by 0.5%	Decrease by 132.26

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

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, 2026 is 13.12 years (March 31, 2025 is 13.24 years).

The Company expects that benefit paid during the next financial year would be Rs. 560.72 Lakhs (March 31, 2025: Rs. 413.83 Lakhs).

Maturity Profile of Defined Benefit Obligation

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

Year	Gratuity (Funded)
As at March 31, 2026	
April 1, 2026 - March 31, 2027	288.35
April 1, 2027 - March 31, 2028	376.18
April 1, 2028 - March 31, 2029	284.53
April 1, 2029 - March 31, 2030	280.59
April 1, 2030 - March 31, 2031	272.82
April 1, 2031 - March 31, 2032	283.73
April 1, 2032 Onwards	1,981.45
Total	3,767.65
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

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. 673.49 Lakhs (March 31, 2025: Rs. 473.78 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, 2026	As at March 31, 2025
Leave obligations not expected to be settled within the next 12 months	587.17	420.86

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, 2026	For the year ended March 31, 2025
Capital expenditure (refer note 3)	55.19	55.85
Revenue expenditure - charged to Consolidated Statement of Profit and Loss*	1,585.15	1,288.92
Revenue expenditure - towards product development cost (refer note 4)	1,957.95	1,889.87
Total	3,598.29	3,234.64

*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

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share (Rs.)	25.39	23.07
Diluted earnings per share (Rs.)	25.39	23.07
Profit attributable to the equity holders of the Company used in calculating basic earnings per share and diluted earnings per share (Rs. Lakhs)	16,564.70	15,053.59
Weighted average number of equity shares for the purpose of basic earnings per share and diluted earnings per share (numbers)	6,52,35,750	6,52,35,750

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, 2026	For the year ended March 31, 2025
Cost of material consumed	215.70	1,043.77
Salaries, wages and other amenities to staff	1,557.59	1,718.15
Power and fuel	77.56	114.77
Interest costs	35.21	-
Rent	5.70	71.04
Repair and maintenance	89.24	110.24
Depreciation and amortization	2.50	47.49
Other overheads	316.82	353.38
Total	2,300.32	3,458.84

32. Assets pledged as security

The Company has sanctioned term loan and working capital limits which have not been availed as at March 31, 2026 and March 31, 2025 (Refer note 22(b) for undrawn banking facilities). These sanctioned term loan is secured against plant and machinery and working capital limits, to the extent applicable, are secured against current assets of the Company, both present and future. The carrying amount of plant & machinery and current assets pledged as security are as follows:

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

Particulars	Note no	As at March 31, 2026	As at March 31, 2025
Non-current:			
Pari passu charge			
Plant and machinery	3	31,098.29	-
Total plant and machinery offered as security		31,098.29	-
Current:			
First Charge			
Inventories	8	45,120.23	37,385.08
Financial assets			
- Other investments	5(b)(ii)	10,207.76	8,546.07
- Trade receivables	5(b)(iii)	57,558.07	45,132.23
- Cash and cash equivalents	5(b)(iv)	1,177.07	3,636.04
- Other bank balances	5(b)(v)	2,600.00	4,000.00
- Loans	5(b)(vi)	70.88	76.67
- Other financial assets	5(b)(vii)	3,764.50	652.94
Other current assets	7	2,450.92	1,837.90
Total current assets offered as security		1,22,949.43	1,01,266.93

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 unaudited books of accounts, however such differences between the amount disclosed to the banks and those as per the unaudited 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:

- 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
- 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:

- 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.

(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.

xii) 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.

xiii) 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.

xiv) 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. Reconciliation of stock statements with Consolidated Financial Statements

For the year ended March 31, 2026

(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 unaudited books of account	Amount of difference	Reason for material discrepancies
June 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	42,450.03	42,462.73	(12.70)	Inter-plant goods in transit not considered in return submitted to banks.
June 2025	ICICI Bank	2,000						
June 2025	Kotak Mahindra Bank	1,000		Trade payables	52,365.44	54,599.16	(2,233.72)	Payables in respect of services received and reclassification of debit balances 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 2025	State Bank of India	7,500						

September 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	45,748.32	45,675.77	72.55	Provision for inventory obsolescence not considered in return submitted to banks.
September 2025	ICICI Bank	2,000						
September 2025	Kotak Mahindra Bank	1,000		Trade payables	53,511.42	56,795.08	(3,283.66)	Payables in respect of services received and reclassification of debit balances 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 2025	State Bank of India	7,500						
December 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	45,924.72	45,923.22	1.50	Immaterial difference noted.
December 2025	ICICI Bank	2,000						
December 2025	Kotak Mahindra Bank	1,000		Trade payables	55,776.23	54,648.50	1,127.73	Payables in respect of services received and reclassification of debit balances 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 2025	State Bank of India	7,500						
March 2026	HDFC Bank	12,500	Inventories, Trade receivables, Investments, Cash and cash equivalents, other bank balances, loans, other financial assets and other current assets	Inventories	45,130.52	45,120.23	10.29	Provision for inventory obsolescence not considered in return submitted to banks.
March 2026	ICICI Bank	2,000						
March 2026	Kotak Mahindra Bank	1,000		Trade payables	56,616.97	61,782.12	(5,165.15)	Payables in respect of services received and reclassification of debit balances 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 2026	State Bank of India	7,500						
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						

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, 2026	As at March 31, 2025
Cash and cash equivalents	1,177.07	3,636.04
Borrowings	(2,980.54)	-
Supplier's credit	(4,475.44)	(4,025.21)
Lease liabilities	(19.11)	(68.53)
Net debt	(6,298.02)	(457.70)

	Other assets	Liabilities from financing activities			
Description	Cash & cash equivalents	Borrowings	Supplier's credit	Lease liabilities	Net debt
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)
Interest expense	-	(644.26)	(430.76)	(37.22)	(1,112.24)
Interest capitalized	-	-	-	-	-
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)
Cash flows	(2,458.97)	(2,967.43)	(450.23)	49.42	(5,827.21)
Interest expense	-	(5.88)	(103.51)	(3.85)	(113.24)
Interest capitalized	-	(35.21)	-	-	(35.21)
Interest paid	-	27.98	103.51	3.85	135.34
Other non-cash movements					
- Acquisition of lease	-	-	-	-	-
- Derecognition of lease	-	-	-	-	-
As at March 31, 2026	1,177.07	(2,980.54)	(4,475.44)	(19.11)	(6,298.02)

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, 2026	99.99%	1,24,399.88	100.08%	16,577.75	97.76%	125.43	100.06%	16,703.18
March 31, 2025	99.98%	1,09,392.83	99.91%	15,040.58	97.58%	(58.11)	99.92%	14,982.47
Joint Venture (Investment as per equity method) - Indian								
Denso Subros Thermal Engineering Centre India Private Limited								
March 31, 2026	0.15%	184.81	0.03%	5.14	2.24%	2.87	0.05%	8.01
March 31, 2025	0.18%	194.99	0.13%	19.63	2.42%	(1.44)	0.12%	18.19
Consolidation adjustments								
March 31, 2026	-0.14%	(174.88)	-0.11%	(18.19)	0.00%	-	-0.11%	(18.19)
March 31, 2025	-0.16%	(174.88)	-0.04%	(6.62)	0.00%	-	-0.04%	(6.62)
Total								
March 31, 2026	100.00%	1,24,409.81	100.00%	16,564.70	100.00%	128.30	100.00%	16,693.00
March 31, 2025	100.00%	1,09,412.94	100.00%	15,053.59	100.00%	(59.55)	100.00%	14,994.04

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, 2026	March 31, 2025
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1,550.33	363.35
(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 Consolidated Financial Statements. The Company will continue to monitor and evaluate its position based on future events and developments.

39. On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour and Employment published Central Rules on May 8, 2026 and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and disclosed the incremental impact of these changes on the basis of the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented such incremental impact as "Impact of Labour Codes" under "Exceptional item" in the Consolidated Financial Statements for the year ended March 31, 2026. The incremental impact consisting of gratuity of Rs. 690.58 Lakhs and leave encashment of Rs. 117.13 Lakhs primarily arises due to change in wage definition. The Company continues to monitor the Central Rules in conjunction with draft State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

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 13(a) 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 substantively 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 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, at the end of the reporting period, the Company has a right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

Covenants that the Company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Company is required to comply with after the reporting period do not affect the classification at the reporting date.

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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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:

- the profit attributable to owners of the Company
- 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:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- 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) Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the Consolidated Financial Statements. Significant impact on the Consolidated Financial Statements from non-recurring events are considered and reported as exceptional items.

xxiii) 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 enabled in the accounting software used for maintaining the books of account during the year ended 31 March 2026."

42. The Consolidated Financial Statements were approved by the Board of Directors and authorized for issue on May 18, 2026.

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

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

Sahil Arora
Partner
Membership No.: 506483

Shradha Suri
Chairperson &
Managing Director
DIN : 00176902

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

Place : New Delhi
Date : May 18, 2026

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

Kamal Samtani
Company Secretary
ICSI Membership No.: F5140

Place : New Delhi
Date : May 18, 2026

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