

**MOTHERSON HEALTH AND MEDICAL SYSTEM LIMITED (Formerly known as SAMVARDHANA MOTHERSON MAADHYAM INTERNATIONAL LIMITED)**  
**CIN: U33100MH2018PLC398092**  
**Balance Sheet as at March 31, 2026**

(All amounts in INR thousand, unless otherwise stated)

	Note No.	As at Mar 31, 2026	As at March 31, 2025
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3(a)	3,73,524	3,69,019
Intangible assets	3(a)	10,521	12,043
Capital work in progress	3(b)	13,000	5,804
Right of use assets	3(c)	58,013	49,779
Financial assets			
(i) Loans	4	85,000	90,000
(ii) Other financial assets	5	40,829	33,955
Other non-current assets	6	3,413	4,510
<b>Total non-current assets</b>		<b>5,84,300</b>	<b>5,65,110</b>
<b>Current assets</b>			
Inventories	7	21,332	32,018
<b>Financial assets</b>			
(i) Trade receivables	8	62,513	31,207
(ii) Cash and cash equivalents	9	41,052	23,258
(iii) Loans	4	-	-
(iv) Other financial assets	5	2,428	-
Net defined benefit asset	10	-	121
Other current assets	11	1,76,690	1,03,709
<b>Total current assets</b>		<b>3,04,015</b>	<b>1,90,313</b>
<b>Total assets</b>		<b>8,88,315</b>	<b>7,55,423</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	3,00,000	3,00,000
<b>Other Equity</b>			
Retained Earnings	13	(8,52,960)	(2,41,891)
<b>Total equity</b>		<b>(5,52,960)</b>	<b>58,109</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
i. Borrowings	14	9,55,000	5,75,000
ii. Lease liabilities	15	41,696	10,532
Provision for employee benefits	17	14,730	-
<b>Total non-current liabilities</b>		<b>10,11,426</b>	<b>5,85,532</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
i. Borrowings	14	2,85,000	-
ii. Lease liabilities	15	17,133	37,875
iii. Trade payables			
Total outstanding dues of micro and small enterprises	16	8,731	8,663
Total outstanding dues of creditors other than micro and small enterprises		40,443	38,578
Provision for employee benefits	17	1,163	1,808
Other current liabilities	18	77,379	24,858
<b>Total current liabilities</b>		<b>4,29,849</b>	<b>1,11,782</b>
<b>Total liabilities</b>		<b>14,41,275</b>	<b>6,97,314</b>
<b>Total equity and liabilities</b>		<b>8,88,315</b>	<b>7,55,423</b>

Summary of material accounting policies 1&2

The accompanying notes are an integral part of the financial statements

For and on behalf of the Board

As per our report of even date  
For R N Marwah & Co LLP  
Chartered Accountants  
FRN : 001211N/N500019

Rohitash Gupta  
Director  
DIN: 01049454

Parthasarathy Srinivasan  
Director  
DIN : 01039931

Manoj Gupta  
Partner  
M. No. 096776

Eswar Rao Mirtypati  
Chief Financial Officer  
PAN: CPEPM3759K

Vinay Kumar Murari  
Manager  
PAN: AHSPK0609A

Payal Kaushik  
Company Secretary  
M. No. A49603

Place: Chennai  
Date: 20/04/2026

Place: New Delhi  
Date: 20/04/2026

**MOTHERSON HEALTH AND MEDICAL SYSTEM LIMITED (Formerly known as SAMVARDHANA MOTHERSON MAADHYAM INTERNATIONAL LIMITED)**  
**CIN: U33100MH2018PLC398092**

**Statement of profit and loss for the year ended March 31, 2026**

(All amounts in INR thousand, unless otherwise stated)

	Note No.	For the year ended Mar 31, 2026	For the year ended March 31, 2025
<b>Income</b>			
Revenue from operations	19	1,20,428	35,075
Other income	20	11,284	8,486
<b>Total income</b>		<b>1,31,712</b>	<b>43,561</b>
<b>Expenses</b>			
Cost of materials consumed	21(a)	40,692	39,275
Changes in inventory of finished goods and work-in-progress	21(b)	146	(5,009)
Employee benefits expense	22	2,40,087	47,305
Finance costs	23	84,003	29,188
Depreciation and amortization expense	24	1,12,561	56,849
Other expenses	25	2,68,741	73,355
<b>Total expenses</b>		<b>7,46,230</b>	<b>2,40,963</b>
<b>Profit/(Loss) before tax</b>		<b>(6,14,518)</b>	<b>(1,97,402)</b>
<b>Tax expenses</b>			
- Current tax	26	-	-
- Deferred tax expense/ (credit)		-	-
- Short/(excess) for earlier periods		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>Profit/(Loss) for the year</b>		<b>(6,14,518)</b>	<b>(1,97,402)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Gain/(loss) on remeasurements of post-employment benefit obligations		3,449	(788)
<b>Other Comprehensive Income for the year, net of tax</b>		<b>3,449</b>	<b>(788)</b>
<b>Total comprehensive income for the year</b>		<b>(6,11,069)</b>	<b>(1,98,190)</b>
<b>Earnings/(Loss) per share (absolute figures):</b>			
Nominal value per share: INR 10 (Previous period : INR 10)			
Basic	27	(20.48)	(6.58)
Diluted		(20.48)	(6.58)
<b>Summary of material accounting policies</b>			
1&2			
<b>The accompanying notes are an integral part of the financial statements</b>			

For and on behalf of the Board

As per our report of even date  
For R N Marwah & Co LLP  
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M. No. A49603

Place: Chennai  
Date: 20/04/2026

Place: New Delhi  
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	(All amounts in INR thousand, unless otherwise stated)	
	For the year ended Mar 31, 2026	For the year ended March 31, 2025
<b>A. Cash flow from/(used in) operating activities:</b>		
Net profit/(loss) before tax	(6,11,069)	(1,98,190)
<b>Adjustments for:</b>		
Interest income on income tax refund	(47)	-
Interest income on loan	(7,427)	(6,277)
Depreciation and amortization expense	65,737	33,699
Finance costs	84,003	29,188
<b>Operating profit/(loss) before working capital changes</b>	<b>(4,68,803)</b>	<b>(1,41,580)</b>
<b>Changes in working capital:</b>		
(Increase)/decrease in trade payables	1,933	28,787
(Increase)/decrease in lease liabilities	10,422	48,407
Increase/(decrease) in other current liabilities	66,604	(82,546)
(Increase)/decrease in inventory	10,686	(32,018)
(Increase)/decrease in trade receivables	(31,305)	(31,207)
(Increase)/decrease in other current assets	(16,332)	(72,644)
Increase/(decrease) in non current assets	1,218	54,163
(Increase)/decrease in other financial assets	(9,304)	(33,946)
(Increase)/decrease in Right of use assets	(8,235)	(49,779)
<b>Cash used from/(used in) operations</b>	<b>(4,43,116)</b>	<b>(3,12,363)</b>
Less: Taxes paid	(57,565)	(525)
Add: Income Tax refund Received	916	-
Add: Interest received on Income Tax refund	47	-
<b>Net used generated from/(used in) operations</b>	<b>(4,99,718)</b>	<b>(3,12,888)</b>
<b>B. Cash flow from/(used in) Investing activities:</b>		
Payments for property, plant and equipment	(75,912)	(2,75,326)
Loans and advances to related party	-	(90,000)
Interest income on loan	7,427	6,277
Repayment of Loans and advances from related party	5,000	-
<b>Net cash from/(used in) investing activities</b>	<b>(63,485)</b>	<b>(3,59,049)</b>
<b>C. Cash flow from/(used in) financing activities:</b>		
Proceeds from short term borrowings from related party	5,70,000	-
Repayment of short term borrowings to related parties	(2,85,000)	-
Proceeds from long term borrowings from related party	3,80,000	9,15,000
Repayment of long term borrowings to related parties	-	(3,40,000)
Finance cost	(84,003)	(29,188)
<b>Net cash from/(used in) financing activities</b>	<b>5,80,997</b>	<b>5,45,812</b>
<b>D=A+B+C Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>17,794</b>	<b>(1,26,125)</b>
<b>E Net Cash and Cash equivalents at the beginning of the year</b>	<b>23,258</b>	<b>1,49,383</b>
<b>F=D+E Cash and cash equivalents as at current period closing</b>	<b>41,052</b>	<b>23,258</b>
<b>Cash and cash equivalents comprise of the following</b>		
Balances with banks	41,052	23,258
<b>Cash and cash equivalents as per Balance Sheet</b>	<b>41,052</b>	<b>23,258</b>

The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

As per our report of even date

For and on behalf of the Board

For R N Marwah & Co LLP  
Chartered Accountants  
FRN : 001211N/N500019

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Director  
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**MOTHERSON HEALTH AND MEDICAL SYSTEM LIMITED (Formerly known as SAMVARDHANA MOTHERSON MAADHYAM INTERNATIONAL LIMITED)**  
**CIN: U33100MH2018PLC398092**

**Statement of changes in equity for the year ended March 31, 2026**

(All amounts in INR thousand, unless otherwise stated)

	Note	Amount
<b>A. Equity share capital</b>		
<b>As at April 1, 2024</b>	<b>12</b>	3,00,000
Changes in Equity Share capital		-
<b>As at March 31, 2025</b>	<b>12</b>	3,00,000
Changes in Equity Share capital		-
<b>As at March 31, 2026</b>	<b>12</b>	<b>3,00,000</b>

**B. Other Equity**

Particulars	Note	Retained Earnings	Total
<b>Balance as at April 1, 2024</b>	<b>13</b>	(43,701)	(43,701)
Profit/(Loss) for the year		(1,97,402)	(1,97,402)
Other Comprehensive Income		(788)	(788)
<b>Balance as at March 31, 2025</b>		<b>(2,41,891)</b>	<b>(2,41,891)</b>
<b>Balance as at April 1, 2025</b>	<b>13</b>	(2,41,891)	(2,41,891)
Profit/(Loss) for the year		(6,14,518)	(6,14,518)
Other Comprehensive Income		3,449	3,449
<b>Balance as at March 31, 2026</b>	<b>13</b>	<b>(8,52,960)</b>	<b>(8,52,960)</b>

**Summary of material accounting policies**

**1&2**

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

For and on behalf of the Board

As per our report of even date  
For R N Marwah & Co LLP  
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Place: Chennai  
Date: 20/04/2026

Place: New Delhi  
Date: 20/04/2026

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

**1. Corporate information**

The company was formed as a subsidiary of erstwhile Samvardhana Motherson International Limited (SAMIL) for the purpose of undertaking the business of Corporate Communications, media relations work including writing and distributing news releases and responding to media inquiries, overseeing and arranging for news conferences including selecting the site for an event, arranging for banners and other graphics to be displayed at the event, preparing packets of information to distribute to the media, undertaking business of maintenance and managing of website of companies. The object of the company is to manufacture, produce, develop, assemble, buy, sell, import, export alter, repair, remodel, hire, exchange, repair, service and otherwise deal in medical equipment, medical devices, medical accessories and medical technologies of every kind and description, component and parts thereof, spare parts, developing software's accessories, tools, implements, materials and products thereof and undertake Contract Design and Manufacturing Operations including Design development, Manufacturing of components, High Level Assemblies of medical devices and Finished Medical Devices, Specific Manufacturing Technologies and processes required for the larger medical devices ecosystem and related products and to set up, purchase, lease or otherwise acquire, establish, maintain, operate, run, manage or administer manufacturing and testing labs to undertake all business which are incidental or ancillary or related for undertaking business of the above and the company has its registered office at Unit-705, C Wing, One BKC, G-Block, Bandra Kurla Complex, Bandra East, Mumbai 400051 Maharashtra.

**a. Basis of preparation**

**Compliance with Ind- AS**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

These financial statements for the year ended 31st March 2026 are the seventh financial statements prepared in accordance with Ind-AS.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR and all values are rounded to the nearest Thousands, except when otherwise indicated.

**b. Presentation of financial statements**

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following.

- (i) The normal course of business
- (ii) The event of default
- (iii) The event of insolvency or bankruptcy of the company and/or its counterparties

**2. Summary of material accounting policies**

**c. Current versus non-current classification**

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is current when:**

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

**d. Foreign currencies**

**(i) Functional and presentation currency**

The Company's functional currency is Indian Rupee (INR) and the financial statements are presented in Indian Rupee (INR).

**(ii) 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 generally recognized in profit or loss. They are deferred in other comprehensive income if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing cost are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments (other than investment in subsidiaries, joint ventures and associates) classified as FVOCI are recognised in other comprehensive income.

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

**e. Revenue recognition and Other income**

The Company recognises revenue from contracts with customers based on a five-step model as set out in IND AS 115.

**Step 1. Identify contract(s) with a customer:** A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

**Step 2. Identify performance obligations in the contract:** A performance obligation is a promise in a contract with a customer to transfer a good or service or both to the customer.

**Step 3. Determine the transaction price:** The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services or both to a customer, excluding amounts collected on behalf of third parties.

**Step 4. Allocate the transaction price to the performance obligations in the contract:** For a contract that has more than one performance obligation, the company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

**Step 5. Recognise revenue when (or as) the company satisfies a performance obligation.**

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue and costs, if applicable, can be measured reliably.

**Sales of Goods:**

Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Sales are recognized at single point of time when the control of goods are transferred to the buyer as per the terms of contract.

**Sale of services:**

Revenues from the sale of services are recorded at single point of time when the performance obligation as per contract has been satisfied.

**Interest Income:**

Interest is recognised using the effective interest rate (EIR) method, as income for the period in which it occurs. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of financial instrument (for example, prepayment, extension, charges, call and similar options) but does not consider expected credit losses.

**f. 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 in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income 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 nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to off-set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the entity has a legally enforceable right to off-set and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**g. Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**As a Lessee**

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

**i) Right-of-use assets**

The company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Motor vehicles and other equipment's 0 to 5 years.

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2 (h) Impairment of non-financial assets.

**ii) Lease Liabilities.**

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

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The company's lease liabilities are included in Interest-bearing loans and borrowings.

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

iii) **Short-term leases and leases of low-value assets**

The company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**As a Lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their respective nature.

**h. Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses including impairment on inventories are recognised in the statement of profit and loss.

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

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

**i. Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

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

**j. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets**

**Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

**Debt instruments at amortised cost**

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**Debt instrument at FVOCI**

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income in statement of profit and loss using the EIR method.

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

**Debt instrument at FVPL**

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as at FVPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVPL.

Debt instruments included within the FVPL category are measured at fair value with all changes recognised in the statement of profit and loss.

**Equity investments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the P&L.

**De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- (a) The rights to receive cash flows from the asset have expired, or
- (b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- (b) Financial assets that are debt instruments and are measured as at FVOCI.
- (c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.
- (d) Loan commitments which are not measured as at FVPL.
- (e) Financial guarantee contracts which are not measured as at FVPL

**The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.**

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount'.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated Ind AS as FVPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

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

**Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings and other payables.

**Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

**De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Embedded derivatives**

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their Economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in statement of profit and loss, unless designated as effective hedging instruments.

**Off- setting of financial instruments**

Financial assets and financial liabilities are off set and the net amount is reported in the balance sheet if there is a currently enforceable legal right to off-set the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**k. Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**l. Property, Plant and equipment**

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure, net of any subsequent sale proceeds of items produced over the cost of testing, that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The cost of self-generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads.

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

**Depreciation methods and useful lives**

Depreciation is calculated using the straight-line method over estimated useful lives of the assets:

Assets	Useful life
Plant & Machinery	7.5 Years
Dies & moulds	6.17 Years
Furniture and Fixture	6 Years
Electrical installation and equipment	10 Years
Computers	3 Years

\*Useful life of these assets are lower than the life prescribed under Schedule II to the Companies Act, 2013 and those has been determined based on an assessment performed by the management of expected usage of these assets. The assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**m. Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful life of intangible assets are as follows:

Assets	Useful life
Software	3 Years

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

**n. Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

**Traded goods:** - cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

**o. Provisions, Contingent Liabilities and Contingent Assets | Onerous contracts**

**Provisions**

Provisions for legal claims, product warranties and make good obligations are recognised when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

**p. Employee benefits**

**Short-term obligations**

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

**Provident Fund**

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. The company recognizes contribution payable to the provident fund scheme as expenditure in the statement of profit and loss, when an employee renders the related service.

**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 starting from this financial year 2024-25.

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. Re-measurement gains and losses arising from experience.

Adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognized immediately in income.

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

**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. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss in the period in which they arise. Past-service costs are recognised immediately in income.

**q. Dividend**

The management of the Company shall advise the Board of Directors of the Company any amount to be recommended as final Dividend. Accordingly, the Board of Directors may recommend / propose final dividend payable to shareholders in its meeting after considering various other parameters. The dividend proposed by the board to be approved by Shareholders in the Annual General Meeting before distributed to the shareholders.

Unit of dividend declaration: The dividend shall be declared on per share basis only.

The dividend distribution are subject to applicable provision of "Companies Act 2013" on dividend distribution.

**r. Earnings per share**

**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

**(ii) 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 ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**2.2 Significant accounting judgements, estimates and assumptions**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Judgements**

In the process of applying the Company's accounting policies, there are no significant judgements established by the management.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**(i) Useful life of property, plant and equipment**

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the un-amortised depreciable amount is charged over the remaining useful life of the assets.

**(ii) Taxes**

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

3(a) Property, Plant and Equipment and Intangible Assets							
Particulars	Plant & Machinery	Dies & Moulds	Electrical Installations	Computers	Furniture, fixtures & office equipment	Intangible Assets	Total
<b>Year ended March 31, 2026</b>							
<b>Gross carrying amount</b>							
As at April 01, 2025	3,40,899	2,333	18,523	11,860	27,666	13,936	4,15,217
Add: Addition	58,193	3,438	567	1,116	1,329	4,074	68,717
Less: Disposal	-	-	-	-	-	-	-
Add/(less): Other adjustment (Pre-operative Expenses)	-	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>3,99,092</b>	<b>5,771</b>	<b>19,090</b>	<b>12,976</b>	<b>28,995</b>	<b>18,010</b>	<b>4,83,934</b>
<b>Accumulated depreciation</b>							
As at April 01, 2025	25,709	362	1,079	2,419	2,690	1,893	34,153
Add: Depreciation/(Amortization) charge during the year	48,736	648	1,900	4,045	4,812	5,596	65,737
Less: Disposal	-	-	-	-	-	-	-
Add/(less): Other adjustment	-	-	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>74,445</b>	<b>1,011</b>	<b>2,979</b>	<b>6,464</b>	<b>7,502</b>	<b>7,489</b>	<b>99,890</b>
<b>Year ended March 31, 2026</b>	<b>3,24,647</b>	<b>4,760</b>	<b>16,111</b>	<b>6,512</b>	<b>21,493</b>	<b>10,521</b>	<b>3,84,044</b>

3(b) Capital work in progress (CWIP)						
Particulars	Plant & machinery	Die & Moulds	Electrical Installations	Computers	Furniture, fixtures & office equipment	Total
<b>Year ended Mar 31, 2026</b>						
<b>Gross carrying amount</b>						
As at April 01, 2025	5,804	-	-	-	-	5,804
Add: Additions	13,000	-	-	-	-	13,000
Less: Disposal	-	-	-	-	-	-
Add : Other adjustment	(5,804)	-	-	-	-	(5,804)
<b>Closing gross carrying amount</b>	<b>13,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,000</b>

## Capital work in progress (CWIP) Ageing Schedule as at March 31, 2026

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
- Projects in progress	13,000	-	-	-	13,000
- Projects temporarily suspended	-	-	-	-	-

## Capital work in progress (CWIP) Ageing Schedule as at March 31, 2025

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
- Projects in progress	5,804	-	-	-	5,804
- Projects temporarily suspended	-	-	-	-	-

3(c) Right of use assets			
Particulars	Office building	Car	Total
<b>Year ended Mar 31, 2026</b>			
<b>Gross carrying amount</b>			
As at April 01, 2025	88,209	-	88,209
Add: Addition	54,949	824	55,773
Less: Disposal	-	(824)	(824)
Add/(less): Other adjustment	-	-	-
<b>Closing gross carrying amount</b>	<b>1,43,158</b>	<b>-</b>	<b>1,43,158</b>
<b>Accumulated depreciation</b>			
As at April 01, 2025	38,430	-	38,430
Add: Depreciation charge during the year	46,715	110	46,825
Less: Disposal	-	(110)	(110)
Add/(less): Other adjustment	-	-	-
<b>Closing accumulated depreciation</b>	<b>85,145</b>	<b>-</b>	<b>85,145</b>
<b>Year ended March 31, 2026</b>	<b>58,013</b>	<b>-</b>	<b>58,013</b>

(All amounts in INR thousand, unless otherwise stated)

	March 31, 2026				March 31, 2025			
	Non-current		Current		Non-current		Current	
<b>4 Loans and advances</b>								
(a) Loans to related parties	85,000	-	-	-	90,000	-	-	-
(b) Loans to others	-	-	-	-	-	-	-	-
<b>Total</b>	<b>85,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>5 Other financial assets</b>								
Security deposits (Unsecured, considered good)	40,829	2,428	-	-	10	-	-	-
Other security deposits	-	-	-	-	33,945	-	-	-
<b>Total</b>	<b>40,829</b>	<b>2,428</b>	<b>-</b>	<b>-</b>	<b>33,955</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>6 Other non-current assets</b>								
(Unsecured, considered good, unless otherwise stated)								
Deposits with banks with maturity of more than 12 months*	3,394	-	-	-	3,010	-	-	-
Advance for purchase of capital goods	19	-	-	-	1,500	-	-	-
<b>Total</b>	<b>3,413</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,510</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Bank guarantee issued by Axis Bank with 100% margin money in favour of Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, GOI

	March 31, 2026	March 31, 2025
<b>7 Inventories</b>		
a) Raw materials	29,431	26,185
b) Work-in-progress	2,416	-
c) Finished goods	2,447	5,009
d) Others*	4,848	824
e) Provision for inventory	(17,810)	-
<b>Total</b>	<b>21,332</b>	<b>32,018</b>

\*Others includes packing materials, indirect materials and consumables.

	March 31, 2026	March 31, 2025
<b>8 Trade receivables</b>		
a) Trade receivables considered good - secured	-	-
b) Trade receivables considered good - unsecured	62,513	31,207
c) Trade receivables which have significant increase in credit risk	-	-
d) Trade receivables - credit impaired	532	-
Less: Provision for doubtful debts	(532)	-
	<b>62,513</b>	<b>31,207</b>

Trade receivables ageing schedule:

Particulars	Outstanding for 31 March 2026 from the due date of payment					
	Less than 6 months	6 months-1year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	62,513	-	-	-	-	62,513
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	532	-	-	-	532
(i) Disputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Less: Provision for doubtful debts	-	(532)	-	-	-	(532)
<b>Total</b>	<b>62,513</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,513</b>

Particulars	Outstanding for 31 March 2025 from the due date of payment					
	Less than 6 months	6 months-1year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	24,883	6,324	-	-	-	31,207
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(i) Disputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>24,883</b>	<b>6,324</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,207</b>

	March 31, 2026	March 31, 2025
<b>9 Cash and cash equivalents</b>		
Balances with banks:		
- in current accounts	41,052	23,258
- deposits with original maturity of less than three months	-	-
<b>Total</b>	<b>41,052</b>	<b>23,258</b>

	March 31, 2026	March 31, 2025
<b>10 Net Defined Benefit Asset</b>		
Plan Assets-Gratuity Fund*	-	3,148
Provision for Gratuity*	-	(3,027)
<b>Total</b>	<b>-</b>	<b>121</b>

\*Refer Note 36 for additional disclosure

	March 31, 2026	March 31, 2025
<b>11 Other Current Assets</b>		
(Unsecured, considered good, unless otherwise stated)		
Prepaid expenses	-	-
Balance with government authorities	1,49,781	97,556
Other receivables	16,540	572
Advance to other suppliers	3,952	4,184
Interest accrued	209	384
Prepaid expenses	6,208	1,013
<b>Total</b>	<b>1,76,690</b>	<b>1,03,709</b>

**12 Equity Share Capital**

	March 31, 2026	March 31, 2025
<b>Authorised:</b>		
3,00,00,000 (March 31, 2025 : 3,00,00,000) equity shares of INR 10/- each.	3,00,000	3,00,000
<b>Issued, Subscribed and paid up:</b>		
<b>Equity shares :</b>		
3,00,00,000 (March 31, 2025 : 3,00,00,000) equity shares of INR 10/- each fully paid - up	3,00,000	3,00,000
<b>Total</b>	<b>3,00,000</b>	<b>3,00,000</b>

**a. Movement in equity share capital**

	Numbers	Numbers
<b>As at April 1, 2024</b>	3,00,00,000	3,00,00,000
Issued during the year	-	-
<b>As at March 31, 2025</b>	3,00,00,000	3,00,00,000
Issued Equity share capital during the year	-	-
<b>As at March 31, 2026</b>	<b>3,00,00,000</b>	<b>3,00,00,000</b>

**b. Rights, preferences and restrictions attached to shares****Equity Shares:**

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

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

**c. Shares held by holding company**

	As at March 31, 2026		As at March 31, 2025	
	Nos.	% of holding	Nos.	% of holding
<b>Equity shares:</b>				
Samvardhana Motherson International Limited	3,00,00,000	100%	3,00,00,000	100%
(Holding company with its nominees)	<b>3,00,00,000</b>	<b>100%</b>	<b>3,00,00,000</b>	<b>100%</b>

**d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.**

	As at March 31, 2026		As at March 31, 2025	
	Nos.	% of holding	Nos.	% of holding
<b>Equity shares:</b>				
Samvardhana Motherson International Limited	3,00,00,000	100%	3,00,00,000	100%
(Holding company with its nominees)	<b>3,00,00,000</b>	<b>100%</b>	<b>3,00,00,000</b>	<b>100%</b>

**e. Details of shares held by Promoters at the end of the year****FY 2025-26**

S.No.	Name	No. of Shares	% of Total Shares	% Change during the year
1	Samvardhana Motherson International Limited*	3,00,00,000	100%	0%

\*Including 600 shares held by nominee shareholders

**FY 2024-25**

S.No.	Name	No. of Shares	% of Total Shares	% Change during the year
1	Samvardhana Motherson International Limited*	3,00,00,000	100%	0%

\*Including 600 shares held by nominee shareholders

As per the records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**13 Other Equity**

	March 31, 2026	March 31, 2025
Retained Earnings	(8,52,960)	(2,41,891)
<b>Total</b>	<b>(8,52,960)</b>	<b>(2,41,891)</b>

**Retained Earnings**

	March 31, 2026	March 31, 2025
<b>Opening balance</b>	<b>(2,41,891)</b>	<b>(43,701)</b>
Add: Profit/(loss) during the year	(6,14,518)	(1,97,402)
Add: Other comprehensive income during the year	3,449	(788)
<b>Closing balance</b>	<b>(8,52,960)</b>	<b>(2,41,891)</b>

## 14 Borrowings

	March 31, 2026		March 31, 2025	
	Non-Current	Current	Non-Current	Current
Unsecured				
Non-Current				
Loans from related parties (refer table below)	9,55,000	2,85,000	5,75,000	-
<b>Total</b>	<b>9,55,000</b>	<b>2,85,000</b>	<b>5,75,000</b>	<b>-</b>

## Movement of loans from related parties:

Loan opening balance as on March 31, 2025	5,75,000	-
Add: Addition during the year	9,50,000	9,15,000
Less: Repayment during the year	2,85,000	3,40,000
Loan closing balance as on March 31, 2026	<b>12,40,000</b>	<b>5,75,000</b>

## March 31, 2026

Lender Name	Interest	Terms of repayment	Amount (INR '000)
Motherson Auto Solutions Limited	RBI Repo Rate + 3% p.a. p.m. (9.25%)	within 3 years	90,000
SMR Automotive Systems India Limited*	RBI Repo Rate + 3% p.a. p.m. (8.25%)	Payable on March 2027	2,85,000
SMR Automotive Systems India Limited*	RBI Repo Rate + 3% p.a. p.m. (8.25%)	within 3 years	1,25,000
SMR Automotive Systems India Limited	RBI Repo Rate + 3% p.a. p.m. (9.50%)	within 3 years	4,85,000
SAMIL*	RBI Repo Rate + 3% p.a. p.m. (9.00%)	Payable on 29th Aug 2025	2,85,000
SAMIL	RBI Repo Rate + 3% p.a. p.m. (9.00%)	Repaid on 29th Aug 2025	(2,85,000)
SAMIL*	RBI Repo Rate + 3% p.a. p.m. (8.50%)	within 3 years	2,30,000
SAMIL*	RBI Repo Rate + 3% p.a. p.m. (8.25%)	within 3 years	25,000

\*New loans taken from the group company during the year.

## March 31, 2025

Lender Name	Interest	Terms of repayment	Amount (INR '000)
Motherson Auto Solutions Limited*	RBI Repo Rate + 3% p.a. p.m. (9.25%)	within 3 years	90,000
SMR Automotive Systems India Limited*	RBI Repo Rate + 3% p.a. p.m. (9.50%)	within 3 years	4,85,000

\*New loans taken from the group company during the year.

## 15 Lease Liabilities

	March 31, 2026		March 31, 2025	
	Non-Current	Current	Non-Current	Current
Lease Liabilities	41,696	17,133	10,532	37,875
<b>Total</b>	<b>41,696</b>	<b>17,133</b>	<b>10,532</b>	<b>37,875</b>

## 16 Trade payables

	March 31, 2026		March 31, 2025	
	Non-Current	Current	Non-Current	Current
Total outstanding dues of micro and small enterprises (refer Note 32)				
- Related party		2,534		3,402
- Other		6,197		5,261
Total outstanding dues of creditors other than micro and small enterprises				
- Related party		25,711		35,096
- Other		14,732		3,482
<b>Total</b>		<b>49,174</b>		<b>47,241</b>

## Ageing as on March 31, 2026

Particulars	Not due	Outstanding for following periods from the due date of payment				Total
		< 1 year	1-2 Years	2-3 Years	> 3 Years	
MSME*	5,740	2,991	-	-	-	2,991
Others	8,622	31,821	-	-	-	31,821
Disputed Dues - MSME*	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>14,362</b>	<b>34,812</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>49,174</b>

\*Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

## Ageing as on March 31, 2025

Particulars	Not due	Outstanding for following periods from the due date of payment				Total
		< 1 year	1-2 Years	2-3 Years	> 3 Years	
MSME*	-	8,663	-	-	-	8,663
Others	-	38,578	-	-	-	38,578
Disputed Dues - MSME*	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>47,241</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,241</b>

\*Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

## 17 Provision for employee benefits

	March 31, 2026		March 31, 2025	
	Non-current	Current	Non-current	Current
(a) Provision for Gratuity	12,417	403	-	-
(b) Provision for leave encashment	5,677	760	-	1,808
(c) Plan Assets-Gratuity Fund	(3,364)	-	-	-
<b>Net Liability (a+b-c)</b>	<b>14,730</b>	<b>1,163</b>	<b>-</b>	<b>1,808</b>

## 18 Other current liabilities

	March 31, 2026		March 31, 2025	
	Non-Current	Current	Non-Current	Current
Statutory dues		15,492		7,652
Payment towards purchase of capital goods		20,530		2,254
Provision for expenses		24,054		1,646
Salary and wages payable		27		12,167
Other payables		2,397		503
Interest accrued but not due on borrowings		14,879		636
<b>Total</b>		<b>77,379</b>		<b>24,858</b>

## 19 Revenue from operations

	For the year ended		For the year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Sale of products		56,270		35,075
Sale of services				
a) Domestic income		52,875		-
b) Export income		11,283		-
<b>Total</b>		<b>1,20,428</b>		<b>35,075</b>

## 20 Other income

	For the year ended		For the year ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Interest on fixed deposit with bank		232		372
Interest on Income tax refund		47		-
Interest on Security deposit		3,543		1,823
Interest income from loan		7,427		6,277
Miscellaneous income		35		14
<b>Total</b>		<b>11,284</b>		<b>8,486</b>

**MOTHERSON HEALTH AND MEDICAL SYSTEM LIMITED (Formerly known as SAMVARDHANA MOTHERSON MAADHYAM INTERNATIONAL LIMITED)**

CIN: U33100MH2018PLC398092

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

(All amounts in INR thousand, unless otherwise stated)

21(a) Cost of materials consumed	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
Opening stock of raw materials	27,009	-
Add : Purchases of raw materials	47,962	66,284
Less: Closing stock of raw materials *	(34,279)	(27,009)
	<b>40,692</b>	<b>39,275</b>

\*It includes packing materials, indirect materials and consumables.

21(b) Changes in inventory of finished goods & work in progress (increase)/ decrease in stocks	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
<b>A) Stock at the opening of the year:</b>		
Finished goods	5,009	-
Work-in-progress	-	-
<b>Total (A)</b>	<b>5,009</b>	<b>-</b>
<b>B) Stock at the end of the year:</b>		
Finished goods	2,447	5,009
Work-in-progress	2,416	-
<b>Total (B)</b>	<b>4,863</b>	<b>5,009</b>
<b>(Increase)/ decrease in stocks (A-B)</b>	<b>146</b>	<b>(5,009)</b>

22 Employee benefits expense	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
Salary, wages & bonus	2,10,222	39,898
Contribution to provident & other fund	14,961	2,283
Gratuity	4,149	692
Leave encashment	2,353	-
Staff welfare	8,402	4,432
<b>Total</b>	<b>2,40,087</b>	<b>47,305</b>

23 Finance cost	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
Interest on Lease	5,849	2,990
Interest on loan from related parties	78,154	26,198
<b>Total</b>	<b>84,003</b>	<b>29,188</b>

24 Depreciation and amortization expense	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
Depreciation on property, plant and equipment	60,141	31,806
Amortization on intangible assets	5,596	1,893
Depreciation on ROU	46,824	23,150
<b>Total</b>	<b>1,12,561</b>	<b>56,849</b>

25 Other expenses	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
Business support expenses	13,375	22,429
Rent	690	2,674
Travel and conveyance expenses	52,455	6,262
Electricity expenses	8,285	5,757
Fuel expenses	522	4,486
Freight	2,995	2,211
Business Promotion*	26,668	4,170
Garden Maintenance	587	-
Indirect material consumption	10,519	-
Insurance expenses	4,828	862
Office expenses	56	-
Printing and stationery	221	235
Security services	3,457	2,001
House keeping expenses	2,404	1,637
Computer & software expenses	40,134	10,165
Marketing Services	3,352	-
Testing Charges	565	-
Miscellaneous expenses	121	3,717
AMC Charges	256	-
Postage & Courier	794	1,542
Legal & professional expenses	67,668	3,159
Repair And Maintenance	3,826	193
Utilities water & gas	665	374
Membership & Subscription charges	515	309
Rates & taxes	1,711	467
Loading & Unloading	143	179
Packaging Material	612	51
Audit fees (Refer Note (a) below)	516	405
Foreign exchange loss	2,441	53
Donation	18	17
Provision for inventory	17,810	-
Provision for doubtful debts	532	-
<b>Total</b>	<b>2,68,741</b>	<b>73,355</b>

\* Business promotion expenses primarily include costs incurred toward the design and development of prototype medical device components used as samples for product validation and market testing. Additionally, it includes expenditure related to the Company's participation in domestic and international trade exhibitions and fairs for showcasing its product capabilities to potential customers.

**(a): Payment to auditors:**

	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
<b>As Auditor:</b>		
Statutory audit	200	200
Statutory audit - Limited review	60	75
Internal audit	250	125
Internal audit-out of pocket expenses	6	5
<b>Total</b>	<b>516</b>	<b>405</b>

26 Income tax expense	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
<b>Tax disclosure for the year ended March 31, 2026 under Ind AS-12</b>		
<b>(a) Income tax expense recognised in profit and loss</b>		
Current tax	-	-
Adjustments for current tax of prior years	-	-
<b>Total current tax expense</b>	<b>-</b>	<b>-</b>
Deferred tax (refer note 37)	-	-
(Decrease)/increase in deferred tax liabilities	-	-
<b>Total deferred tax expense/(benefit)</b>	<b>-</b>	<b>-</b>
<b>Income tax expense*</b>	<b>-</b>	<b>-</b>

\* Due to business losses the current tax payable is NIL.

27 Earnings/(Loss) per share	March 31, 2026	March 31, 2025
	<b>a) Basic earnings per share</b>	
Net profit/(loss) after tax available for equity shareholders	(6,14,518)	(1,97,402)
Weighted average number of equity shares used to compute basic earnings/(loss) per share	3,00,00,000	3,00,00,000
<b>Basic earnings/(loss) per share in INR (absolute figures)</b>	<b>(20.48)</b>	<b>(6.58)</b>

**b) Diluted earnings per share**

Note: The Company does not have any potential equity shares and thus, Diluted EPS will be same as Basic EPS.

**28 Fair value measurements****i. Financial instruments by category**

	March 31, 2026			March 31, 2025		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial assets</b>						
Trade receivables*	-	-	62,513	-	-	31,207
Cash and cash equivalents*	-	-	41,052	-	-	23,258
Other financial assets*			2,428	-	-	-
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>1,05,993</b>	<b>-</b>	<b>-</b>	<b>54,465</b>
<b>Financial Liabilities</b>						
Borrowings*	-	-	2,85,000	-	-	-
Lease Liabilities	-	-	17,133	-	-	37,875
Trade payables*	-	-	49,174	-	-	47,241
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>3,51,307</b>	<b>-</b>	<b>-</b>	<b>85,116</b>

\*The carrying amounts of cash and cash equivalents, trade receivables, other financial assets, short term borrowings, lease liabilities and trade payables are considered to be the same as fair value due to their short term maturities.

**ii. Fair value of non current financial assets measured at amortised cost**

	March 31, 2026		March 31, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Assets</b>				
Loans	85,000	85,000	90,000	90,000
Other Financial Assets	40,829	40,829	33,955	33,955
<b>Total</b>	<b>1,25,829</b>	<b>1,25,829</b>	<b>1,23,955</b>	<b>1,23,955</b>
<b>Financial Liabilities</b>				
Borrowings	9,55,000	9,55,000	5,75,000	5,75,000
Lease Liabilities	41,696	41,696	10,532	10,532
<b>Total</b>	<b>9,96,696</b>	<b>9,96,696</b>	<b>5,85,532</b>	<b>5,85,532</b>

\*The fair value of non-current financial assets carried at amortized cost is substantially same as their carrying amount.

**iii. Valuation technique used to determine fair value**

The fair value of financial instruments is determined using discounted cash flow analysis.

**29 Financial Risk Management**

The company was formed as a subsidiary of erstwhile Samvardhana Motherson International Limited (SAMIL) for the purpose of undertaking the business of Corporate Communications, media relations work including writing and distributing news releases and responding to media inquiries, overseeing and arranging for news conferences including selecting the site for an event, arranging for banners and other graphics to be displayed at the event, preparing packets of information to distribute to the media, undertaking business of maintenance and managing of website of companies. The object of the company is to manufacture, produce, develop, assemble, buy, sell, import, export alter, repair, remodel, hire, exchange, repair, spare parts, developing software's accessories, tools, implements, materials and products thereof and undertake Contract Design and Manufacturing Operations including Design development, Manufacturing of components, High Level Assemblies of medical devices and Finished Medical Devices, Specific Manufacturing Technologies and processes required for the larger medical devices ecosystem and related products and to set up, purchase, lease or otherwise acquire, establish, maintain, operate, run, manage or administer manufacturing and testing labs to undertake all business which are incidental or ancillary or related for undertaking business of the above and the company has its registered office at Unit-705, C Wing, One BKC, G-Block, Bandra Kurla Complex, Bandra East, Mumbai 400051 Maharashtra.

**Market risk:**

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/rate. Market risk comprises three types of risk: Interest rate risk, foreign currency risk and other price risk. The financial instruments affected by market risk including loan and borrowings, deposits and payables/receivables in foreign currencies.

**A Foreign currency risk:**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency)

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Unhedged foreign currency exposure is as follows:

**(i) Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)**

	March 31, 2026		March 31, 2025	
	Payable / (Receivable)		Payable / (Receivable)	
	Amount in Foreign currency (absolute)	Amount in INR thousands	Amount in Foreign currency (absolute)	Amount in INR thousands
CHF : INR	-	-	11,794	1,140
EURO : INR	(44,042)	(4,825)	7,597	702
USD : INR	(1,26,072)	(11,955)	-	-

**B Interest rate risk:**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The company has borrowed funds at a variable interest rate.

	March 31, 2026	March 31, 2025
Total borrowings	12,40,000	5,75,000
	<b>12,40,000</b>	<b>5,75,000</b>

**C 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 and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are group companies. Even-though clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Company has deposited liquid funds with major Indian banks. In long term credit ratings these banks are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

**D Liquidity risk:**

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating divisions of the Company and aggregated by Company finance. The Company's finance monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Company does not breach borrowing limits or covenants on any of its borrowing facilities.

**(i) Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities:

Year Ended March 31, 2026	Upto 1 year	1 to 5 years	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings	2,85,000	9,55,000	-	12,40,000
Trade payables	49,174	-	-	49,174
Other financial liabilities	17,133	41,696	-	58,829
<b>Total non-derivative liabilities</b>	<b>3,51,307</b>	<b>9,96,696</b>	<b>-</b>	<b>13,48,003</b>
<b>Year Ended March 31, 2025</b>	<b>Upto 1 year</b>	<b>1 to 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
<b>Non-derivatives</b>				
Borrowings	-	5,75,000	-	5,75,000
Trade payables	47,241	-	-	47,241
Other financial liabilities	37,875	10,532	-	48,407
<b>Total non-derivative liabilities</b>	<b>85,116</b>	<b>5,85,532</b>	<b>-</b>	<b>6,70,648</b>

**30 Capital management**

**a) Risk management**

The Company's objectives when managing capital is 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 (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs).

Currently the company's net EBITDA ratio is negative due to business losses. The Net Debt to EBITDA ratios were as follows:

	March 31, 2026	March 31, 2025
Net Debt	11,98,948	5,51,742
EBITDA	(4,17,954)	(1,11,365)
<b>Net Debt to EBITDA</b>	<b>(2.87)</b>	<b>(4.95)</b>

**b) Loan covenants**

Under the terms of the major borrowing facilities, the company is required to comply with certain financial covenants and the company has complied with those covenants throughout the reporting period.

**31 List Of Related Parties As Per Ind AS 24**

**(A) Related Party Disclosures are given below:**

**(i) Holding Company**

Samvardhana Motherson International Limited

**(ii) Fellow subsidiaries (with whom transaction have taken place during the year)**

- 1 SMR Automotive Systems India Limited
- 2 Samvardhana Motherson Global Carriers Limited
- 3 Motherson Technology Services Limited
- 4 Motherson Air Travel Agencies Limited
- 5 Motherson Auto Solutions Limited
- 6 Motherson Techno Tools Limited
- 7 Irillic Private Limited
- 8 Samvardhana Motherson Global Management Services Ltd
- 9 PK Cables Do Brasil Industria E Comercio Ltda.
- 10 Anest Iwata Motherson Pvt Ltd.
- 11 Samavardhana Motherson Health Solutions Limited
- 12 Re-Time Pty Ltd.
- 13 Aero Treatment Pvt Ltd.

**(iii) Key Managerial Personnel**

- 1 Mr. Parthasarathy Srinivasan (Director)
- 2 Mr. Rohitash Gupta (Director) effective 18th June 2025
- 3 Mr. Ravi Mathur (Director)
- 4 Mr. Manish Kumar Goyal (Director) Resigned effective 19th June 2025
- 5 Mr. Vinay Kumar Murari (Manager) effective 26th March 2025
- 6 Mr. Eswar Rao Mirtypati (CFO) effective 26th March 2025
- 7 Ms. Payal Kaushik (Company Secretary) effective 25th April 2025

**(iv) Entity controlled or jointly controlled by directors or key managerial persons of company or holding company**

- 1 Motherson Auto Limited
- 2 Systematic Conscom Limited

**(B) Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 31 (A):****(a) Key management personnel compensation**

	March 31, 2026	March 31, 2025
Short-term employee benefits*	15,704	36
<b>Total total</b>	<b>15,704</b>	<b>36</b>

\*As the liabilities for gratuity and leave encashment are provided for the company as a whole, the amounts pertaining to the key managerial personnel are not included above.

**(b) Transactions with related parties**

S. No.	Particulars	Holding Company		Fellow Subsidiaries		Entity controlled or jointly controlled by directors or key managerial persons of company or holding company	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
1	Sale of fixed assets	-	-	-	-	-	-
2	Loans received	5,40,000	3,40,000	4,10,000	5,75,000	-	-
3	Loans transfer	-	-	-	-	-	-
4	Inter corporate loans repaid	2,85,000	3,40,000	-	-	-	-
5	Interest on Inter corporate loans	12,644	12,910	65,509	13,288	-	-
6	Loans given	-	-	-	90,000	-	-
7	Loans repaid by borrower	-	-	5,000	-	-	-
8	Interest income on inter corporate loans	-	-	7,427	6,277	-	-
9	Sale of products	-	-	27,086	19,220	-	-
10	Sale of services	-	-	61,156	-	-	-
11	Lease rent	-	-	41,014	40,266	-	-
12	Travel expenses	-	-	39,997	4,434	-	-
13	Computer & Software expenses	-	-	38,435	11,036	-	-
14	Business promotion expenses	-	-	-	613	-	-
15	Legal and professional expenses	-	-	64,595	50	-	-
16	Purchase of service	-	-	2,646	2,872	-	2,299
17	Business support charges	-	-	13,669	21,679	-	-
18	Reimbursement	-	-	-	-	-	-
19	Purchase of fixed assets	-	-	29,585	1,48,491	-	-
20	Purchase of Goods	-	-	10,390	7,913	-	-
21	Security deposit given	-	-	575	-	-	-

**(c) Outstanding balances arising from sales / purchases of goods and services**

S. No.	Particulars	Holding Company		Fellow Subsidiaries		Entity controlled or jointly controlled by directors or key managerial persons of company or holding company	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
1	Trade receivables	-	-	42,912	14,563	-	-
2	Trade payables	69	-	28,176	38,497	-	-
3	Security deposit paid	-	-	37,314	33,945	-	-
4	Interest accrued but not due on borrowings	6,987	-	7,891	636	-	-
5	Other payables	-	-	-	50	-	1,999
6	Other receivables	-	-	12,238	177	-	-
7	Creditors for capital goods	-	-	1,687	144	-	-

**(d) Loans from related parties**

S. No.	Particulars	Holding company		Fellow Subsidiaries	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
<b>A</b>	<b>Loans:</b>				
	Beginning of the year	-	-	5,75,000	-
	Loan Received	5,40,000	3,40,000	4,10,000	5,75,000
	Loans Transfers	-	-	-	-
	Loans Repaid	2,85,000	3,40,000	-	-
	<b>End of the year</b>	<b>2,55,000</b>	<b>-</b>	<b>9,85,000</b>	<b>5,75,000</b>
<b>B</b>	Interest charged	12,644	12,910	65,509	13,288
<b>C</b>	Interest accrued	6,987	-	7,891	636

**(e) Loans to related parties**

S. No.	Particulars	Holding company		Fellow Subsidiaries	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
<b>A</b>	<b>Loans:</b>				
	Beginning of the year	-	-	90,000	-
	Loan given	-	-	-	90,000
	Loans Transfers	-	-	-	-
	Loans Received	-	-	5,000	-
	<b>End of the year</b>	<b>-</b>	<b>-</b>	<b>85,000</b>	<b>90,000</b>
<b>B</b>	Interest charged	-	-	7,427	6,277
<b>C</b>	Interest accrued but not due on loans given	-	-	-	-

**32 Due to micro and small enterprises**

The Company has dues to micro and small enterprises registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). Details given below:

Particulars	March 31, 2026	March 31, 2025
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	8,731	8,663
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

**33 Capital commitments**

Capital expenditure contracted at the end of the reporting period but not recognised as liabilities is as follows:

	March 31, 2026	March 31, 2025
<b>Property, plant and equipment</b>		
Estimated value of contracts in capital account	12,591	34,789
Advance paid	19	1,500
	<b>12,572</b>	<b>33,289</b>

**34 Contingent Liabilities**

	March 31, 2026	March 31, 2025
Bank guarantee*	3,000	3,000
	<b>3,000</b>	<b>3,000</b>

\*Bank guarantee issued by Axis Bank with 100% margin money in favour of Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, GOI

**35 Application of Ind AS 115 Revenue from Contracts with Customers****a The provision recognised on trade receivables arising from an entity's contracts with customers.**

There are no provisions recognised on trade receivables

	March 31, 2026	March 31, 2025
<b>Opening Balance</b>	-	-
<b>Less:- Written back</b>	-	-
<b>Add:- Provided at the end of period</b>	532	-
<b>Closing balance</b>	<b>532</b>	<b>-</b>

**b Disaggregation of revenue from contracts with customers**

Segments	March 31, 2026	March 31, 2025
<b>Revenue by geography</b>		
In India	1,06,472	35,075
Outside India	13,956	-
<b>Total revenue from contract with customers</b>	<b>1,20,428</b>	<b>35,075</b>

**Revenue by major product lines**

Sale of product	56,270	35,075
Sale of services	64,158	-
<b>Total revenue from contract with customers</b>	<b>1,20,428</b>	<b>35,075</b>

**Timing of revenue recognition**

At a point in time	56,270	35,075
Over the period of time	64,158	-
<b>Total revenue from contract with customers</b>	<b>1,20,428</b>	<b>35,075</b>

**c Contract Balances**

The following table provides information about receivables and contract liabilities from contracts with customers.

	March 31, 2026	March 31, 2025
Receivables (Unconditional right to consideration)	62,513	31,207
Contract liabilities	-	2,254

**d Revenue from contracts with customers**

	March 31, 2026	March 31, 2025
<b>Revenue recognised from</b>		
Amounts included in contract liabilities at the beginning of the period	2,254	-

**e Right of return assets and refund liabilities**

	March 31, 2026	March 31, 2025
Right of return assets	-	-
Refund liabilities Arising from rights of return	-	-

**f Performance obligations**

	March 31, 2026	March 31, 2025
Within one period	-	-

**g Contract Cost - Incremental costs of obtaining a contract**

There is no increment cost in contract executed during the period.

36 The long term defined employee benefits and contribution schemes of the Company are as under:

A.

Defined Benefit Schemes

a. Gratuity

The Company operates a gratuity plan administered through Life Insurance Corporation of India (LIC) under its Group Gratuity Scheme. Every employee is entitled to a benefit equivalent to fifteen days' salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company pays contribution to Life Insurance Corporation of India to fund its plan.

The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:

(i) Present Value of Defined Benefit Obligation

	As at	
	March 31, 2026	March 31, 2025
<b>Obligations at year beginning</b>	<b>3,027</b>	<b>1,268</b>
Service Cost - Current	3,207	880
Interest expense	942	90
Past service cost	-	-
<b>Amount recognised in profit or loss</b>	<b>4,149</b>	<b>971</b>
<b>Remeasurements</b>		
Actuarial (gain) / loss from change in financial assumption	(577)	19
Experience (gains)/losses	(749)	769
<b>Amount recognised in other comprehensive income</b>	<b>(1,326)</b>	<b>788</b>
Payment from plan:		
Benefit payments	(3,514)	-
Addition due to transfer of employee	10,484	-
<b>Obligations at year end</b>	<b>12,820</b>	<b>3,027</b>

(ii) Fair Value of Plan Assets

	As at	
	March 31, 2026	March 31, 2025
<b>Plan assets at year beginning, at fair value</b>	<b>3,148</b>	<b>-</b>
Interest income	-	-
<b>Amount recognised in profit or loss</b>	<b>-</b>	<b>-</b>
<b>Remeasurements</b>		
Return on plan assets, excluding amount included in interest income	216	0
<b>Amount recognised in other comprehensive income</b>	<b>216</b>	<b>0</b>
<b>Other comprehensive Income(OCI)</b>		
Contributions:		
Employers	-	3,148
Plan participants	-	-
<b>Plan assets at year end, at fair value</b>	<b>3,364</b>	<b>3,148</b>

(iii) Assets and Liabilities recognized in the Balance Sheet

	As at	
	March 31, 2026	March 31, 2025
Present Value of the defined benefit obligations	12,820	3,027
Fair value of the plan assets	3,364	3,148
<b>Amount recognized as (asset)/liability (refer note 10 and 17)</b>	<b>9,455</b>	<b>(121)</b>

(iv) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2026	March 31, 2025
Service Cost	3,207	880
Interest Cost	942	90
Actuarial (gain) / loss	(1,541)	788
<b>Net defined benefit obligations cost</b>	<b>2,607</b>	<b>1,759</b>

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

	For the year ended	
	March 31, 2026	March 31, 2025
LIC of India	100%	100%
<b>Total</b>	<b>100%</b>	<b>100%</b>

(vi) Actuarial assumptions:

	For the year ended	
	March 31, 2026	March 31, 2025
Discount Rate per annum	7.78%	7.13%
Future salary increases	7.00%	7.00%
Retirement age	58 years	58 years
Mortality rate	100% of IALM (2012-14)	
Attrition rate		
For all age groups	5.00%	5.00%

Note: 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.

(All amounts in INR thousand, unless otherwise stated)

(vii) Expected Contribution to the Fund in the next year

Enterprise best estimate of expense for the next Annual reporting period is Rs. 46,70,651/-.

(viii) Bifurcation of PBO at the end of year as per Schedule III to the Companies Act, 2013.

Current liability  
Non-Current liability  
Total PBO at the end of the year

For the year ended	
March 31, 2026	March 31, 2025
403	135
12,417	2,892
<b>12,820</b>	<b>3,027</b>

(ix) Sensitivity Analysis

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is :

	Change in Assumption		Impact	Increase in Assumption		Impact	Decrease in Assumption	
	March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025
Discount Rate per annum	0.50%	0.50%	Decrease by	(1,629)	(115)	Increase by	1,732	122
Future salary increases	0.50%	0.50%	Increase by	1,219	84	Decrease by	(1,220)	(79)

The above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity

(x) Risk exposure

(a) **Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds, if bond yield fall, the defined benefit obligation will tend to increase.

(b) **Salary inflation risk:** Higher than expected increases in salary will increase the defined benefit obligation.

(c) **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria . It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to long career employee.

b. Leave encashment:

The Company's leave obligations comprise the liability for earned leave, which is classified as an "Other Long-term Employee Benefit" under Ind AS 19. During the current year ended December 31, 2025, the Company has adopted a formal Leave Encashment Policy. Accordingly, the liability has been measured based on an independent actuarial valuation.

In the previous financial year, no formal leave encashment policy was in place; consequently, the provision reported for the prior period represented only the specific leave balances transferred/accrued for employees who joined the Company from Group entities. Therefore, comparative actuarial assumptions for the previous year are not applicable.

The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:

(i) Present Value of Defined Benefit Obligation

Obligations at year beginning  
Service Cost - Current  
Interest expense  
**Amount recognised in profit or loss**

As at	
March 31, 2026	March 31, 2025
-	-
1,938	-
414	-
<b>2,352</b>	<b>-</b>

Remeasurements

Actuarial (gain) / loss from change in financial assumption  
Experience (gains)/losses  
**Amount recognised in other comprehensive income**

(290)	-
(1,617)	-
<b>(1,907)</b>	<b>-</b>

Payment from plan:

Benefit payments  
Addition due to transfer of employee  
**Obligations at year end**

(1,075)	-
7,067	-
<b>6,437</b>	<b>-</b>

(ii) Fair Value of Plan Assets

Plan assets at year beginning, at fair value  
Interest income  
**Amount recognised in profit or loss**

As at	
March 31, 2026	March 31, 2025
-	-
-	-
<b>-</b>	<b>-</b>

Remeasurements

Actuarial (gain) / loss from change in financial assumption  
Return on plan assets, excluding amount included in interest income  
**Amount recognised in other comprehensive income**

-	-
-	-
<b>-</b>	<b>-</b>

Other comprehensive Income(OCI)

Effect of Exchange rate change  
Payment from plan:  
Benefit payments

Contributions:  
Employers

**Plan assets at year end, at fair value**

-	-
-	-
<b>-</b>	<b>-</b>

(iii) Assets and Liabilities recognized in the Balance Sheet

Present Value of the defined benefit obligations  
Fair value of the plan assets  
**Amount recognized as (asset)/liability (refer note 10 and 17)**

As at	
March 31, 2026	March 31, 2025
6,437	-
-	-
<b>6,437</b>	<b>-</b>

(All amounts in INR thousand, unless otherwise stated)

(iv) Defined benefit obligations cost for the year:

Service Cost  
Interest Cost  
Actuarial (gain) / loss  
Net defined benefit obligations cost

For the year ended	
March 31, 2026	March 31, 2025
1,938	-
414	-
(1,907)	-
<b>445</b>	<b>-</b>

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

Total

For the year ended	
March 31, 2026	March 31, 2025
NA	NA
NA	NA

(vi) Actuarial assumptions:

Discount Rate per annum  
Future salary increases  
Retirement age

For the year ended	
March 31, 2026	March 31, 2025
7.78%	7.25%
7.00%	7.00%
58 years	58 years

Mortality rate  
Attrition rate

100% of IALM (2012-14)	100% of IALM (2012-14)
5.00%	5.00%

For all age groups

Note: 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.

(vii) Expected Contribution to the Fund in the next year

Enterprise best estimate of expense for the next Annual reporting period is Rs. 31,29,694/-.

(viii) Bifurcation of PBO at the end of year as per Schedule III to the Companies Act, 2013.

Current liability  
Non-Current liability  
Total PBO at the end of the year

For the year ended	
March 31, 2026	March 31, 2025
760	-
5,677	1,808
<b>6,437</b>	<b>1,808</b>

\*Employee leave encashment are already accrued, leave encashment payable to employees transferred from the Group Company for previous year.

(ix) Sensitivity Analysis

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:

	Change in Assumption		Impact	Increase in Assumption		Impact	Decrease in Assumption	
	March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025
Discount Rate per annum	0.50%	0.50%	Decrease by	(836)	(115)	Increase by	884	122
Future salary increases	0.50%	0.50%	Increase by	886	84	Decrease by	(840)	(79)

The above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in balance sheet.

B. Defined Contribution Schemes

The Company deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund and Employee State Insurance (ESI) for the benefit of the employees.

Amount recognised in the Statement of Profit & Loss is as follows (Refer note 22):

Provident fund paid to the authorities  
Employee state insurance paid to the authorities

For the year ended		For the year ended	
March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
12,322	2,280	34	3
<b>12,356</b>	<b>2,283</b>		

C. Employee Benefit Obligations and the Impact of the New Labour Code (specifically the Code on Wages, 2019)

1. Overview of the Regulatory Change

The Code on Wages, 2019 (the "Code") received Presidential assent in August 2019 and was subsequently notified for implementation effective from **November 21, 2025**. The Code replaces four existing labor laws, including the Payment of Wages Act, 1936, and the Minimum Wages Act, 1948.

The Code introduces a unified definition of "Wages," which significantly impacts the calculation of employee benefits such as Gratuity, Leave Encashment, and Provident Fund contributions. Under the new definition, certain allowances (such as HRA, overtime, and conveyance) are excluded from the definition of wages, provided that the sum of such exclusions does not exceed 50% of the total remuneration. If exclusions exceed this threshold, the excess amount is deemed to be "wages."

2. Impact on Employee Benefit Liabilities

The Company has evaluated the impact of the Code on its defined benefit obligations (DBO) as per **Ind AS 19 - Employee Benefits**.

Since the Code became effective on November 21, 2025, the Company has remeasured its obligations as of the reporting date to reflect the revised "Wage" base. The impact is summarized below:

**Gratuity Liability:** The revised definition often leads to an increase in the basic salary component used for gratuity calculations.

**Leave Encashment:** Higher "wage" components have resulted in a proportionate increase in the provision for compensated absences.

**Provident Fund:** Contributions have been adjusted to align with the new statutory limits and definition of wages where applicable.

3. Financial Statement Impact

Due to a legislative amendment during the period, the resulting increase in the present value of the defined benefit obligation has been recognized within the Statement of Profit and Loss for the year ended March 31, 2026.

4. Uncertainty and Future Adjustments

While the Code is effective from November 21, 2025, the Company continues to monitor the final rules, clarifications, and judicial interpretations that may be issued by the Ministry of Labour and Employment. Any further refinements to the liability will be adjusted in the period in which such clarifications become available.

**37 Deferred Tax Assets/ (Liabilities) (net)**

As per Ind AS-12, "Income Taxes" issued by The Institute of Chartered Accountants of India there must be virtual certainty supported by convincing evidence that the sufficient future taxable income is available against which deferred tax assets(DTA) can be adjusted. In the absence of such certainty, no deferred tax assets is recognised in the financial statement.

**38 Other Statutory Information**

- i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- ii. The company does not have revalued its Property, Plant and Equipment during the year.
- iii. The Company does not have declared as wilful defaulter by any bank or financial institutions.
- iv. The Company does not have any transactions with companies struck off.
- v. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- vi. The Company does not have traded or invested in Crypto currency or Virtual Currency during the financial year.
- vii The Company does not have advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- viii. The Company does not have received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- xi. The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**39 Ratio Analysis**

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	Difference(%)	Reasons
a) Current ratio (Times)	Current Assets	Current Liabilities	0.71	1.70	58%	Due to increase in borrowings.
b) Debt-equity ratio (Times)	Debt	Equity	(2.24)	9.90	123%	Due to new borrowings obtained during the year.
c) Debt service coverage ratio (Times)	Net operating income	Debt	(1.13)	(3.82)	70%	Due to new borrowings obtained during the year.
d) Return on equity ratio (%)	Net income	Shareholder's equity	(111.13)	(339.71)	67%	Due to deterioration of shareholders' equity.
e) Inventory turnover ratio (Times)	Cost of goods sold	Average inventory	1.53	1.23	-24%	-
f) Trade receivables turnover ratio (Times)	Credit Sales	Average accounts receivable	2.57	1.12	-129%	Due to increase in revenue compared to PY.
g) Trade payables turnover ratio (Times)	Credit Purchases	Average accounts payable	0.42	0.60	29%	Due to payments made to the supplier.
h) Net capital turnover ratio (Times)	Sales	Working capital	(0.96)	0.45	314%	Due to new borrowings obtained during the year.
i) Net profit ratio (%)	Net profit	Sales	(510.28)	(562.80)	9%	NA
j) Return on capital employed (%)	Net operating income	Capital Employed	(103.96)	(17.59)	-491%	Due to increase in borrowings and losses in the current year compared to PY.
k) Return on investment (%)	Net Income from Investments	Cost of Investments	NA	NA	-	NA

40 Amounts appearing as zero "0" in financials are below the rounding off norm adopted by the company.

41 Corresponding figures of previous year have been regrouped/rearranged whenever necessary to conform to the current year classification.

For and on behalf of the Board

As per our report of even date  
For R N Marwah & Co LLP  
Chartered Accountants  
FRN : 001211N/N500019

Rohitash Gupta  
Director  
DIN: 01049454

Parthasarathy Srinivasan  
Director  
DIN : 01039931

Manoj Gupta  
Partner  
M. No. 096776

Eswar Rao Mirytpati  
Chief Financial Officer  
PAN: CPEPM3759K

Vinay Kumar Murari  
Manager  
PAN: AHSPK0609A

Payal Kaushik  
Company Secretary  
M. No. A49603

Place: Chennai  
Date: 20/04/2026

Place: New Delhi  
Date: 20/04/2026