

## SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED

CIN: U72900DL2018PLC339891

Balance Sheet as at March 31, 2026

(All amounts in INR thousand, unless otherwise stated)

	Note	As at March 31, 2026	As at March 31, 2025
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	375	285
Right-of-use assets	4	810	4,759
Intangible assets	5	475	934
i. Other financial assets	6	15	15
<b>Total non-current assets</b>		<b>1,675</b>	<b>5,993</b>
<b>Current assets</b>			
<b>Financial assets</b>			
i. Trade receivables	7	17,067	41,540
ii. Cash and cash equivalents	8	6,683	10,339
iii. Other financial assets	6	1,316	1,889
Current tax assets (net)	9	3,750	3,939
Other current assets	10	8,871	9,484
<b>Total current assets</b>		<b>37,687</b>	<b>67,191</b>
<b>Total assets</b>		<b>39,362</b>	<b>73,183</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11	300,100	300,100
<b>Other equity</b>			
Reserves and surplus	12	(372,541)	(304,738)
<b>Total equity</b>		<b>(72,441)</b>	<b>(4,638)</b>
<b>Liabilities</b>			
<b>Non current liabilities</b>			
<b>Financial Liabilities</b>			
i. Lease Liabilities		620	3,876
Employee benefit obligations	13	1,930	4,582
<b>Total non-current liabilities</b>		<b>2,550</b>	<b>8,458</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
i. Borrowings	14	75,000	29,500
ii. Lease Liabilities		288	1,266
iii. Trade payables	15		
Total outstanding dues of micro enterprises and small enterprises		-	941
Total outstanding dues of creditors other than micro enterprises and small enterprises		25,990	28,275
iv. Other financial liabilities	16	2,877	4,363
Employee benefit obligations	13	51	100
Other current liabilities	17	5,049	4,919
<b>Total current liabilities</b>		<b>109,254</b>	<b>69,364</b>
<b>Total liabilities</b>		<b>111,803</b>	<b>77,821</b>
<b>Total equity and liabilities</b>		<b>39,362</b>	<b>73,183</b>
Summary of material accounting policies	2		

The accompanying notes are an integral part of financial statements

For and on behalf of the Board

As per our report of even date  
For R K Khanna and Co.  
Chartered Accountants  
FRN : 000033N

Parthasarathy Srinivasan  
Director  
DIN No. 01039931

Ghanashyam Kamath Kundapur  
Director  
DIN No. 09076606

Vipin Bali  
Partner  
M. No. 083436

Kapil Bansal  
Chief Financial Officer  
PAN: AKVPB5043K

Surbhi Sehgal  
Company Secretary  
PAN: CJOPK2696F

Place: New Delhi  
Date: 27-04-2026

Place: Noida  
Date: 27-04-2026

**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**  
**CIN: U72900DL2018PLC339891**  
**Statement of Profit and Loss for the year ended March 31, 2026**

(All amounts in INR thousand, unless otherwise stated)			
	Note	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Revenue</b>			
Revenue from contract with customers	18	29,466	95,951
Other income	19	750	5,732
<b>Total income</b>		<b>30,216</b>	<b>101,683</b>
<b>Expenses</b>			
Purchase of Stock-in-Trade		228	34,700
Project expenses	20	42,901	34,077
Finance costs	21	4,339	3,438
Employee benefits expense	22	30,055	25,304
Depreciation and amortisation expense	23	1,047	2,750
Other expenses	24	19,704	9,859
<b>Total expenses</b>		<b>98,274</b>	<b>110,128</b>
<b>Profit / (loss) before tax</b>		<b>(68,058)</b>	<b>(8,445)</b>
<b>Tax expenses</b>	25		
-Current tax		-	-
-Deferred tax expense/ (credit)		-	-
<b>Total tax expense</b>			
<b>Profit / (loss) for the period</b>		<b>(68,058)</b>	<b>(8,445)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurements of post-employment benefit obligations		217	11,552
Deferred tax on remeasurements of post-employment benefit obligation		-	-
<b>Other comprehensive income for the period, net of tax</b>		<b>217</b>	<b>11,552</b>
<b>Total comprehensive income for the period</b>		<b>(67,841)</b>	<b>3,107</b>
<b>Earnings / (loss) per share:</b>			
Nominal value per share: INR 10	26		
Basic (absolute figures)		(0.23)	(0.31)
<b>Summary of material accounting policies</b>	2		

The accompanying notes are an integral part of financial statements

For and on behalf of the Board

Parthasarathy Srinivasan  
 Director  
 DIN No. 01039931

Ghanashyam Kamath Kundapur  
 Director  
 DIN No. 09076606

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(All amounts in INR thousand, unless otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>A. Cash flow from operating activities:</b>		
Net profit / (loss) before tax	(68,058)	(8,445)
<i>Adjustments for</i>		
Finance cost	4,339	3,438
Provision for doubtful recoveries	6,833	50
Depreciation and amortisation expense	1,047	2,750
Provision for employee benefit obligations	(2,482)	(2,956)
Interest income	(351)	(1,337)
Gain on termination of Lease Liabilities	(315)	-
Adjustments of Prior period expenses	38	(2,118)
Unrealised exchange fluctuation loss	-	16
<b>Operating profit / (loss) before working capital changes</b>	<b>(58,950)</b>	<b>(8,601)</b>
<b>Change in working Capital:</b>		
<b>(Increase)/decrease in trade receivables</b>	<b>18,343</b>	<b>(15,206)</b>
(Increase)/decrease in other financial assets	623	(0)
(Increase)/decrease in other current assets	(90)	8,498
(Increase)/decrease in other non-current assets	-	(36)
Increase/(decrease) in trade payables	(2,853)	(90,677)
Increase/(decrease) in other financial liabilities	(1,742)	(161)
Increase/(decrease) in other current liabilities	129	(12,470)
<b>Cash generated from operations</b>	<b>(44,541)</b>	<b>(118,652)</b>
Less : Taxes paid	(5,274)	(5,900)
Add : Refund received	5,463	25,326
Add: Interest on income tax refund	300	1,266
<b>Net cash generated from operations</b>	<b>(44,052)</b>	<b>(97,960)</b>
<b>B. Cash flow from Investing activities:</b>		
Payments for property, plant and equipment	-	-
Payments for property, plant & equipment	(391)	-
Proceeds from sale of property, plant & equipment	-	-
<b>Net cash used in investing activities</b>	<b>(391)</b>	<b>-</b>
<b>C. Cash flow from financing activities:</b>		
Interest paid on loan from related party	(4,339)	(4,584)
Interest received on fixed deposit with bank	-	-
Lease liabilities paid	(373)	(1,770)
Proceeds from short term borrowings from related party	75,000	-
Repayment of short term borrowings from related party	(29,500)	-
Proceeds from issue of equity shares	-	90,000
<b>Net cash used in financing activities</b>	<b>40,788</b>	<b>83,646</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(3,656)</b>	<b>(14,315)</b>
<b>Net Cash and Cash equivalents at the beginning of the year</b>	<b>10,339</b>	<b>24,653</b>
<b>Cash and cash equivalents as at period closing</b>	<b>6,683</b>	<b>10,339</b>
<b>Cash and cash equivalents comprise of the following (refer note 8)</b>		
Cash on hand	-	-
Balances with banks	6,683	10,339
<b>Cash and cash equivalents as per Balance Sheet</b>	<b>6,683</b>	<b>10,339</b>

Note:

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

For and on behalf of the Board

As per our report of even date

For R K Khanna and Co.  
Chartered Accountants  
FRN : 000033N

Parthasarathy Srinivasan  
Director  
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Place: New Delhi  
Date: 27-04-2026

Place: Noida  
Date: 27-04-2026

**A. Equity share capital**

	Note	Amount
As at March 31, 2024	11	210,100
Issue of equity share capital		90,000
As at March 31, 2025		300,100
As at April 1, 2025	12	300,100
Issue of equity share capital		-
As at March 31, 2026		300,100

**B. Other equity**

	Note	Reserves and surplus	Total
		Retained earnings	
Balance as at April 01, 2024	13	(305,728)	(305,728)
Adjustment for prior period items		(2,118)	(2,118)
Restated opening balance as at 1st April 2024		(307,846)	(307,846)
Profit for the year		(8,445)	(8,445)
Other comprehensive income		11,552	11,552
<b>Total comprehensive income for the year</b>		<b>(304,738)</b>	<b>(304,738)</b>
Balance as at March 31, 2025		(304,738)	(304,738)
Adjustment for prior period items		38	38
Balance as at April 01, 2025		(304,701)	(304,701)
Profit for the year		(68,058)	(68,058)
Other comprehensive income		217	217
<b>Total comprehensive income for the year</b>		<b>(67,841)</b>	<b>(67,841)</b>
Balance as at March 31, 2026		(372,541)	(372,541)

Summary of material accounting policies

2

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

For and on behalf of the Board

Parthasarathy Srinivasan  
Director  
DIN No. 01039931

Ghanashyam Kamath Kundapur  
Director  
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As per our report of even date  
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Place: New Delhi  
Date: 27-04-2026

Place: Noida  
Date: 27-04-2026

## 1 Corporate Information

The Company was incorporated on October 1st, 2018 as a wholly owned subsidiary of Motherson Technology Services Limited, a company incorporated in India. The address of Company's registered office is 2nd floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura Road, Delhi 110044. The company is engaged in the business of computer programming, system design, system development, computer aided designs, data completion, statistical analysis, software applications, software packages, computer peripherals, data publishing, processing systems and other industrial automation systems and gadgets for healthcare sector and to distribute, export, import, deal in aforesaid computer software and hardware and other related products in and outside India and offer support services, multimedia, internet, networking and allied fields and activities in information and technologies and all kinds of internet based solutions.

During the FY 2024-25, company had increased its authorised share capital by INR 9,00,00,000 and the revised paid up capital is INR 30,01,00,000. The capital clause of Memorandum of Association had also been altered during the year.

During the FY 2024-25, company has issued the 90,00,000 number of equity shares of INR 10 each amounting to INR 9,00,00,000 to its holding company Motherson Technology Services Limited by way of a rights issue.

### 2.1 Material accounting policies

#### (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).

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

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and
- Defined benefit pension plans – plan assets measured at fair value

The financial statements are presented in INR thousand, except when otherwise indicated.

##### New and amended standards & Interpretation

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

##### I. Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have any impact on the Company's financial statements.

##### II. Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants.

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

##### III. Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The company does not have any Supplier Finance Arrangement and therefore no impact on these amendments.

##### IV. International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12

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

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026.

The amendments had no impact on the Company's financial statements as the Company is not in scope of the Pillar Two model rules.

**Statement of compliance**

Certified that there has been due compliance with all the laws, orders, regulations and other legal requirements of the central, state and other government and local authorities concerning the business affairs of the company.

**(b) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Officer "COO" of the Company. The COO is responsible for allocating resources and assessing performance of the operating segments. The Company has monthly review and forecasting procedure in place and COO reviews the operations of the Company as a whole.

**(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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current

A liability is 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.

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

**(d) 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 recognised in profit or loss. They are deferred in other comprehensive income if they relate to qualifying cash flow hedges and qualifying net investment hedges.

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.

**(e) Revenue recognition**

The Group 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 to the customer.

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

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

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

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met

(a) The Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance

(b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

(c) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

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 Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

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

**Sale 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 recognised 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.

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

**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.

**Duty drawback and export incentives:**

Income from duty drawback and export incentives is recognized on an accrual basis.

**(f) Government grants**

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income. When government grants relating to loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

**(g) 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.

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 standalone 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 utilise those temporary differences and losses.

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

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

**(h) 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 fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**As a Lessee**

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

**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: 1 to 5 years
- Building: shorter of the lease term and the estimated useful lives of the assets.

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.

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

**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.

**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 vehicles (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.

**(i) 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.

**(j) 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.

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

(k) Trade receivables

Trade receivables are the amount due from customers for goods or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value plus transaction cost. Trade receivables are measured at amortized cost using effective interest method less any necessary write downs.

(l) Inventory

**Raw materials and stores, work in progress and finished goods**

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value.

Cost of raw material and traded goods comprise cost of purchase and is determined after rebate and discounts. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any names or losses on qualifying cash flow hedges relating to purchase of raw material but excludes borrowing costs. Costs are determined on weighted average cost basis.

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

(m) 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 recognised 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 recognised 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 amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions 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.

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 amortization 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 FVTOCI**

A 'debt instrument' is classified as at the FVTOCI 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 FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in 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 FVTOCI debt instrument is reported as interest income in statement of profit and loss using the EIR method.

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. 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 FVTPL.

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

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

**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 FVTPL. 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 FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized 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 FVTPL category are measured at fair value with all changes recognized in the P&L.

**Derecognition**

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 recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises 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 FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions.
- d) Loan commitments which are not measured as at FVTPL
- e) Financial guarantee contracts which are not measured as at FVTPL

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 recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, 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.

**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.

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

**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 FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized 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.

**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.

**Off setting of financial instruments**

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

**(n) 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.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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 remeasured 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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

**(o) 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.

**Depreciation methods and useful lives**

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

Assets	Useful life
Leasehold Land	Over the period of lease or useful life, whichever
Freehold Land	Nil
Leasehold improvements in rented premises	5 years
Building Factory	30 years
Plant & machinery	9.67 Years
Plant & machinery (Secondhand)	4 years
Plant & machinery (Racks Stands & Trolleys)	1 year
Furniture & fixtures	6 years
Electrical installations	10 Years
Office equipment	5 years
Computers	3 years
Vehicles	4 years
Technical knowhow fees	4 years
Software	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 derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition 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 derecognised.

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

**(p) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transactions costs) and the redemption amount is recognised in the profit or loss over the period of borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services or amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are reclassified as current liabilities unless the company has an unconditional right to defer settlement of a liability for at least 12 months after the reporting period.

**(q) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of the time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are the assets that necessarily take a substantial period of time to get ready for the intended use or sale.

Other borrowings costs are expensed in the period in which they are incurred

**(r) 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.

**Onerous contracts**

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.

**(s) 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 recognised 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 through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme whereas others are not funded.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. 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 recognised 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.

**(t) 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

**2.2 Critical estimates and judgements**

The presentation of a financial statements require the use of accounting estimates, which by definition, will seldom equal the actual results. Management also needs to exercise judgements in applying the companys accounting policies.

This note provides an overview of all the areas that are involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in financial statements

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have financial impact on the company and that are believed to be reasonable under the circumstances.

**2.3 Material 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 adjustments**

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 unamortised depreciable amount is charged over the remaining useful life of the assets.

**(ii) Defined benefit plans**

The cost of the defined benefit gratuity plan is determined using actuarial valuations. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Further details about gratuity obligations are given in Note 14

**(iii) 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.

**2.4 New and amended Standards**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31st March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1st April 2023. The Company applied for the first-time these amendments.

**(i) Definition of Accounting Estimates - Amendments to Ind AS 8**

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

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

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

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

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

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1st April 2022.

SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED

CIN: U72900DL2018PLC339891

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

3. Property plant and equipment

(All amounts are in INR thousand, unless otherwise stated)

Particulars	Leasehold improvements	Plant & Machinery	Furniture & fixtures	Office equipment	Computers	Total
<b>Gross carrying amount</b>						
<b>As at April 01, 2024</b>	2,213	300	21	1,160	3,640	7,334
Addition	-	-	-	-	-	-
Disposal	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	2,213	300	21	1,160	3,640	7,334
<b>Accumulated depreciation</b>						
<b>As at April 01, 2024</b>	1,829	300	16	1,081	2,888	6,115
Depreciation charge during the year	383	-	3	62	486	934
Disposals	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-
<b>Closing accumulated depreciation</b>	2,213	300	19	1,143	3,374	7,049
<b>Net carrying amount as at 31st March 2025</b>	-	-	1	17	267	285
<b>Gross carrying amount</b>						
<b>As at April 01, 2025</b>	2,213	300	21	1,160	3,640	7,334
Addition	-	-	-	-	391	391
Disposal	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	2,213	300	21	1,160	4,032	7,725
<b>Accumulated depreciation</b>						
<b>As at April 01, 2025</b>	2,213	300	19	1,143	3,374	7,049
Depreciation charge during the year	-	-	1	8	292	301
Disposals	-	-	-	-	-	-
Impairment loss	-	-	-	-	-	-
<b>Closing accumulated depreciation</b>	2,213	300	21	1,151	3,666	7,350
<b>Net carrying amount as at 31st March 2026</b>	-	-	0	9	366	375

**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**

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

(All amounts in INR thousand, unless otherwise stated)

**4. Right-of-use assets**

<b>For the year ended March 31, 2025</b>			
<b>Particulars</b>	<b>Vehicles</b>	<b>Buildings</b>	<b>Total</b>
<b>Gross carrying amount</b>			
Opening gross carrying amount as at April 01, 2024	8,827	-	8,827
Addition	-	-	-
Addition on account of acquisition	-	-	-
Disposal	(1,728)	-	(1,728)
<b>Closing gross carrying amount as at March 31, 2025</b>	<b>7,099</b>	<b>-</b>	<b>7,099</b>
<b>Accumulated depreciation</b>			
<b>Opening accumulated amortisation as at April 01, 2024</b>	<b>1,771</b>	<b>-</b>	<b>1,771</b>
Depreciation charged during the year	1,358	-	1,358
Disposal	(788)	-	(788)
Addition on account of acquisition	-	-	-
Impairment loss	-	-	-
Other adjustment	-	-	-
<b>Closing accumulated ammortisation as at March 31, 2025</b>	<b>2,340</b>	<b>-</b>	<b>2,340</b>
<b>Net carrying amount as at March 31, 2025</b>	<b>4,759</b>	<b>-</b>	<b>4,759</b>

**For the Year ended March 31, 2026**

<b>Particulars</b>	<b>Vehicles</b>	<b>Buildings</b>	<b>Total</b>
<b>Gross carrying amount</b>			
Opening gross carrying amount as at April 01, 2025	7,099	-	7,099
Addition	-	-	-
Addition on account of acquisition	-	-	-
Disposal	(5,360)	-	(5,360)
<b>Closing gross carrying amount as at March 31, 2026</b>	<b>1,739</b>	<b>-</b>	<b>1,739</b>
<b>Accumulated depreciation</b>			
<b>Opening accumulated amortisation as at April 01, 2025</b>	<b>2,340</b>	<b>-</b>	<b>2,340</b>
Depreciation charged during the year	286	-	286
Disposal	(1,697)	-	(1,697)
Addition on account of acquisition	-	-	-
Impairment loss	-	-	-
Other adjustment	-	-	-
<b>Closing accumulated ammortisation as at March 31, 2026</b>	<b>929</b>	<b>-</b>	<b>929</b>
<b>Net carrying amount as at March 31, 2026</b>	<b>810</b>	<b>-</b>	<b>810</b>

**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**

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

(All amounts in INR thousand, unless otherwise stated)

5. Intangible assets	Software	
	March 31, 2026	March 31, 2025
<b>Gross carrying amount</b>		
Opening gross carrying amount	3,192	1,800
Additions	-	1,392
<b>Closing gross carrying amount</b>	<b>3,192</b>	<b>3,192</b>
<b>Accumulated amortisation</b>		
Opening accumulated amortisation	2,258	1,800
Amortisation charge during the year	459	458
<b>Closing accumulated amortisation</b>	<b>2,717</b>	<b>2,258</b>
<b>Net carrying amount</b>	<b>475</b>	<b>934</b>

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

(All amounts in INR thousand, unless otherwise stated)

**6. Other financial assets**

(Unsecured, considered good)

Security deposits

**Total**

	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Security deposits	1,316	15	1,889	15
<b>Total</b>	<b>1,316</b>	<b>15</b>	<b>1,889</b>	<b>15</b>

## 7. Trade receivables

(Unsecured, considered good, unless otherwise stated)

- Related parties

- Others

Credit impaired

Less: Allowances for credit impaired

Total trade receivables

	March 31, 2026	March 31, 2025
	-	7,862
	17,067	33,678
	6,241	111
	<b>23,308</b>	<b>41,651</b>
	(6,241)	(111)
	<b>17,067</b>	<b>41,540</b>

## Trade receivables ageing schedule:

Particulars	Trade receivables - considered good						Trade receivables - credit impaired			
	March 31, 2026			March 31, 2025			March 31, 2026		March 31, 2025	
	Related parties	Others	Total	Related parties	Others	Total	Related parties	Others	Related parties	Others
Current but not due	-	2,912	<b>2,912</b>	45	4,477	<b>4,522</b>	-	-	-	-
Outstanding for following periods from due date of payment										
Less than 6 months	-	8,748	<b>8,748</b>	7,496	12,852	<b>20,348</b>	-	-	-	-
6 months - 1 year	-	6,222	<b>6,222</b>	276	13,879	<b>14,155</b>	-	1,853	-	-
1 - 2 years	-	3,916	<b>3,916</b>	44	2,470	<b>2,515</b>	-	2,879	-	50
2 - 3 years	-	1,449	<b>1,449</b>	-	-	-	-	1,449	-	-
More than 3 years	-	61	<b>61</b>	-	-	-	-	61	-	61
Less: Allowance for credit loss	-	-	-	-	-	-	-	(6,241)	-	(111)
<b>Total</b>		<b>23,308</b>	<b>23,308</b>	<b>7,862</b>	<b>33,678</b>	<b>41,540</b>	-	-	-	-

(All amounts in INR thousand, unless otherwise stated)

#### 8. Cash and cash equivalents

	March 31, 2026	March 31, 2025
Balances with banks:		
- in current account	6,683	10,339
<b>Total</b>	<b>6,683</b>	<b>10,339</b>

#### Changes in liabilities arising from financing activities

	March 31, 2025	Cash Flow	Non Cash Items*	March 31, 2026
Current borrowings	29,500	45,500	-	75,000
Current and non current lease liabilities	5,143	(373)	(3,862)	908
<b>Total liabilities from financing activities</b>	<b>34,643</b>	<b>45,127</b>	<b>(3,862)</b>	<b>75,908</b>

	March 31, 2024	Cash Flow	Non Cash Items*	March 31, 2025
Current borrowings	29,500	-	-	29,500
Current and non current lease liabilities	7,292	(1,770)	(378)	5,143
<b>Total liabilities from financing activities</b>	<b>36,792</b>	<b>(1,770)</b>	<b>(378)</b>	<b>34,643</b>

\*Non cash items include new leases taken or termination of lease contracts in case of lease liabilities and interest of lease liability.

#### 9. Current tax assets (net)

	March 31, 2026	March 31, 2025
Opening balance	3,939	23,365
TDS for current year	2,433	3,939
TDS for earlier year	2,841	1,961
Less: Refund received	(5,463)	(25,326)
	<b>3,750</b>	<b>3,939</b>

#### 10. Other current assets

(Unsecured, considered good, unless otherwise stated)

	March 31, 2026	March 31, 2025
Prepaid expenses	12	42
Balances with government authorities*	7,487	4,410
Advance to Vendors	1,188	4,723
Advances to employees	184	309
<b>Total</b>	<b>8,871</b>	<b>9,484</b>

\*Comprises input credit of GST net of provision of INR 703 thousand recognised as matter of financial prudence due to short input credit reflected at the GST portal and pending reconcilliation with books of account.

**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**

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

**(All amounts in INR thousand, unless otherwise stated)**

**11. Share Capital**

	March 31, 2026	March 31, 2025
<b>Authorised:</b>		
3,00,10,000 Equity shares of INR 10 each	300,100	300,100
<b>Issued, Subscribed and Paid up:</b>		
3,00,10,000 Equity shares of INR 10 each, fully paid-up	300,100	300,100
<b>Total</b>	<b>300,100</b>	<b>300,100</b>

**A. Movement in equity share capital**

	March 31, 2026	March 31, 2025
	Numbers	Numbers
<b>Opening as at April 2025</b>	30,010,000	21,010,000
Add: Issued during the year	-	9,000,000
<b>Closing as at March 2026</b>	<b>30,010,000</b>	<b>30,010,000</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 shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**C. Details of shares held by the promoters**

**As at March 31, 2026**

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of the shares at the year end	% of total shares
Equity shares of Rs. 10 each fully paid up	Motherson Technology Services Limited	30,010,000	-	30,010,000	100%
<b>Total</b>		<b>30,010,000</b>	<b>-</b>	<b>30,010,000</b>	

\* Includes 6 shares held by nominee shareholders

**As at March 31, 2025**

Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of the shares at the year end	% of total shares
Equity shares of Rs. 10 each fully paid up	Motherson Technology Services Limited	21,010,000	9,000,000	30,010,000	100%
<b>Total</b>		<b>21,010,000</b>	<b>9,000,000</b>	<b>30,010,000</b>	

\* Includes 6 shares held by nominee shareholders

(All amounts in INR thousand, unless otherwise stated)

12. Reserves and surplus

	March 31, 2026	March 31, 2025
Retained earnings	(372,541)	(304,738)
<b>Total reserves and surplus</b>	<b>(372,541)</b>	<b>(304,738)</b>

Retained earnings

	March 31, 2026	March 31, 2025
<b>Opening Balance</b>	(304,738)	(305,728)
<b>Adjustment for prior period items</b>	38	(2,118)
<b>Restated Opening Balance</b>	(304,701)	(307,846)
Profit / (loss) for the year	(68,058)	(8,445)
Remeasurements of post-employment benefit obligations, net of tax	217	11,552
<b>Closing balance</b>	<b>(372,541)</b>	<b>(304,738)</b>

13. Employee benefit obligations

	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Gratuity	19	1,341	42	2,494
Compensated absences	32	589	57	2,087
Compensated absences (Casual Leave)				-
<b>Total</b>	<b>51</b>	<b>1,930</b>	<b>100</b>	<b>4,582</b>

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

A. Defined Benefit Schemes

**Gratuity**

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 plan is unfunded.

However for, purposes of disclosure, relevant information as per the actuarial certificate is given below

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**

	For the Year ended March 31, 2026	For the year ended March 31, 2025
	2,537	12,863
Service Cost - Current	344	421
Service Cost - Past	6,765	-
Acquisition adjustment (Out)	(8,240)	-
Interest expense	172	928
<b>Amount recognised in profit or loss</b>	<b>(959)</b>	<b>1,349</b>

**Remeasurements**

Experience (gains)/losses	(217)	(11,552)
Changes in Financial Assumption	-	-
<b>Amount recognised in other comprehensive income</b>	<b>(217)</b>	<b>(11,552)</b>

Settlements		(113)
Addition due to transfer of employee		(11)
<b>Obligations at year end</b>	<b>1,360</b>	<b>2,537</b>

(ii) Assets and Liabilities recognized in the Balance Sheet

Present value of the defined benefit obligations

**Amount recognized as Liability**

	For the Year ended March 31, 2026	For the year ended March 31, 2025
	1,360	2,537

(iii) Defined benefit obligations cost for the period:

	For the Year ended March 31, 2026	For the year ended March 31, 2025
Service Cost - Current	344	421
Service Cost - Past	6,765	-
Interest Cost	172	928
Expected return on plan assets	-	-
Actuarial (gain) / loss	(217)	(11,552)
<b>Net defined benefit obligations cost</b>	<b>7,063</b>	<b>(10,203)</b>

(iv) Actuarial assumptions:

	March 31, 2026	March 31, 2025
Discount Rate per annum	7.90%	6.78%
Future salary increases	8.00%	8.00%

**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.

**(v) Sensitivity Analysis**

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

	Change in Assumption	Impact	Increase in Assumptions		Impact	Decrease in Assumptions	
			March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025
Discount Rate per annum	0.50%	Decrease by	43	(73)	Increase by	(41)	77
Future salary increases	0.50%	Increase by	43	75	Decrease by	(41)	(73)

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.

**(vi) Risk exposure**

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

**(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.

**vii) Defined benefit liability and employer contributions**

Weighted average duration of the defined benefit obligation is 9.76 years  
Expected benefit payments

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2026 Defined benefit obligation	19	20	67	1,253	1,360
March 31, 2025 Defined benefit obligation	42	48	147	2,300	2,537

**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.

Amount recognised in the Statement of Profit & Loss  
Provident fund paid to the authorities

<b>March 31, 2026</b>	<b>March 31, 2025</b>
754	1,035

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

(All amounts in INR thousand, unless otherwise stated)

**14. Borrowings**

	March 31,2026		March 31,2025	
	Current	Non-current	Current	Non-current
<b>Unsecured</b>				
Loan from related parties				
Indian rupee loan	75,000	-	29,500	-
	<b>75,000</b>	<b>-</b>	<b>29,500</b>	

Summary of interest and repayment schedule:

**a. For FY 2025-26**

Lender	Amount	Interest	Due Date
Samvardhana Motherson International Limited	75,000	RBI Repo Rate + 3%	30th Oct 2026

i. New loan taken from ultimate holding company INR 75,000 thousand repayable by October 2026. Interest will be payable at end of loan tenor or principal repayment whichever is earlier

ii. Earlier Loan of 29,500 thousand from holding company has been repaid during the current financial year along with interest

**b. For FY 2024-25**

Lender	Amount	Interest	Earlier Due Date	Due Date*	New Due Date**
Motherson Technology Services Limited	4500	RBI Repo Rate + 3%	31st Mar 2025	-	30th Sep 2025
	25000	RBI Repo Rate + 3%	1st Aug 2024	31st Mar 2025	30th Sep 2025

\*Loans extended during the year for INR 25000 thousand from 1st August 2024 to 31st March 2025 vide board resolution dated 26th September 2024.

\*\*Loans extended for INR 25000 thousand and INR 4500 Thousand from 31st March 2025 to 30th Sep 2025 vide board resolution dated 19th May 2025.

(All amounts in INR thousand, unless otherwise stated)

15. Trade payables

	March 31, 2026	March 31, 2025
Total outstanding dues of micro enterprises and small enterprises		
-Related parties	-	-
-Others	-	941
Total outstanding dues of creditors other than micro enterprises and small enterprises		
-Related parties	22,127	20,944
-Others	3,863	7,330
<b>Total</b>	<b>25,990</b>	<b>29,216</b>

Trade payable ageing schedule:

Particulars	Trade payables dues to micro and small enterprises				Trade payables dues of creditors other than micro and small enterprises			
	March 31, 2026		March 31, 2025		March 31, 2026		March 31, 2025	
	Related parties	Others	Related parties	Others	Related parties	Others	Related parties	Others
Current but not due				492	5,165	794	725	6,833
Outstanding for following periods from due date of payment				-	-	-		
Less than 6 months				449	16,421	3,069	5,575	232
6 months - 1 year					96	-	14,645	265
1 - 2 years					-			
2 - 3 years					222			
More than 3 years					223			
<b>Total</b>	-	-		<b>941</b>	<b>22,127</b>	<b>3,863</b>	<b>20,944</b>	<b>7,330</b>

16. Other financial liabilities

	March 31, 2026	March 31, 2025
Interest accrued and not due on borrowings	2,377	-
Interest accrued and due on borrowings	-	-
Advance recovery from employees	128	879
Employee benefits payable	372	3,483
<b>Total</b>	<b>2,877</b>	<b>4,363</b>

17. Other current liabilities

	March 31, 2026	March 31, 2025
Statutory dues	497	613
Advances received from customers	-	1,544
Provision for Expenses	2,355	-
Other payables	1,927	-
Deferred Revenue	269	2,762
<b>Total</b>	<b>5,049</b>	<b>4,919</b>

(All amounts in INR thousand, unless otherwise stated)

18. Revenue from contract with customers	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Sales of products</b>		
Traded goods	202	38,887
	<b>202</b>	<b>38,887</b>
<b>Sale of Services:</b>		
Income from projects		
Within India	27,980	50,603
Outside India	1,284	6,462
	<b>29,264</b>	<b>57,065</b>
<b>Total</b>	<b>29,466</b>	<b>95,951</b>
19. Other income	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Income:		
Interest on income tax refund	300	1,266
Interest on fixed deposit	-	-
Financial assets at amortised cost	50	70
Lease liabilities written back to the extent no longer required	315	4,292
Miscellaneous Income	25	
Realised exchange fluctuation gain	44	103
Unrealised exchange fluctuation loss	16	-
<b>Total</b>	<b>750</b>	<b>5,732</b>
20. Project Expenses	For the year ended March 31, 2026	For the year ended March 31, 2025
Project Softwares/Licenses/Other expenses	42,901	34,077
<b>Total</b>	<b>42,901</b>	<b>34,077</b>

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

(All amounts in INR thousand, unless otherwise stated)

**21. Finance costs**

	For the period ended March 31, 2026	For the year ended March 31, 2025
Interest on loan from holding company	4,223	2,798
Finance cost of lease liability	116	640
<b>Total</b>	<b>4,339</b>	<b>3,438</b>

**22. Employee benefits expense**

	For the year ended March 31, 2026	For the year ended March 31, 2025
Salary, wages & bonus	16,435	22,853
Contribution to Provident Fund	754	1,035
Gratuity	9,041	1,349
Leave encashment	3,738	-
Staff welfare expenses	87	66
<b>Total</b>	<b>30,055</b>	<b>25,304</b>

On 21 November 2025, the Central Government issued four separate notifications in the Official Gazette announcing implementation of four Labour Codes, viz., the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020. These four codes replace and consolidate 29 existing labour laws. Following the implementation of the four labour codes, the Central Government has pre-published the draft rules on 31 December 2025 under the respective Labour Codes, for public comment and the final rules are expected to be notified in due course. To ensure smooth implementation, the Ministry of Labour and Employment has also issued the Frequently Asked Questions (FAQs) on the four Codes.

The four codes prescribe an inclusive definition of the term 'wages', which among other matters is relevant for determination of post employment benefits including gratuity to all employees. In accordance with the definition, certain specified items forming part of remuneration are not included in the wages and these excluded items cannot exceed 50% of total remuneration. If there is an excess, then it is presumed that excess amount also forms part of wages. The four codes also introduce changes related to leave entitlement and encashment for workers. Going forward, workers' leave balance in excess of 30 days will be encashed at the end of each calendar year and workers will have a right to demand encashment for entire accumulated

Pursuant to the above, the Company has re-assessed its employee benefits obligation for gratuity and leave encashment; based on an actuarial valuation as at 31 March 2026, additional liability amounting to INR 649 thousand towards gratuity and INR 371 thousand towards leave encashment has been recognised. Considering that it is emerging topic and the finalisation of Central/ State Rules is still pending, the Company will continue monitoring changes and provide appropriate accounting effect as required based on future developments.

**23. Depreciation and amortisation expense**

	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment	301	934
Amortisation of intangible assets	459	458
Depreciation on right-of-use assets	286	1,358
		-
<b>Total</b>	<b>1,047</b>	<b>2,750</b>

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

(All amounts in INR thousand, unless otherwise stated)

**24. Other expenses**

Repairs and maintenance:

Building

Others

Lease rent considered low value/short term:

- Building

Amortisation cost of lease rent:

- Vehicles

Rates & taxes

Unrealised exchange fluctuation loss

Business promotion

Printing and stationery

Donation

Travelling and conveyance

Postage and Courier

Provision for doubtful recoveries

Audit Fee (Refer note (a) below)

Legal & professional expenses

Insurance premium

Office expenses

Computer and IT expenses

Bank Charges

Miscellaneous expenses

**Total**

	For the year ended March 31, 2026	For the year ended March 31, 2025
	-	-
	53	-
	94	-
	267	23
	183	1,599
	-	16
	1,111	321
	22	-
	18	17
	3,125	6,353
	3	-
	6,833	50
	140	50
	6,504	1,142
	1,131	206
	100	-
	46	52
	32	31
	42	-
	<b>19,704</b>	<b>9,859</b>

**(a): Audit Fee**

**As Auditor:**

Audit fees

Limited Review

**Total**

	For the year ended March 31, 2026	For the year ended March 31, 2025
	50	50
	90	-
	<b>140</b>	<b>50</b>

25. Income tax expenses

Tax disclosures for the period ended March 31, 2026 under Ind AS 12

a. Income tax expense recognized in the profit and loss:

In respect of current period\*

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

b. Reconciliation of tax expense with the effective tax:

For the year ended March 31, 2026	For the year ended March 31, 2025
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Profit/(loss) before tax

(68,058) (8,445)

Income tax rate of 25.168%\*

(17,129) (2,126)

Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:

Tax effect of amounts which are not deductible (taxable) in calculating taxable income

- 186

Unrecognised deferred tax assets

17,129 1,940

Income tax expense

- -

\*Income tax expense recognized in profit and loss is Nil as the company does not have taxable income.

26. Earnings/(Loss) per share

a) Basic

Net profit / (loss) after tax available for equity Shareholders

(68,058) (8,445)

Average number of equity shares used to compute basic earnings per share

300,100,000 27,667,534

Basic earnings / (loss) per share (INR) (Absolute figures)

(0.23) (0.31)

The Company does not have any potential equity shares and thus, there is no diluted EPS.

**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**

CIN: U72900DL2018PLC339891

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

(All amounts in INR thousand, unless otherwise stated)

**27. Fair value measurements**

**Financial instruments by category**

	March 31, 2026			March 31, 2025		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
<b>Financial assets</b>						
Trade receivables*	-	-	17,067	-	-	41,540
Cash and cash equivalents*	-	-	6,683	-	-	10,339
Other financial assets*	-	-	1,316	-	-	1,889
<b>Total financial assets</b>	-	-	<b>25,066</b>	-	-	<b>53,767</b>
<b>Financial liabilities</b>						
Borrowings*	-	-	75,000	-	-	29,500
Trade payables*	-	-	25,990	-	-	29,216
Other financial liabilities*	-	-	2,877	-	-	4,363
<b>Total financial liabilities</b>	-	-	<b>103,867</b>	-	-	<b>63,078</b>

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

i. Fair value of non current financial assets and liabilities measured at amortised cost

	March 31, 2026		March 31, 2025	
	Carrying	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Other financial assets*	15	15	15	15
	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>
<b>Financial liabilities</b>				
Borrowings *	-	-	-	-
	-	-	-	-

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

ii. Valuation technique used to determine fair value

The fair value of remaining financial instrument is determined using discounted cash flow analysis

**28. Financial risk management**

The Company, is an active provider of software consultancy and application solutions to the Pharma industry and exposes its business and products to various market risks and liquidity risks. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management processes consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. The notes below explain the sources of risks to which the Company is exposed to and how it manages the risks:

**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/recievables in foreign currencies.

**A Foreign currency risk:**

Foreign currency risk is the risk that the future value of cash flows of an exposure which will fluctuate because of change 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 (whenever revenue or expense is denominated in a foreign currency)

There are no derivative instruments and unhedged foreign currency exposures.

**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. During the year, company has borrowings at variable rate of interest.

	March 31, 2026	March 31, 2025
Variable rate borrowings	75,000	29,500
<b>Total borrowings</b>	<b>75,000</b>	<b>29,500</b>

**Sensitivity analysis**

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

	Impact on profit after tax	
	March 31, 2026	March 31, 2025
Interest rates-increase by 50 basis points*	375	148
Interest rates-decrease by 50 basis points*	(375)	(148)

\* Holding all other variables constant

**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.

**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
Non-derivatives				
Borrowings	75,000	-	-	75,000
Trade payables	25,990	-	-	25,990
Lease Liability	288	620	-	908
Other financial liabilities	4,582	-	-	4,582
<b>Total non-derivative liabilities</b>	<b>105,859</b>	<b>620</b>	<b>-</b>	<b>106,479</b>

Year ended March 31, 2025	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	29,500	-	-	29,500
Trade payables	29,216	-	-	29,216
Lease Liability	1,266	3,876	-	5,143
Other financial liabilities	4,363	-	-	4,363
<b>Total non-derivative liabilities</b>	<b>64,345</b>	<b>3,876</b>	<b>-</b>	<b>68,221</b>

**29. 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 including lease liabilities net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs).

The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

	<u>March 31, 2026</u>	<u>March 31, 2026</u>
Net Debt	69,225	24,304
EBITDA	(62,672)	(2,257)
<b>Net Debt to EBITDA</b>	(1.10)	(10.77)

**SAMVARDHANA MOTHERSON HEALTH SOLUTION LIMITED**

**CIN: U72900DL2018PLC339891**

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

**(All amounts in INR thousand, unless otherwise stated)**

**30. Contingent Liabilities**

There are no contingent liabilities as at March 31, 2026.

**31. Capital and Other Commitments**

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

	<b>March 31, 2026</b>	<b>March 31, 2025</b>
<b>Property, plant and equipment</b>		
Estimated value of contracts in capital account remaining to be executed (net of advance)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**32. Related Party Disclosures**

**I. List Of Related Parties As Per Ind AS 24**

**(i) Holding Company**

Samvardhana Motherson International Limited (Ultimate Holding Company)  
Motherson Technology Services Limited (Holding Company)

**(ii) Subsidiaries/Joint Venture of entities having control/joint control over the company(with whom transactions have taken place)**

SMR Automotive Systems India Limited  
Motherson Health & Medical System Limited  
Motherson Air Travel Agencies Limited  
Samvardhana Motherson Global (FZE)

**(iii) Key Managerial Persons**

Mr. Ghanshyam Kamath Kundapur  
Mr. Parthasarathy Srinivasan  
Mr. Rajesh Thakur  
Mr. Kapil Bansal  
Ms. Surbhi Sehgal

**(iv) Other Related party(with whom transactions have taken place)**

Motherson Technology services USA Limited  
Motherson Lease Solution Limited

II. Details of transactions, in the ordinary course of business at commercial terms and balances with related parties as mentioned 32 (I):

(a) Transactions with related parties

S. No.	Particulars	Holding company		Fellow Subsidiaries		Other related parties		Total	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
1	Services rendered		500	2,400	9,965	1,284	-	3,684	10,465
2	Purchase of fixed assets	391	-		-		-	391	-
3	Purchase of goods		58		-		-	-	58
4	Professional Expenses	3,593	-	2,383	378		-	5,976	378
5	Project expenses	25,818	19,894		34,700		-	25,818	54,594
6	IT Expenses		-		-		-	-	-
7	Travelling Expenses		-	1,909	6,353		-	1,909	6,353
8	Office rent		-		-		-	-	-
9	Commission expenses		-		-		-	-	-
10	Insurance expenses		-		-		-	-	-
11	Vehicle Hire charges		-		-	267	1,770	267	1,770
12	Electricity Expenses		-		-		-	-	-
13	Miscellaneous expenses		-		-		-	-	-
14	Interest accrued on loan	4,223	2,798		-		-	4,223	2,798
15	Loan taken during the year	75,000	-		-		-	75,000	-
16	Loan repaid during the year	29,500	-		-		-	29,500	-
17	Reimbursement received		-		-		-	-	-
18	Reimbursement paid		-		-		-	-	-
19	Security deposit given		-		-		-	-	-
20	Security deposit received back		-		-		-	-	-

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

S. No.	Particulars	Holding company		Subsidiary & Fellow Subsidiary Companies		Other related parties		Total	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
1	Trade receivables	-	-		-		-	-	-
2	Trade payables	20,645	20	1,316	13,790	1,666	7,134	23,627	20,944
3	Security deposits (given)	1,116	-		-	1,316	773	2,432	773
4	Loan payable	75,000	30		-		-	75,000	30
5	Interest accrued but not due on borrowings	2,377	-		-		-	2,377	-
6	Interest accrued but due on borrowings	-	-		-		-	-	-
7	Capital Advance	-	-		-		-	-	-
8	Advances from customers	-	1,544		-		-	-	1,544
9	Advance to vendor	-	-		-		-	-	-

(c) Loans from related parties

S. No.	Particulars	Holding company	
		March 31, 2026	March 31, 2025
<b>A</b>	<b>Loans:</b>		
	<b>Beginning of the year</b>	<b>29,500</b>	<b>29,500</b>
	Loan Received	75,000	-
	Loans Transfers	(29,500)	-
	Loans Repaid	-	-
	<b>End of the year</b>	<b>75,000</b>	<b>29,500</b>
<b>B</b>	Interest charged	4,223	2,798
<b>C</b>	Interest accrued but not due on borrowings	-	-
<b>D</b>	Interest accrued and due on borrowings	-	-

Note: The company has received a loan of INR 75,000 thousand from Samvardhana Motherson International Limited repayable by October 2026

**33. Due to micro and small enterprises**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The principal amount due (provided in the books of accounts) and interest thereon (not provided in the books of accounts) is as follows:

Particulars	March 31, 2026	March 31, 2025
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	941
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	-	-

34. Disclosure under Ind AS 115

Impact of application of Ind AS 115 Revenue from contracts from customer

a. Movement for Provision for Doubtful Debts

	Amount
Opening balance as on 1st April 2025	111
Add: Additions	6,833
Less: Write off -	-
Less: Reversal -	-
Closing balance as on 31st March 2026	6,944

The Company derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

b. Disaggregation of revenue:

Revenue by category	March 31, 2026	March 31, 2025
<b>Revenue by major product lines</b>		
Sale of products	202	38,887
Other income	27,980	5,732
<b>Total revenue from contract with customers</b>	<b>28,182</b>	<b>44,618</b>
<b>Timing of revenue recognition</b>		
At a point in time	28,182	44,618
Over time	-	-
<b>Total revenue from contract with customers</b>	<b>28,182</b>	<b>44,618</b>

c. Revenue from contracts with customers

Particulars	March 31, 2026	March 31, 2025
Revenue recognised from amounts included in advance from	1,544	10,806

d.

Particulars	March 31, 2026	March 31, 2025
Receivables	17,067	41,540
Contract liabilities (advance received from customer)	-	1,544

**35. Disclosure under Ind AS 116 Leases**

The Company assesses each lease contract and if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Company recognises the right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets.

The Company has lease arrangements for buildings and vehicles, with lease terms of five years. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for land/premises leases.

	<b>March 31, 2026</b>	<b>March 31, 2025</b>
Current lease liabilities	288	1,266
Non-current lease liabilities	620	3,876
	<b>908</b>	<b>5,143</b>

**Amount recognised in statement of profit and loss during the year on account of Ind AS 116**

	<b>March 31, 2026</b>	<b>March 31, 2025</b>
Interest expense on lease liabilities (included in finance cost)	116	640
Depreciation of Right of Use assets	286	1,358
	<b>402</b>	<b>1,998</b>

**Short-term and/ or low value leases**

	<b>March 31, 2026</b>	<b>March 31, 2025</b>
Rent Office and others	94	-
Machinery	-	-
	<b>94</b>	<b>-</b>

(All amounts in INR thousand, unless otherwise stated)

36. Deferred Tax Assets/ (Liabilities) (net)

The company has carried out a computation of deferred tax assets/ (liabilities); details are given below:

	Opening Balance	Charged to P&L	Charged to OCI	For the year ended
	March 31, 2025			March 31, 2026
<b>Deferred Tax Assets</b>				
Provision for doubtful debts	16	1,720	-	1,736
Employee benefit provision	2,244	3,216	-	5,460
Property, plant & equipment	596	(61)	-	535
Lease liabilities	(312)	(65)	-	(377)
Security Deposits	(116)	(13)	-	(129)
Donation	19	5	-	24
Carried forward business losses	75,119	12,014	-	87,134
Unabsorbed depreciation	2,078	252	-	2,330
<b>Total (A)</b>	<b>79,644</b>	<b>17,069</b>	<b>-</b>	<b>96,713</b>
<b>Deferred Tax Liabilities</b>				
Right of use asset	(430)	(72)	-	(502)
Lease liabilities written back to the extent no longer required	-	79	-	
Prepaid expenses	9	(67)	-	(58)
<b>Total (B)</b>	<b>(421)</b>	<b>(60)</b>	<b>-</b>	<b>(560)</b>
<b>Net deferred tax assets* (Total (A)-(B))</b>	<b>80,065</b>	<b>17,129</b>	<b>-</b>	<b>97,273</b>
<b>Less: Unrecognised deferred tax</b>	<b>(80,065)</b>	<b>(17,129)</b>	<b>-</b>	<b>(97,273)</b>
<b>Deferred tax asset recognised</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Opening Balance	Charged to P&L	Charged to OCI	For the year ended
	March 31, 2024			March 31, 2025
<b>Deferred Tax Assets</b>				
Provision for doubtful debts	16	-	-	16
Employee benefit provision	4,958	194	(2,907)	2,244
Property, plant & equipment	568	28	-	596
Lease liabilities	(27)	(285)	-	(312)
Security Deposits	(98)	(18)	-	(116)
Others	19	-	-	19
Carried forward business losses	72,701	2,418	-	75,119
Unabsorbed depreciation	1,755	323	-	2,078
<b>Total (A)</b>	<b>79,891</b>	<b>2,660</b>	<b>(2,907)</b>	<b>79,644</b>
<b>Deferred Tax Liabilities</b>				
Right of use asset	(88)	(342)	-	(430)
Prepaid expenses	15	(6)	-	9
<b>Total (B)</b>	<b>(73)</b>	<b>(348)</b>	<b>-</b>	<b>(421)</b>
<b>Net deferred tax assets* (Total (A)-(B))</b>	<b>79,965</b>	<b>3,008</b>	<b>(2,907)</b>	<b>80,065</b>
<b>Less: Unrecognised deferred tax</b>	<b>(79,965)</b>	<b>(3,008)</b>	<b>2,907</b>	<b>(80,065)</b>
<b>Deferred tax asset recognised</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*In the absence of virtual certainty of sufficient taxable profit in the near future to realize the entire deferred tax assets, the same have been recognised only to the extent of of deferred tax liabilities.

37. Ratio Analysis:

Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% Change	Reason for Variance < 25%
(a) Current Ratio	Current Assets	Current liabilities	0.34 :1	0.97 :1	-64%	Variance due to: i. Increase in loan from related parties ii. Increase in sundry creditors.
(b) Debt Equity Ratio	Debt = Current liability+Non current liability	Equity	(1.04)	(6.36)	-84%	Variance due to: i. Increase in loan from related parties ii. Change in net worth position on account of losses incurred during the period
(c) Debt Service Coverage Ratio*	Earning for debt Service	Interest & lease payments + principa	-	-	0%	N/A
(d) Return on Equity Ratio**	Profit after tax	Average shareholders equity fund	-	-	0%	N/A
(e) Inventory Turnover Ratio	COGS	Average inventory	-	-	0%	N/A
(f) Trade Receivable Turnover Ratio	Gross Credit Sales - Sales Return	Average trade receivables	1.01 x	2.82 x	-64%	Variance due to: i. Decrease in sales during the year. ii. Increase in average trade recievable during the period.
(g) Trade Payable Turnover Ratio	Net Credit Purchase	Average trade payables	1.72 x	0.99 x	74%	Variance due to: i. Decrease in purchases during the year. ii. Decrease in average sundry creditors outstanding.
(h) Net Capital Turnover Ratio	Net Sales	Working capital	(0.80 x)	(2.30 x)	-65%	Variance due to: i. Increase in working capital position ii. Decrease in sales during the period
(i) Net Profit Ratio	Net Profit	Net sales	(230.97%)	(8.80%)	2524%	Variance due to: i. Decrease in sales during the year.
(j) Return on Capital Employed ***	Earning before interest & tax	Capital employed			0%	N/A
(k) Return on Investment	Interest Income	Investment			0%	N/A

\*Debt service coverage ratio (DSCR) is not applicable as Earning before interest & tax (EBIT) is negative, hence DSCR has no relevance.

\*\*Return on equity ratio is not applicable as Profit after tax and Average equity shareholders fund both are negative.

\*\*\*Return on Capital Employed (ROCE) is not applicable as Earning before interest & tax (EBIT) and capital employed both are negative, hence ROCE has no relevance.

**38. Other Statutory Information**

- 1 There are no proceeding that have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules thereunder.
- 2 There are no transactions with companies that are struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- 3 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 4 The Company has not traded or invested in Crypto currency or Virtual Currency during year the year.
- 5 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or  
(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- 6 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- 7 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)
- 8 The Company has not been declared as wilful defaulter by any bank or financial institutions or any other lender.
- 9 The Company has not revalued its Property, Plant and equipment (including Right-of-Use Assets) and intangible assets during the year.
- 10 The Company does not hold any immovable property.
- 11 The Company does not have any holding in downstream companies, hence compliance with number of layers is not applicable.

**39. Audit Trail:** The Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of relevant prior years has been preserved by the Company as per the statutory requirements for record retention.

40. Corresponding figures of previous year are regrouped, rearranged wherever necessary to confirm to the current year classification.

41. Amount appearing as zero "0" in the financial statement are below the rounding off norm adopted by company

For and on behalf of the Board

As per our report of even date  
For R K Khanna and Co.  
Chartered Accountants  
FRN : 000033N

Parthasarathy Srinivasan  
Director  
DIN No. 01039931

Ghanashyam Kamath Kundapur  
Director  
DIN No. 09076606

Vipin Balli  
Partner  
M. No. 083436

Kapil Bansal  
Chief Financial Officer  
PAN: AKVPB5043K

Surbhi Sehgal  
Company Secretary  
PAN: CJOPK2696F

Place: New Delhi  
Date: 27-04-2026

Place: Noida  
Date: 27-04-2026