Geared for life

BHARAT GEARS LIMITED
Regd. Office & Works :
20 K.M. Mathura Road, P.O. Box 328
P.O. Amar Nagar, Faridabad - 121003 (Haryana) INDIA
Tel. : +91 (129) 4288888, E-mail : info@bglindia.com
Corporate Identity Number : L29130HR1971PLC034365

BGL/SEC/NSE/3/JULY 2026-2027

BGL/SEC/BSE/2/JULY 2026-2027

July 20, 2026

The Manager (Listing)
National Stock Exchange of India Ltd
"Exchange Plaza", 5th Floor
Plot No. C-1, G-Block
Bandra Kurla Complex
Bandra (E), Mumbai–400051

The Manager (Listing)
BSE Limited
1st Floor, New Trading Ring
Rotunda Building
PJ Towers, Dalal Street
Fort, Mumbai–400001

SYMBOL: BHARATGEAR

STOCKCODE: 505688

Sub: <u>Compliance of Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015</u>

Dear Sir/Madam,

Pursuant to Regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report along with the Notice of Annual General Meeting of "Bharat Gears Limited" for the Financial Year ended 31st March, 2026.

You are requested to take the same on your records.

Thanking you,

Yours faithfully,
For **Bharat Gears Limited**

BHARAT GEARS LIMITED FARIDABAD

Prashant Khattry
Corporate Head (Legal) and Company Secretary

Encl: As above

IATF-16949
ISO-9001
ISO-45001
ISO-14001
BUREAU VERITAS Certification

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Mumbra Works : Kausa Shil, Mumbra, Distt. Thane-400 612, (Maharashtra) INDIA
Tel. : +91(22) 2535 2034, 2535 7500, Fax: +91(22) 2535 1651
www.bharatgears.com

NOTICE

TO THE MEMBERS OF THE COMPANY

NOTICE is hereby given that the 54th Annual General Meeting (AGM) of the members of Bharat Gears Limited ("the Company") will be held as under through Video Conference ("VC")/Other Audio Visual Means ("OAVM") ("hereinafter referred to as "electronic mode"):

Day : Thursday

Date : 13 August, 2026

Time : 04:00 P.M.

to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the Company for the year ended 31 March, 2026 together with Reports of the Directors and Auditors thereon.
2. To declare dividend of Rs. 1.00 per equity share of face value of Rs. 10 each for the financial year 2025-26.

SPECIAL BUSINESS:

3. To consider the appointment of Mr. Naresh Kumar Verma as Executive Director-Operations of the Company and if thought fit, pass the following resolution as a **Special Resolution**, with or without modification(s):

   "RESOLVED THAT pursuant to the provisions under Section 196, 197, 198, 200, 203, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as "the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory amendment, modifications or re-enactment thereof and further subject to such other approvals, as may be required in this regard, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company the consent of the members be and is hereby accorded to appoint Mr. Naresh Kumar Verma as Executive Director-Operations of the Company and designated as the Whole-time Director on the Board of the Company for a period of 5 (Five) years with effect from 01 June, 2026 on the terms and conditions including payment of remuneration to him for a period of 3 (Three) Years with effect from 01 June, 2026 and as set out in the explanatory statement forming part of this resolution notwithstanding that the remuneration may exceed the limits prescribed in the provisions of Section 197, 198 and within the limits prescribed under Schedule V of the Companies Act, 2013 in case of no profits/inadequate profits.

RESOLVED FURTHER THAT the remuneration as set out in the explanatory statement forming part of this resolution, payable to Mr. Naresh Kumar Verma, Executive Director-Operations and Whole-time Director of the Company for a period of 3 (Three) Years with effect from 01 June, 2026, is subject to the condition that:

a. the total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed the overall limit of five percent (5%) of the net profits of the Company as applicable to each of the Managing/Whole-time Directors of the Company and ten percent (10%) of the net profits of the Company for all Managing/Whole-time Directors in accordance with the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V including any statutory amendment, modification or re-enactment thereof, as may be made thereto and for the time being in force or

b. if the remuneration exceeds the limits as prescribed in the provisions of Section 197, 198 and Schedule V of the Companies Act, 2013, the remuneration payable shall be as specified under Section II of Part II of Schedule V of the Companies Act, 2013 in case of no profits/inadequate profits.

RESOLVED FURTHER THAT notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequacy of profits in any financial year, the salary, perquisites and statutory benefits as set out in the explanatory statement forming part of this resolution, be paid as remuneration to Mr. Naresh Kumar Verma, Executive Director-Operations.

RESOLVED FURTHER THAT the Board of Directors of the Company (which includes a Committee, constituted for the time being in force) be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s) as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit."

4. To consider the ratification of the remuneration payable to M/s M.K. Kulshrestha & Associates, Cost Auditors of the Company for the Financial Year 2026-27 and if thought fit, pass the following resolution as an **Ordinary Resolution**, with or without modification(s):

   "RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s M.K. Kulshrestha & Associates, the Cost Auditors of the Company appointed by the Board of Directors of the Company in its meeting held on 30 May, 2026 upon recommendation of the Audit Committee, to conduct the audit of the cost records of the Financial Year ending 31 March, 2027, at a remuneration of ₹ 2,25,000/- for the Financial Year 2026-27 be and is hereby confirmed, ratified and approved.

   RESOLVED FURTHER THAT Mr. Milind Pujari, Chief Financial Officer and Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as may be considered necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution."

By order of the Board

Prashant Khattry
Corporate Head (Legal) and Company Secretary
FCS - 6096

Date: 30 May, 2026
Place: Mumbai

NOTES:

1. The Ministry of Corporate Affairs ('MCA') vide its General Circular No. 03/2025 dated 22 September, 2025 permitted the holding of Annual General Meeting through Video Conference ("VC")/Other Audio Visual Means ("OAVM") without the physical presence of Members at a common venue as per the procedure prescribed by MCA in the General Circular No. 20/2020 dated 05 May, 2020. The Securities and Exchange Board of India ("SEBI") has also provided certain relaxations from compliance with certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In compliance with the said Circular and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the members of the Company is being held through VC/OAVM.

2. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this Annual General Meeting is being held through VC/OAVM pursuant to the aforesaid MCA Circular, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.

3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by e-mail at agbcorplegal@gmail.com through their registered e-mail address with copies marked to the Company at investor@bglindia.com and to the Registrar and Transfer Agent (RTA) at investor.helpdesk@in.mpms.mufg.com.

4. 06 August, 2026 has been fixed as the record date for determining the names of Members eligible for dividend on Equity Shares, if declared at the Meeting.

5. The Board of Directors of the Company at its meeting held on 30 May, 2026 recommended a dividend of Rs. 1.00 per equity share of face value of Rs. 10 each for the financial year 2025-26. Dividend on the Equity Shares, if declared at the Meeting, will be paid to

the Members whose names appear in the Register of Members of the Company holding Shares in physical form on 06 August, 2026 and in respect of shares held in electronic form, the dividend will be paid to those 'beneficiaries' whose name appear on the statements of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose, at the end of the business hours on 06 August, 2026. Dividend shall be paid on or before 12 September, 2026.

6. Mandatory Electronic Payment of Dividend:

   With effect from 18 November, 2025, dividends shall be processed only in electronic mode, and payment through dividend warrants or cheques has been discontinued.

   Payment shall be made subject to:

   - Folio being KYC compliant, i.e. PAN, contact details including Mobile No., bank account details and specimen signature are registered with the Company/RTA (for shareholders holding shares in physical form).
   - Updating of bank details with DPs (for shareholders holding shares in dematerialized form).

7. Pursuant to the Income Tax Act, 2025, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication with detailed information and instructions regarding tax on the Final Dividend for the financial year ended 31 March, 2026 will be sent to the Members in due course. The said communication will also be made available on the Company's corporate website www.bharatgears.com under the section 'Investor Relations'.

8. **Registration of e-mail ID and Bank Account details:**

   In case the shareholder's e-mail ID is already registered with the Company/its Registrar and Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered e-mail address. In case the shareholder has not registered his/her/their e-mail address with the Company/its RTA/Depositories and/or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

   (i) Kindly log in to the website of our RTA, MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), https://in.mpms.mufg.com/ under Investor Services > E-mail/Bank detail Registration – fill in the details and upload the required documents and submit. **OR**

   (ii) In the case of Shares held in Demat mode:

   The shareholder may please contact the Depository Participant ("DP") and register the e-mail address and bank account details in the demat account as per the process followed and advised by the DP.

9. The Notice of the Annual General Meeting ("AGM") along with the Annual Report for the Financial Year 2025-26 is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories and a letter providing the web-link, including the exact path, where complete details of the Annual Report are available is being sent to all those shareholders who have not registered their e-mail addresses, in accordance with the aforesaid MCA Circular read with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Members may note that the Notice of 54th AGM and Annual Report for the Financial Year 2025-26 will also be available on the Company's website i.e. www.bharatgears.com; website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the National Stock Exchange of India Limited at www.nseindia.com. Members are requested to download the Annual Report and Notice of the AGM from the website of the Company and the Stock Exchange(s). Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

10. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

11. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide the members with facility to exercise their right to vote at the 54th Annual General Meeting by electronic means and the business may be transacted electronically through the facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") as provided by MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) (MIIPL).

The facility for electronic voting system shall also be made available at the 54th Annual General Meeting (AGM). The Members who have not cast their votes through remote e-voting shall be able to exercise their voting rights at the AGM. The Members who have already cast their votes through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

12. **Instructions for Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:**

a) Members are entitled to attend the Annual General Meeting through VC/OAVM platform "InstaMeet" provided by the Registrar and Transfer Agent, MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (Fifteen) minutes from the scheduled time of the Annual General Meeting. Members holding more than 2% equity shares, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of the Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join at 03:45 P.M. IST i.e. 15 (Fifteen) minutes prior to the scheduled time of the meeting and window for joining shall be kept open till the expiry of 15 (Fifteen) minutes after the scheduled time. Participation is restricted upto 2000 members only.

b) **The details of the process to register and attend the AGM are as under:**

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated 22 September, 2025, the Companies can continue to conduct Annual General Meetings by VC or OAVM, as per the existing procedural requirements. Till further orders, the relaxations will remain in force.

Shareholders are advised to update their mobile number and e-mail Id correctly in their demat accounts to access InstaMeet facility.

Login method for shareholders to attend the General Meeting through InstaMeet:

a) Visit URL: https://instameet.in.mpms.mufg.com & click on "**Login**".

b) Select the "**Company Name**" and register with your following details:

c) Select Check Box - **Demat Account No./ Folio No./PAN**

- Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
- Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the Company.
- Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided by MUFG Intime, if applicable.
- Mobile No.: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No. with the DP shall enter the Mobile No.
- Email ID: E-mail Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the E-mail Id.

d) Click "Go to Meeting"

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the Annual General Meeting through InstaMeet:

a) Shareholders who would like to speak during the meeting must register their request with the Company at investor@bglindia.com

b) Shareholders will get confirmation on first cum first serve basis depending upon the provision made by the Company.

c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

**Shareholders are requested to speak only when moderator of the meeting/management will announce the name and serial number for speaking.*

Instructions for Shareholders to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

a) On the Shareholders VC page, click on link "Cast your vote".

b) Enter your 16-digit Demat Account No./Folio No. and OTP (received on the registered mobile number/registered e-mail Id) received during registration for InstaMeet.

c) Click on 'Submit'.

d) After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.

e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000/4918 6175.

13. Remote e-Voting Instructions for shareholders:

In terms of SEBI master circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11 November 2024, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and e-mail Id correctly in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - NSDL OTP based login

a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp

b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.

c) Enter the OTP received on your registered e-mail ID/mobile number and click on login.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - NSDL IDeAS facility

Shareholders registered for IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "IDeAS Login Section".

b) Enter IDeAS User ID, Password, Verification code & click on "Log-in".

c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.

d) Click on "MUFG InTime" or "e-voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".

c) Enter the last 4 digits of your bank account/ generate 'OTP'.

d) Post successful registration, user will be provided with Login ID and password.

e) Follow steps given above in points (a-d).

METHOD 3 - NSDL e-voting website

a) Visit URL: https://www.evoting.nsdl.com

b) Click on the "Login" tab available under 'Shareholder/Member' section.

c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on "Login".

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "e-voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 - CDSL e-voting page

a) Visit URL: https://www.cdslindia.com

b) Go to e-voting tab.

c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and E-mail as recorded in Demat Account.

e) Post successful authentication, user will be able to see e-voting option. The e-voting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "e-voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - CDSL Easi/Easiest facility:

Shareholders registered for Easi/Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)".

b) Enter existing username, Password & click on "Login".

c) Post successful authentication, user will be able to see e-voting option. The e-voting option will have links of e-voting service providers i.e., MUFG

InTime. Click on "MUFG InTime" or "e-voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi/Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Home/EasiRegistration / https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration

b) Proceed with updating the required fields for registration.

c) Post successful registration, user will be provided username and password on the registered e-mail id. Follow steps given above in points (a-c).

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

a) Login to DP website.

b) After Successful login, user shall navigate through "e-voting" option.

c) Click on e-voting option, user will be redirected to NSDL/CDSL Depository website after successful authentication, wherein user can see e-voting feature.

d) Post successful authentication, click on "MUFG InTime" or "e-voting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode/Non-Individual Shareholders holding securities in demat mode

Shareholders holding shares in physical mode/ Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN/SIGNUP on InstaVote

Shareholders registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on "Login" under 'SHARE HOLDER' tab.

b) Enter details as under:

1. User ID: Enter User ID.
2. Password: Enter existing Password.
3. Enter Image Verification (CAPTCHA) Code.
4. Click "Submit".

   (Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions").

InstaVote User ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g. IN123456) and 8 digit Client ID (eg. 12345678).
	CDSL	User ID is 16 Digit Beneticiary ID.
	Shares held in physical form	User ID is Event No. + Folio No. registered with the Company

Shareholders not registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on "**Sign Up**" under 'SHARE HOLDER' tab & register with details as under:

1. User ID: Enter User ID.
2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.
3. DOB/DOI: Enter the Date of Birth (DOB)/Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format).
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
   - Shareholders, holding shares in **NSDL form**, shall provide 'point 4' above.
   - Shareholders, holding shares in **CDSL form**, shall provide 'point 3' or 'point 4' above.
   - Shareholders, holding shares in **physical form** but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above.

5. Set the password of your choice.

   (The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

6. Enter Image Verification (CAPTCHA) Code.

7. Click "Submit" (You have now registered on InstaVote).

   Post successful registration, click on "**Login**" under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

InstaVote User ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g. IN123456) and 8 digit Client ID (eg. 12345678).
	CDSL	User ID is 16 Digit Beneficiary ID.
	Shares held in physical form	User ID is Event No. + Folio No. registered with the Company

STEP 2: Steps to cast vote for Resolutions through InstaVote

A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".

B. Select 'View' icon. E-voting page will appear.

C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

D. After selecting the desired option i.e. Favour/Against, click on 'Submit'.

E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at agbcorplegal@gmail.com with a copy marked to RTA at enotices@in.mpms.mufg.com and the Company at investor@bglindia.com

Guidelines for Institutional shareholders ("Custodian/Corporate Body/Mutual Fund")

STEP 1 – Custodian/Corporate Body/Mutual Fund Registration

A. Visit URL: https://instavote.linkintime.co.in

B. Click on "Sign Up" under "Custodian/Corporate Body/Mutual Fund".

C. Fill up your entity details and submit the form.

D. A declaration form and organization ID is generated and sent to the Primary contact person e-mail ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in

E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's e-mail ID. (You have now registered on InstaVote).

STEP 2 – Investor Mapping

A. Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

B. Click on "Investor Mapping" tab under the Menu section.

C. Map the Investor with the following details:

   1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.

   2) 'Investor's Name' - Enter Investor's Name as updated with DP.

   3) 'Investor PAN' - Enter your 10-digit PAN.

   4) 'Power of Attorney' - Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

D. Click on Submit button. (The investor is now mapped with the Custodian/Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report section".

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "Votes Entry" tab under the Menu section.

c) Enter the "Event No." for which you want to cast vote.

Event No. can be viewed on the home page of InstaVote under "On-going Events".

d) Enter "16-digit Demat Account No.".

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour/Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour/Against, click on 'Submit'.

f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) After successful login, you will see "Notification for e-voting".

c) Select "View" icon for "Company's Name/Event number".

d) E-voting page will appear.

e) Download sample vote file from "Download Sample Vote File" tab.

f) Cast your vote by selecting your desired option 'Favour/Against' in the sample vote file and upload the same under "Upload Vote File" option.

g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

NOTE: **Non-Individual Body corporate shareholders** shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at agbcorplegal@gmail.com with a copy marked to RTA at enotices@in.mpms.mufg.com and the Company at investor@bglindia.com

HELPDESK:

Shareholders holding securities in physical mode/ Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode/ Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual Shareholders holding securities in physical mode/Non-Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in physical mode/Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on "**Login**" under 'SHARE HOLDER' tab.
- Further Click on "**forgot password**?".
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case Custodian/Corporate Body/Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on 'Login' under "Custodian/Corporate Body/ Mutual Fund" tab.
- Further Click on "**forgot password?**".
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

InstaVote User ID	NSDL	User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g. IN123456) and 8 digit Client ID (eg. 12345678).
	CDSL	User ID is 16 Digit Beneticiary ID.
	Shares held in physical form	User ID is Event No. + Folio No. registered with the Company

In case shareholders have a valid e-mail address, Password will be sent to his/her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/CDSL have forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/depository participants website.

General Instructions - Shareholders

- ❖ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ❖ For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- ❖ During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".

14. Brief profile & other details of the Directors proposed to be appointed, as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India is annexed to this Notice.

15. The relevant Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of Resolution(s) set out in this Notice is appended hereinafter.

16. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under the provisions of Section 103 of the Companies Act, 2013.

17. All the documents referred to in the Notice will be available for electronic inspection without fees by the members from the date of circulation of this Notice up to the date of AGM i.e. 13 August, 2026. Members seeking to inspect such documents can send an e-mail to investor@bglindia.com

18. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 ("the Act"), Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and any other documents required by the Act and any other law,

will be made available electronically for inspection by Members of the Company at the meeting.

19. Since the AGM will be held through VC/OAVM, the Route Map to reach to the venue of the 54th Annual General Meeting has not been annexed to this Notice.

20. Members seeking any further clarification/information relating to the Annual Financial Statements are requested to write at the Registered Office of the Company at least ONE WEEK before the date of the Meeting i.e. on or before 06 August, 2026 to enable the management to keep the information ready at the Meeting.

21. Members are requested to note that under Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund ('IEPF') constituted by the Central Government of India. Further, all shares in respect of which dividends remain unclaimed/unpaid for seven consecutive years or more, are required to be transferred to designated Demat Account of the IEPF Authority.

    There was no unclaimed dividend and shares required to be transferred to the Investor Education and Protection Fund (IEPF) during the Financial Year 2025-26.

    Further, upon transfer of the unclaimed dividend for the year 2018-19 to the Investor Education and Protection Fund (IEPF) on 04 September, 2026 i.e. upon completion of seven years from the transfer of dividend into unclaimed dividend account, the equity shares relating to such dividend on which the dividend has not been claimed for the consecutive seven years since 2018-19 (net of the shares already transferred) shall also be transferred into IEPF.

    In terms of the Rule 6(3) of Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the necessary communications have been made to the respective shareholders whose shares are required to be transferred to the IEPF so as to enable them to claim their dividend attached to such shares before such dividend and shares are transferred to IEPF during the Financial Year 2026-27 and further, the necessary information in this regard is available on the website of the Company i.e. www.bharatgears.com for the convenience of the shareholders. The Company has also simultaneously published notice in the leading newspaper in English language and regional language having wide circulation to such shareholders.

    In case valid claim is not received by 04 September, 2026, the respective shares will be credited to the designated demat account of the Authority.

    The Equity shares once transferred into IEPF can only be claimed by the concerned shareholder from IEPF Authority after complying with the procedure prescribed under the Rules and the amended Rules.

    The Company has uploaded the information in respect of unpaid and unclaimed dividends and details of shares transferred to IEPF on the website of the IEPF Authority viz. www.iepf.gov.in and under "Investors Section" on the website of the Company viz. www.bharatgears.com under the link: https://bharatgears.com/details-of-unclaimed-dividend-and-iepf.php Further, the details of unclaimed fractional proceeds arising out of Bonus Issue of Equity Shares of the Company have also been uploaded under the aforesaid link.

    Members who have not encashed their dividend drafts for the Financial Year 2018-19/claimed fractional proceeds are advised to write to the Company or Registrar and Transfer Agent of the Company immediately claiming dividends declared by the Company/fractional proceeds arising out of Bonus Issue of Equity Shares of the Company.

    In terms of the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the detailed procedure for claim of Dividend/Shares transferred to the IEPF Authority along with the details of Nodal Officer appointed by the Company for the purposes of verification of claims and coordination with Investor Education and Protection Fund Authority (IEPF Authority) as communicated to the IEPF Authority has been provided in the Corporate Governance Report forming part of the Annual Report 2025-26.

    Further, the necessary details of Nodal Officer are available on the website of the Company i.e. www.bharatgears.com under the link: https://bharatgears.com/nodal-deputy-nodal-officer-for-iepf-authority.php.

    In compliance with the directives of the Ministry of Corporate Affairs and the Investor Education and Protection Fund Authority (IEPFA), the Company spearheaded the 100 Days Campaign titled "Saksham

Niveshak" during the Financial Year 2025-26. This 100-day outreach program was designed to mitigate the transfer of shares and dividends to the IEPF by assisting shareholders in regularizing their folios. The Company provided comprehensive guidance on updating KYC records and facilitated the timely claim of unpaid dividends for the Financial Year 2018–19. Shareholders were advised to send their requests to the Company or to MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited), Registrar and Transfer Agent of the Company.

Further, during the Financial Year 2026-27, the Ministry of Corporate Affairs and the Investor Education and Protection Fund Authority (IEPFA) has initiated the second 100 Days Campaign titled "Saksham Niveshak" for the period 01 April, 2026 to 09 July, 2026. The Company continue to actively participate in this campaign and is providing comprehensive guidance on updating KYC records and facilitating the timely claim of unpaid dividends for the Financial Year 2018–19. Shareholders are advised to send their requests to the Company or to MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited), Registrar and Transfer Agent of the Company.

22. Members may please note that in compliance with the Regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 3,200 (Three Thousand Two Hundred) Equity Shares of 50 (Fifty) Shareholders attached to undelivered Share Certificates in possession of the Company still remaining unclaimed have been transferred into the "Unclaimed Suspense Account" opened with Central Depository Services (India) Limited (CDSL).

    Further, the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

23. The Shares of the Company are compulsorily traded in demat mode. Hence, the members who are still holding physical Share Certificates are advised that it is in their own interest to dematerialize their shareholding to avail benefit of dematerialization viz. easy liquidity, electronic transfer and prevention of forgery.

24. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificate(s) to MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), Registrar and Transfer Agent for consolidation into a single folio.

25. Members are requested to register their e-mail address(es) and changes in their particulars like change in address from time to time with MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), Registrar and Transfer Agent for shares held in physical form and with the respective Depository Participants for the shares held in dematerialized form.

26. Members may please note that the Securities and Exchange Board of India ('SEBI') has made Permanent Account Number (PAN) as the sole identification number of all participants transacting in the securities market, irrespective of the amount of such transactions.

    Further, SEBI has prohibited the transfer of shares in physical form except in case of transmission or transposition of shares. Members holding shares in physical form and intending to transfer their shares are advised to open a demat account with the Depository viz. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL) through respective Depository Participant(s) and transfer their shares after dematerialization.

27. During the Financial Year 2025-26, in terms of the circular reference no. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 07 July, 2025 issued by the Securities and Exchange Board of India (SEBI), a special window had been opened for a period of six months from 07 July, 2025 till 06 January, 2026 ("special window period") to facilitate re-lodgement of transfer requests of physical shares for transfer deeds that were lodged prior to 01 April, 2019, but were rejected/returned/not attended to due to deficiency in the documents/process/ or otherwise. The shareholders had been advised that during this period, the securities that are re-lodged for transfer (including those requests that are pending with the Company/RTA) shall be issued only in demat mode and due process shall be followed for such transfer-cum-demat requests. Eligible investors were requested to avail this opportunity by submitting the transfer requests along with all the requisite documents to the Registrar and Share Transfer Agent of the Company and were encouraged to take advantage of this special

window. The Company duly facilitated the eligible investors during this special window.

Subsequently, in terms of the circular reference no. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated 30 January, 2026 issued by the Securities and Exchange Board of India (SEBI), another special window has been opened for a period of one year from 05 February, 2026 till 04 February, 2027 ("special window period") to facilitate the transfer and dematerialization ("demat") of physical shares which were sold/purchased prior to April 01, 2019. The special window shall be available for:

- re-lodgement of transfer requests which were submitted prior to 01 April, 2019 and were rejected/returned/not attended due to deficiency in the documents/process/or otherwise and;
- fresh lodgement of transfer requests which were not submitted prior to 01 April, 2019, provided that the original share certificate is available.

The shares transferred during this special window period shall be mandatorily credited to the transferee only in demat mode and shall be under lock-in for a period of one year from the date of registration of transfer. Such shares shall not be transferred/lien-marked/pledged during the said lock-in period. Due process as prescribed under the said Circular shall be followed for such requests.

Further, the following cases will not be considered during the special window period:

- cases involving disputes between transferor and transferee (to be settled through court/NCLT process),
- shares which have been transferred to Investor Education and Protection Fund (IEPF) and
- re-lodgement/fresh lodgement of transfer requests executed prior to 01 April, 2019 where original share certificate is not available.

Eligible investors are requested to avail this opportunity by submitting the transfer requests along with all the requisite documents as mentioned in SEBI Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated 30 January, 2026 to MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) (MIIPL), the Registrar and Share Transfer Agent (RTA) of the Company within the above stipulated time. Relevant Investors are encouraged to take advantage of this special window.

28. The relevant formats for Nomination and Updation of KYC details viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 have been sent to the respective shareholders and are also available on the Company's official Website i.e. www.bharatgears.com

Members are requested to furnish PAN, Postal Address, E-mail Address, Mobile Number, Specimen Signatures, Bank Account Details and Nomination by submitting the relevant Form(s) as below to the Registrar and Transfer Agent of the Company, MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited):

Sr.No.	Particulars	Form
1.	Registration of PAN, postal address, e-mail address, Mobile number, Bank Account Details or changes/updation thereof	ISR-1
2.	Confirmation of Signature of shareholder by the Banker	ISR-2
3.	Registration of Nomination	SH-13
4.	Cancellation or Variation of Nomination	SH-14
5.	Declaration to opt out of Nomination	ISR-3

Those holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail the nomination facility or further change in nominations.

SEBI has commenced processing of investor complaints in a centralised web based complaints redressal system i.e. SCORES. The Company has supported SCORES by using it as a platform for communication between SEBI and the Company.

Further, Online Dispute Resolution (ODR) in Indian Securities Market has been introduced by SEBI vide its circular dated 31 July, 2023 read with corrigendum-cum-amendment circular dated 04 August, 2023. As per SEBI Circulars issued from time to time, in case of any grievances, the Shareholders are advised to first approach the Company or its RTA. If the response is not received/not satisfactory, Shareholders can raise a complaint on SCORES/with Stock Exchanges, and after exhausting all the above available options for resolution of the grievance, if the Shareholder is still not satisfied with the outcome, they can initiate dispute resolution through the ODR Portal at https://smartodr.in/login

As mentioned above, for effective use of the ODR process, shareholders are requested to initiate the Smart ODR process as the last resort after exhausting all available options for grievance redressal. The ODR serves as a platform for resolution of long pending disputes, which are otherwise difficult to be taken to a logical end.

Consequently, in addition to SCORES, Investors/clients and Market Participants (MPs) now have an additional mechanism available for dispute resolution with an objective of time bound online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. The Company has registered itself on the ODR Portal.

29. In terms of the recent circular issued by the Securities and Exchange Board of India on "Ease of Doing Investment – Doing away with requirement of issuance of Letter of Confirmation (LoC) and enabling direct credit of securities to demat accounts of investors", effective from 02 April, 2026, the requirement of issuing LoC has been dispensed with.

    Accordingly, MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), the Registrar and Transfer Agent (RTA) of the Company and the Company shall, after carrying out necessary due diligence, directly credit securities to the demat account of the investor, thereby reducing the timeline for credit of securities and mitigating risks associated with loss or misuse of LoC.

    In cases where securities cannot be credited to the investor's demat account due to discrepancies, including incomplete KYC details, such securities shall be credited to a Suspense Escrow Demat Account maintained by the Company. Investors may subsequently claim such securities by submitting the necessary documentation and completing the required formalities.

    As on date, 1,777 (One Thousand Seven Hundred Seventy Seven) Equity Shares of 5 (Five) Shareholders are being held in the Suspense Escrow Demat Account.

    Any corporate benefits in terms of securities accruing on the securities transferred to Suspense Escrow Demat Account viz. bonus, split etc., shall be credited to such Suspense Escrow Demat Account. Also, the security holders shall be entitled to vote, to receive dividend and notices of meetings, annual reports on the underlying said securities lying in Suspense Escrow Demat Account.

General Guidelines for shareholders:

1. In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at https://instavote.in.mpms.mufg.com, under Help section or write an e-mail to enotices@in.mpms.mufg.com or Call at :- Tel : 022 - 49186000.

2. The remote e-voting period commences on **Monday, 10 August, 2026 at 9:00 A.M. and ends on Wednesday, 12 August, 2026 at 5:00 P.M.** During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date** i.e. **Thursday, 06 August, 2026** may cast their vote by remote e-voting. The remote e-voting module shall be disabled by MIIPL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

3. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, 06 August, 2026. The person who is not a member as on the cut-off date should treat this Notice for information purpose only.

4. Any person, who acquire shares of the Company and become member of the Company after dispatch of the Notice of the AGM and holding shares as of the cut-off date i.e. Thursday, 06 August, 2026, may obtain the user ID and password by sending a request at rajiv.ranjan@in.mpms.mufg.com or investor.helpdesk@in.mpms.mufg.com. However, if you are already registered with MIIPL for remote e-voting, then you can use your existing user ID and password for casting your vote.

5. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.

6. The Company has appointed Ms. Rashmi Aswal, M.com, ACS having her office at 5A/14, 2nd Floor, B.P. NIT-5, Faridabad - 121001 as the Scrutinizer to scrutinize the remote e-voting process and e-voting at the Annual General Meeting in a fair and transparent manner.

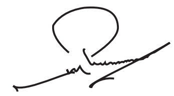
7. The Chairman shall, at the AGM, at the discussion on the resolutions on which voting is to be held, allow voting to be cast by use of e-voting facility 'InstaMeet' of MIIPL for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

8. The Scrutinizer shall after the conclusion of voting at the AGM, will first download the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least Two (2) witnesses not in the employment of the Company and shall make, within Two working days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

9. The Results of the AGM shall be declared by the Chairman or person authorized or anyone of the director of the Company after the AGM within the prescribed time limits. The resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

10. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bharatgears.com and on the website of MIIPL and communicated to BSE Limited (BSE) and the National Stock Exchange of India (NSE) accordingly.

By order of the Board



Prashant Khattry
Corporate Head (Legal) and Company Secretary
FCS - 6096

Date: 30 May, 2026
Place: Mumbai

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO. 03

Mr. Naresh Kumar Verma, aged 66 years is presently designated as Corporate Business Head of the Company. He has been associated with the Company since 04th February, 2004.

He has in-depth knowledge of the core business of the Company i.e. Automotive Gears. He has exposure in all business verticals and is engaged in supervision and conduct of business of the Company.

He has been instrumental in establishing and sustaining the harmonious Industrial relations. He took an enormous responsibility on his shoulders for providing training & Development, Human Resource Management, Human Resource Development, Business Management, Business Development and Industrial Management in the Company amongst the employees and workers that has been fruitful in creating the harmonious work environment, better interpersonal relationships and efficiency in operations at all levels.

Mr. Naresh Kumar Verma is a master in Commerce and holds a Post Graduate Diploma in Personnel Management & Industrial Relations. He is having a rich experience of 44 years. He has served in various renowned Companies like VXL India Limited, Bhartia Curtler Hammer, Daikin Shriram Air Conditioning etc. and currently holds Directorship in Raunaq International Limited and Vibrant Reality Infra Private Limited, Companies within the group also.

In terms of the provisions of Section 196(3) of the Companies Act, 2013, no Company shall appoint or continue the employment of any person as Managing Director, Whole-Time Director or Manager who has attained the age of seventy years provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

In appreciation of contributions and continuing commendable leadership of Mr. Naresh Kumar Verma, Corporate Business Head and pursuant to the provisions of Section 196, 197, 198, 200, 203, Schedule V as applicable and other applicable provisions, if any of the Companies Act, 2013 read with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has proposed to appoint him as Executive Director-Operations and designated as Whole-time Director on the Board of the Company for a period of 5 (Five) years w.e.f. 01 June, 2026 with the remuneration as stated below for a period of 3 (Three) years w.e.f. 01 June, 2026 on the terms and conditions as set out below as recommended by the Nomination and Remuneration Committee in its Meeting held on 30 May, 2026 and further approved by the Board of Directors in its meeting held on even date subject to the approval of members by way of Special resolution, the age of Mr. Naresh Kumar Verma being more than seventy years during his proposed tenure in reference to the provisions of Section 196(3) of the Companies Act, 2013.

A) Salary and Perquisites:

Salary: Rs. 1,08,00,000/- (Rupees One Crore Eight Lakhs Only) per annum

Perquisites: Rs. 9,00,000/- (Rupees Nine Lakhs Only) per annum

B) The Executive Director-Operations shall also be eligible to the following perquisites which are not included in the computation of ceiling remuneration specified in the said Part II Section IV of Schedule V of the Companies Act, 2013:

1. Contribution to Provident Fund to the extent not taxable under the Income Tax Act, 1961.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of the leave at the end of the tenure.

C) Other terms:

1. He shall be entitled to re-imbursement of actual out-of pocket expenses incurred in connection with the business of the Company.
2. He shall be entitled to re-imbursement of entertainment expenses incurred for the business of the Company.
3. As long as he functions as Executive Director-Operations, he shall not be paid any sitting fees to attend any meeting of the Board and/or Committee thereof.
4. In the event of inadequacy or absence of profits in any financial year, he will be entitled to the

payment of salary and perquisites, as set out under point (A) above, as remuneration, subject to necessary approvals, if required notwithstanding the fact that it may exceed the limits prescribed under Section 196, 197 of the Companies Act, 2013, along with the perquisites stated under point (B) above which are not included in the computation of limits for the remuneration or perquisites aforesaid.

5. He shall be entitled to earned/privileged leave as per the Rules of the Company.
6. He shall be entitled for telephone facility as per Company's policy.
7. He shall be liable to retire by rotation.

Further, pursuant to the provisions of Sections 197, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013, the said terms & conditions of appointment shall be placed for the approval of the members.

The necessary information/disclosure in compliance with Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India relating to Mr. Naresh Kumar Verma has been provided in a separate section of this Notice.

Therefore, the Board recommends the resolution as set out at Item No. 03 of this Notice in relation to the appointment of Mr. Naresh Kumar Verma as Executive Director-Operations, for the approval by the members of the Company, by way of Special Resolution.

Except Mr. Naresh Kumar Verma being an appointee, no other Director or Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at the Item No. 03 of this Notice.

INSPECTION OF DOCUMENTS

All resolutions passed in this regard are available for electronic inspection without fees by the members from the date of circulation of this Notice up to the date of AGM i.e. 13 August, 2026 and shall also be available at the meeting.

ITEM NO. 04

The Board of Directors of the Company in its meeting held on 30 May, 2026 on the recommendation of the Audit Committee has approved the appointment of M/s M.K. Kulshrestha & Associates as Cost Auditors of the Company to conduct the audit of the cost records of all the 3 (Three) plants of the Company located at Mumbra (Maharashtra), Lonand (Maharashtra) and Faridabad (Haryana) for the Financial Year ending 31 March, 2027 at a remuneration of ₹ 2,25,000/- (Rupees Two Lakhs Twenty Five Thousand Only) plus applicable taxes pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and Rule 4 of the Companies (Cost Records and Audit) Rules, 2014.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

The consent of the members is sought by way of an Ordinary Resolution for ratification of the remuneration payable to M/s M.K. Kulshrestha & Associates as Cost Auditors of the Company for the Financial Year ending 31 March, 2027.

Accordingly, the Board recommends the resolution as set out at Item No. 04 of the Notice in relation to ratification of the remuneration payable to M/s M.K. Kulshrestha & Associates as Cost Auditors of the Company for the Financial Year ending 31 March, 2027, by way of an Ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 04 of the Notice.

INSPECTION OF DOCUMENTS

All resolutions passed in this regard are available for electronic inspection without fees by the members from the date of circulation of this Notice up to the date of AGM i.e. 13 August, 2026 and shall also be available at the meeting.

By order of the Board

Prashant Khattry
Corporate Head (Legal) and Company Secretary
FCS - 6096

Date: 30 May, 2026
Place: Mumbai

STATEMENT OF PARTICULARS

(PURSUANT TO SCHEDULE V OF THE COMPANIES ACT, 2013)

MR. NARESH KUMAR VERMA, EXECUTIVE DIRECTOR-OPERATIONS

I. GENERAL INFORMATION

Sl. No.	Particulars/Subject	Information
1.	Nature of industry	Manufacture of Automobile Gears
2.	Date or expected date of commencement of commercial Production	05 January, 1972
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4.	Financial performance based on given indicators	In the Financial Year 2025-26, the Company made a turnover of Rs. 790.50 Crores (including other income) and Net Profit of Rs. 16.50 Crores after tax.
5.	Export performance and net foreign exchange collections	During the Financial Year 2025-26, Export of goods: Rs. 235.12 Crores (Previous Year Rs. 189.61 Crores).
6.	Foreign Investments or collaborators, if any.	No such investment or collaboration except minors shareholding of Non Resident Indians.

II. INFORMATION ABOUT THE APPOINTEE

1.	Background Details	Mr. Naresh Kumar Verma, aged 66 years is presently designated as Corporate Business Head of the Company. He has been associated with the Company since 04th February, 2004. He has been instrumental in establishing and sustaining the harmonious Industrial relations. He took an enormous responsibility on his shoulders for providing training & Development, Human Resource Management, Human Resource Development, Business Management, Business Development and Industrial Management in the Company amongst the employees and workers that has been fruitful in creating the harmonious work environment, better interpersonal relationships and efficiency in operations at all levels. Mr. Naresh Kumar Verma is a master in Commerce and holds a Post Graduate Diploma in Personnel Management & Industrial Relations. He is having a rich experience of 44 years. He has served in various renowned Companies like VXL India Limited, Bhartia Curtler Hammer, Daikin Shriram Air Conditioning etc. and currently holds Directorship in Raunaq International Limited and Vibrant Reality Infra Private Limited, Companies within the group also. He has in-depth knowledge of the core business of the Company i.e. Automotive Gears. He has exposure in all business verticals and is engaged in supervision and conduct of business of the Company.
2.	Past remuneration	During the Financial Year 2025-26, Mr. Naresh Kumar Verma has drawn remuneration of Rs. 87,74,000/- (Rupees Eighty Seven Lakhs Seventy Four Thousand Only) in capacity of Corporate Business Head of the Company. Further, during the Financial Year 2026-27 till date, he has been drawing a remuneration of Rs. 9,20,000/- (Rupees Nine Lakh Twenty Thousand Only) per month in capacity of Corporate Business Head of the Company.

3.	Recognition or awards	During the tenure of Mr. Naresh Kumar Verma as Corporate Business Head of the Company, the Company has received various recognition and awards, such as: • Carraro - Best Supplier Award • John Deere - Partner Level Performance • Eaton Corporation - Best Supplier Award • Tuff Torq – Best Supplier Award • Escorts Kubota Limited - Best Delivery • Escorts Kubota Limited - Association of more than 50 years • Mahindra Swaraj - Special appreciation award (New Product Development) • John Deere - Best in Class Quality in FY 2025 • John Deere – PFMEA Driven Excellence 2025 • ZF – Localization Excellence 2026 • John Deere – Partner Level Award for the year 2026 • ACMA – Excellence in Gear Manufacturing 2026 • Toyota – Zero Defects Supply in FY 2026
4.	Job profile and his suitability	He has been associated with the Company since 04th February, 2004 and established and sustained the harmonious Industrial relations. Further, he has in-depth knowledge of the core business of the Company i.e. Automotive Gears. He has exposure in all business verticals and is engaged in supervision and conduct of business of the Company. In view of his enriched experience, appreciable contribution and enlarged leadership, the Board proposes for the appointment of Mr. Naresh Kumar Verma as Executive Director-Operations of the Comapny for a period of 5 (Five) Years w.e.f. 01 June, 2026, as per the details stated in the explanatory statement of Item No. 03 of the Notice.
5.	Remuneration proposed	Salary, other perquisites and other terms as fully set out in the explanatory statement of Item No. 03 of the Notice. The remuneration proposed is within the permissible remuneration as per Schedule V of the Companies Act, 2013.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration proposed is within the permissible remuneration as per Schedule V of the Companies Act, 2013 which is comparable with the Companies of the same size and profitability.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any	Apart from receiving remuneration as Corporate Business Head of the Company, Mr. Naresh Kumar Verma does not have any precuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director.

III. OTHER INFORMATION

1.	Reason of loss or inadequate profits	In the Financial Year ended 31 March, 2026, the Company made Profit after Tax of Rs. 16.50 Crores and Cash Profit of Rs. 44.59 Crores. The remuneration proposed is a permissible remuneration as per Schedule V of the Companies Act, 2013.
2.	Steps taken or proposed to be taken for improvement	The Company has adopted the following measures to improve the profitability: • Diversification into the Non-Fossil business. • Modernisation of existing facilities to improve overall operating efficiency and gear up for catering to higher demand from OEMs. • Widening of customer base and better market penetration, especially in overseas market. • Conscious effort to develop products/customers base in alternate market segments. • Technology upgradation by way of investing in state of the art machinery to meet stringent quality requirements of customers. • Focus on significant improvements in operating costs. • Cost control in all areas. • Deeper penetration in the replacement market in India & abroad. • Improvement in OE & Export Sales. • Improving the quality to make products competitive in Indian & Overseas markets.
3.	Expected increase in the productivity and profits in measurable terms	It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.

By order of the Board

Prashant Khattry
Corporate Head (Legal) and Company Secretary
FCS - 6096

Date: 30 May, 2026
Place: Mumbai

Details required under Section 102 of the Companies Act, 2013 in respect of the Directors proposed to be appointed at the ensuing Annual General Meeting (AGM) and their Brief Resume have been provided under the Explanatory Statement annexed to this Notice. The other Information/Disclosure in compliance with the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India has been provided herein below:

Particulars	Item No. 03
Name of the Director	**Mr. Naresh Kumar Verma**
DIN	07087356
Brief Resume	As detailed in Explanatory Statement above for Item No. 03 of the Notice
Category of Director	Executive Director-Operations
Date of Birth (Age in Years)	08 June, 1960 (66)
Date of Appointment on the Board	30 May, 2026
Qualifications	Masters in Commerce, Post Graduate Diploma in Personnel Management & Industrial Relations
No. of years of Experience	44 Years
Expertise in specific functional areas	Knowledge of Core Business i.e. Automotive Gears, Plant Management, Strategic Planning, Knowledge of Macro Environment vis-à-vis Industry, Ability to read Financial Statements
Terms and conditions of appointment/ re-appointment	As detailed in Explanatory Statement above for Item 03 of the Notice.
Chairmanship/Membership of Committees of the Company	NIL
Directorships held in other Companies	• Raunaq International Limited# • Vibrant Reality Infra Private Limited
Chairmanships/Memberships of committees of other Companies	Raunaq International Limited# • Member - Audit Committee • Member – Corporate Social Responsibility Committee • Chairman - Stakeholders' Relationship Committee • Member - Finance Committee
Listed entities from which the Director has resigned in the past three years	NIL
Number of Board Meetings attended during the Financial Year 2025-26	Not Applicable
Relationships between Directors inter-se	None
Relationships with Manager and other Key Managerial Personnel of the Company	None
Last Drawn Remuneration	Rs. 87,74,000/- (Rupees Eighty Seven Lakhs Seventy Four Thousand Only) in the capacity of Corporate Business Head of the Company during the Financial Year 2025-26.
Remuneration Proposed	As detailed in Explanatory Statement above for Item No. 03 of the Notice.
Number of shares held in the Company	11,800 (0.08%)

#Indicates Listed Company

By order of the Board

Prashant Khattry
Corporate Head (Legal) and Company Secretary
FCS - 6096

Date: 30 May, 2026
Place: Mumbai

BHARAT GEARS LIMITED

Geared for Life

Smart Growth Sustainable Future

Annual Report 2025-26

Contents

CORPORATE OVERVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

FORWARD-LOOKING STATEMENT

The information and opinion contained in this report do not constitute an offer to buy any of BGL Limited’s securities, businesses, products or services. The report might contain forward-looking statements qualified by words such as ‘expect’, ‘plan’, ‘estimate’, ‘believe’, ‘project’, ‘intends’, ‘exploit’ and ‘anticipates’, that we believe to be true at the time of preparation of the report. The actual events may differ from those anticipated in these statements because of the risk and uncertainty of the validity of our assumptions. BGL Limited does not take any obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

FY 2025-26 FINANCIAL HIGHLIGHTS

₹ 79,050 Lakhs
Total Income | **21.60%** YoY ↑

₹ 5,859 Lakhs
EBITDA | **110.68%** YoY ↑

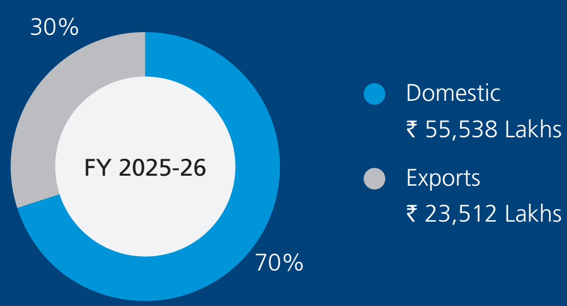
7.47%
EBITDA Margin | **74.53%** YoY ↑

₹ 1,650 Lakhs
PAT | **417.24%** YoY ↑

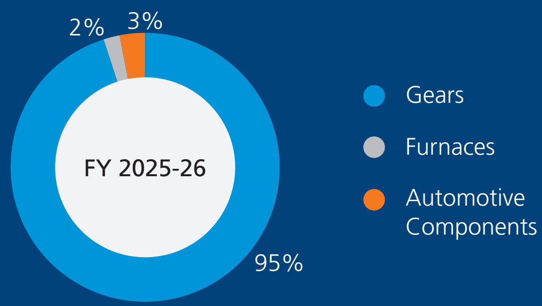
3%
PAT Margin | **200%** YoY ↑

REVENUE MIX

By Geography



By Business Segment



Smart Growth Sustainable Future

For over 50 years, BGL has built a strong reputation for engineering excellence and a deep understanding of customer needs, integrating modern manufacturing infrastructure, R&D expertise and advanced technology. This focus has kept us relevant across market cycles, diversified our portfolio and expanded our customer base, enabling us to deliver high-quality products across diverse segments in India and 14 countries globally, solidifying our leadership as a trusted player in gear and transmission technology.

In a year defined by evolving industry dynamics and global uncertainty, we stood resilient and agile. Driving smart growth with disciplined execution and strategic clarity, we focused on enhancing margins, return ratios and cash flows while scaling operations sustainably.

Strong order bookings, accelerated product development and healthy demand across key segments led to an exceptional performance, while our focus on operational excellence and cost leadership helped improve efficiency and margins. We diversified our portfolio through differentiated offerings, customisation and increasing share of higher value-added solutions, sharpening our edge in a competitive landscape.

Expansion into new customer segments, geographies and end-use applications reduced our dependence on existing markets and widened our revenue base. Continued investments in advanced gear technologies and digitalisation, along with strategic capital allocation, have built a strong foundation for future scale.

As one of India's most trusted automotive gear manufacturers and a leading global player in gear technology, our expanding presence in the EV and clean mobility segments reflects our steadfast commitment to building a more sustainable future, positioning us well to emerge as a global leader in powertrain components and aggregates.

About BGL

Advancing with Precision, Scaling with Purpose

With over 50 years of proven expertise in gear technology, Bharat Gears Limited (BGL) is among India's leading gear manufacturers and a prominent global player. Driven by innovation, quality and a customer-first approach, we specialise in manufacturing high-quality, precision engineered automotive gears and heat treatment furnaces for multiple industry segments worldwide.

Established in 1971, we have built a significant international presence, exporting to markets across Europe, USA, Mexico and Asia.

Through state-of-the-art manufacturing facilities, robust R&D capabilities, advanced technology and a competent team, we deliver products that meet globally recognised quality and ethical standards while driving operational excellence.

Strategic collaborations with leading global players have further strengthened our technology leadership in powertrain products, establishing us as a preferred automotive gear supplier for leading OEMs worldwide.

With Environment, Sustainability & Governance (ESG) deeply embedded across our operations, we are rapidly expanding into emerging segments such as EV and clean mobility, scaling smartly to fuel a more sustainable future while creating enduring value for all stakeholders.

Vision

To achieve significant growth and become a global leader in powertrain components and aggregates. We will forge strategic partnerships and consistently exceed the expectations of our customers and stakeholders

Mission

Our mission is to deliver superior performance, innovative mobility solutions, driven by operational excellence, customer centricity and sustainability, while creating lasting value for communities.

Offering a Comprehensive Portfolio

- Gears and Sub-assemblies
- Furnaces
- Automotive Components

TO SERVE

Diverse Segments

- Automotive
- Agriculture
- Construction
- Utilities
- EV segment

What Makes Us Unique

- 50+ years of rich experience in manufacturing high-quality, Precision Engineered gears and sub-assemblies/aggregates for automotive and other industry
- First Independent gear manufacturer in India to develop Bevel Gear Grinding capabilities
- Largest dry cutting facility in India with State of Art infrastructure aligned with Industry 4.0 standards
- Comprehensive portfolio, including gears/ powertrain components, aggregates, HT furnaces and automotive components
- Catering to diverse industry segments, including agriculture, construction equipment, commercial vehicles and EVs
- Deep technical expertise in design, development & manufacturing of bevel gears (through different processes like face milling, face hobbing, Hypolfex etc.) and cylindrical gears
- Strong customer-centric focus to evaluate requirements, elevate quality, streamline delivery and enhance satisfaction
- Upholding ethical and professional standards in line with global benchmarks
- Dedicated, engaged and highly skilled workforce

Where We Stand

50+ years
Rich Legacy

14 Countries
Worldwide Presence
(Asia, Europe, USA & South America)

3
Sales offices (Delhi, Mumbai and Kolkata)

3
World-Class Manufacturing Units

3
Business Verticals

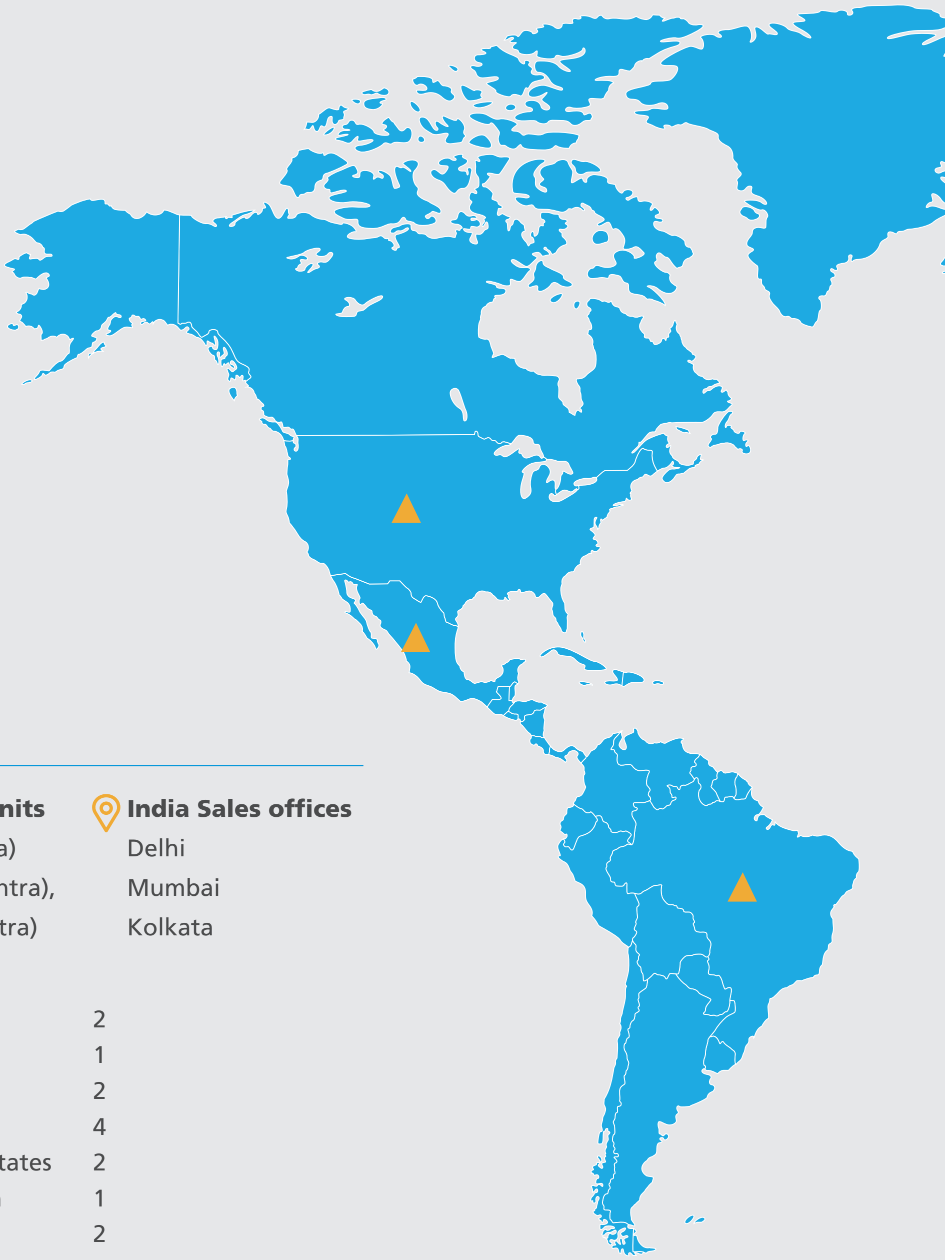
1,107
Total Employees

65
Dealers across states in India

Our Operating Footprint

Serving Customers Worldwide

Our robust dealer network and strong relationships, aligned closely with evolving customer needs, enable us to operate with greater agility and responsiveness. This focused approach has helped to expand our market reach, diversify our customer base and reinforce our brand visibility on a global scale.



Domestic Presence

Registered Office
Faridabad
Haryana

Manufacturing Units
Faridabad (Haryana)
Mumbra (Maharashtra),
Lonand (Maharashtra)

India Sales offices
Delhi
Mumbai
Kolkata

Dealer Network

Jammu & Kashmir	3	Bihar	2
Punjab	1	Jharkhand	1
Delhi	6	Odisha	2
Haryana	2	West Bengal	4
Rajasthan	2	North Eastern States	2
Uttar Pradesh	2	Andhra Pradesh	1
Uttarakhand	1	Telangana	2
Gujarat	1	Karnataka	4
Madhya Pradesh	3	Tamil Nadu	5
Chhattisgarh	2	Kerala	10
Maharashtra	9		

Global Presence

India	Brazil	Hungary
USA	Mexico	France
UK	China	Spain
Nepal	Sri Lanka	Italy
Germany	UAE	

Map not to scale. For illustrative purposes only.

Our Journey

50+ Years of Legacy in Engineering Excellence

At BGL, we continue to push the boundaries in gear technology through innovation, quality and excellence. Each milestone reflects our vision to build a smarter and more sustainable future for our stakeholders and the world around us.

1970-1980

1972
Set foundation stone for Mumbra plant

1974
Established Hypoid Plant and started production with 'Gleason Machines'

1980
Installation of first 'Oerlikon Spiromatic Generator'; Among the first Indian companies to operate both cutting systems within one facility

1981-1990

1981
Forged technical collaboration with AFC Holcroft, USA, to build furnaces in India

1985
Formed a technical and financial collaboration agreement with ZF Friedrichshafen AG, Germany (Till 2007)

1987
Undertook supply of ZF S6-36 Gears & Shafts to Ashok Leyland and ZF Friedrichshafen AG, Germany; Launched ZF S5-24 Gear Boxes assembly for DCM Toyota & Ashok Leyland

1988
Established business with DANA Corporation, USA

1991-2000

1994
Received ISO 9002 certification; Pioneered ground gears production and export to FUNK (John Deere USA)

1996
Surpassed ₹ 1 Billion in revenues

1997
Introduced Gas Metal Arc welding & sub-assemblies

1998
Foundation stone laid for the Faridabad plant

2000
Started commercial production at the Faridabad plant; Granted QS 9000 certification for the Mumbra plant

2001-2010

2004
Commenced supply to Toyota Kirloskar Auto Parts from Faridabad plant; ISO 14001 certification granted for the Faridabad plant

2005
TS 16949 certification granted for Faridabad and Mumbra plants

2008
Started Dry Cut Hobbing process

2009
Set up the Klingelnberg Close Loop CNC Gear Measuring system

2010
Launched Bevel Gear dry-cutting process with closed-loop technology

2011-2020

2011
Grant of OHSAS 18001 certification for Faridabad Plant

2012
Laying of foundation stone for Lonand plant

2014
Lonand plant started commercial production

2015
Received TS 16949, ISO 14001 and OHSAS 18001 certifications for Lonand plant

2018
IATF 16949 certification received for all three plants

2019
Completed 2nd Phase of Lonand plant; Installed single-flank testing machine (MTE); Established CGCF with Robotic – Automation at Faridabad

2021-2026

2022
Surpassed ₹ 700 Crores turnover for the first time in the Company's history; Expanded into Hydraulics, EV & Industrial Gear segments

2023
Successfully deployed 1,300 kWp solar panel installation at Lonand plant in November 2023

2024
First Indian auto component manufacturer to absorb the bevel gear grinding technology which significantly boosting the Company's capabilities to support the EV and low noise application in terms of NVH characteristics

2025
Diversified into the manufacturing of components for recreational vehicles

2026
Clocked highest turnover of ₹ 790.50 Crores; Signed PPA with Hexa Climate Solutions for renewable energy supply at Faridabad (3,640 kWp)

Business Verticals

Developing Cutting-Edge Solutions for Diverse Needs

Blending innovation with precision engineering, we offer a comprehensive range of gears, furnaces and automotive components. We are also actively investing in next-generation products to stay ahead of industry developments and meet evolving customer expectations, supporting the shift towards a smarter and cleaner mobility future.

Key Growth Drivers

Expand New Order Bookings

Improve Margins through Value Added Offerings

Cost Optimisation

Gears

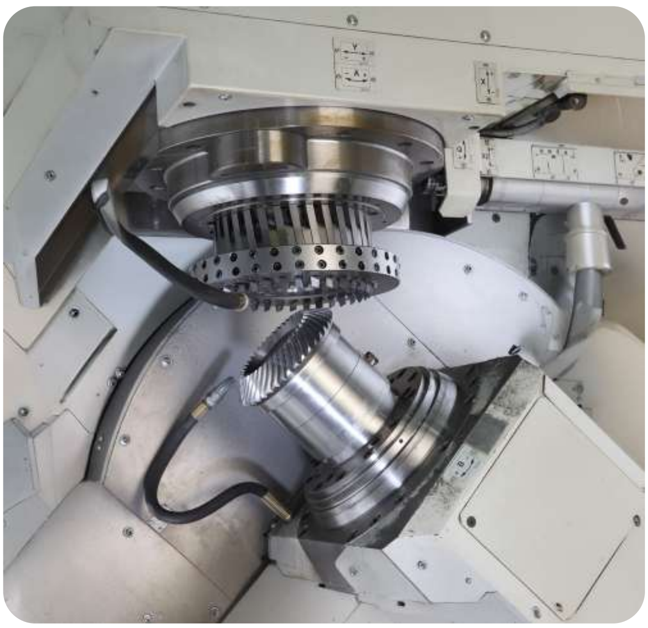
Our advanced Engineering and manufacturing competencies enable us to develop high-quality bevel gears and transmission gear products while efficiently addressing the evolving automotive industry requirements. Further, we are making a foray in forward integration via sub-assemblies. We continue to strategically diversify our portfolio into hybrid vehicle gears, Electric Vehicle (EV) and renewable energy segments and invest in the latest technology to seize emerging market opportunities and sustain our technology and market leadership. Simultaneously, we have strengthened our position in the construction machinery segment through new orders and increased market share.

Ring gears & pinions

Transmission gears

Shafts

Differential gears



Furnaces

We have collaborated with technology major AFC-Holcroft, Michigan (USA), to manufacture high-end batch and continuous heat-treating furnaces. Offering superior quality, performance, operator-friendliness and easy maintenance, these furnaces are well-suited for Indian conditions. The partnership has also enabled us to expand our furnace portfolio beyond captive usage to serve the broader commercial market, particularly the automotive segment.

High-end batch and continuous heating furnaces

Automotive Components

We lead the way in delivering high performance products across diverse categories. These include:

- **Automotive clutch components**
- **Turbochargers and components**
- **Crown wheel & pinion**
- **Transmission gears**
- **Straight bevel gears**
- **Axle shafts**
- **Fly-wheel assemblies and rings**
- **Propeller shaft components**
- **U-cross**
- **Differential cages**
- **Break lining**
- **Centre & clutch bearing**

New Products Launched in FY 2025-26

- 1 Sub-assembly for higher-end tractor differential application
- 4 Ground Bevel gears
- Honing technology for gears & shafts

Our Partnerships

Creating Sustainable Value Together

We develop innovative and cost-effective gears, furnaces and automotive components for our diverse customer base, including prominent industry players. Close engagement with our customers and efficient delivery systems have helped strengthen trust, build strong relationships and create long-term sustainable value.

Broad Client Spectrum

Gears Business

Since 1972, we have collaborated with leading corporations across the tractor, utility vehicle, commercial vehicle and construction equipment sectors, building long-standing partnerships.

ASHOK LEYLAND	CARRARO	CLAAS	CNH INDUSTRIAL	DANA
EATON	Kubota Escorts Kubota Limited	JCB	JOHN DEERE	KION GROUP
LIEBHERR	Mahindra	PAHARPUR	Parker	PMC Penn Machine Company
ROTAX	SCHAFER DRIVELINE	SCHAEFFLER	SISU AXLES	SML
SONALIKA INTERNATIONAL	SWARAJ	TAFE		TürkTraktör
TOYOTA	TUFF TORQ	VST TILLERS TRACTORS LTD.	Yanmar India	ZF

Furnace Business

Backed by our deep expertise in heat treatment technology, we provide customised design, erection and commissioning services to a diverse customer base.

Automotive Axles Limited

Avdhoot Industries

Nurturing Long-Term Collaborations

Over the years, BGL has established successful professional partnerships with prominent global technology firms. We value each alliance as integral to our overall business success. As such, we have maintained a consistent focus on delivering high quality products with a goal-oriented mindset, resulting in the success and longevity of our partnerships.

Technical Collaboration with AFC-Holcroft, USA (since 1982)

Since 1982, BGL has maintained a strategic long-term technical collaboration with AFC-Holcroft, USA.

Manufacturing

Building Future-Ready Capabilities

Our world-class manufacturing facilities help deliver products with precision, quality and efficiency. Equipped with advanced machinery and the latest technology, these facilities drive operational and cost efficiencies, improve productivity and keep us well positioned to meet changing industry demands, reinforcing our technology leadership while supporting sustainable growth.

3 State-of-the-art Manufacturing Units

Mumbra, Maharashtra

Established in 1972, the plant is spread across a total area of nearly 32 acres

Products Manufactured

Spiral & Hypoid Bevel Gears, Differential Gears & Crosses, Transmission Gears

Quality Certifications

IATF – 16949

Faridabad, Haryana

Operational since 2000, the plant is spread across a total area of around 10 acres

Products Manufactured

Spiral & Hypoid Bevel Gears, Transmission Gears

Quality Certifications

IATF – 16949; ISO - 9001:2015, 14001:2015 & 45001:2018

Lonand, Satara, Maharashtra

Commencing operations in 2013, the plant covers a total area of approximately 20 acres

Products Manufactured

Transmission Gears

Quality Certifications

IATF – 16949; ISO - 14001:2015 & 45001:2018

Strengthening Manufacturing Capabilities

In FY 2025-26, we undertook several measures to drive manufacturing excellence across our facilities.

Boosting Production and Quality

Key initiatives include

Lonand Plant

- Advanced the Zero-Tolerance Culture Drive further to boost material handling and movement discipline
- Implemented Quality Culture Drive through the 3A & 3C concepts, generating a significant reduction in rejection PPM and 95% reduction in customer complaints
- Installed necessary equipment to rationalise costs and eliminate inspection errors
- Installed multi-gauging checking units to enhance quality levels

Mumbra Plant

- Shifted bevel bore grinding operation to hard turning to reduce rejections
- More Focus on Planetary Ring Gear Development
- Utilised common tooling techniques to develop aftermarket parts, resulting in significant savings
- Improvements in HT productivity due to structured modification of processes

Faridabad Plant

- Productivity enhancement through process optimisation, fixture development, automation and machine utilisation improvements by implementing Industry 4.0 based real time machine monitoring system
- Best in Quality Award from JD Pune and Silver Award in Best Quality Circle category from Escorts Kubota

Safety Management

Safety remains a core operational priority for Bharat Gears. Around 67% of our manufacturing operations are certified under the Occupational Health and Safety Management System standard - ISO 45001. We have implemented a comprehensive Occupational Health and Safety Management System (OHSMS), aligned with ISO 45001 and ISO 14001, and supported by Formal legal compliance mechanism to monitor and ensure compliance.

For more details, refer to the ESG section, **Page 20**

Outlook

BGL is charting a clear path towards achieving ₹1,000 Crores in revenue in near time, driven by technology leadership, operational efficiency, and a long-term strategy centred on proprietary products. IT-enabled processes and sustainability will serve as key differentiators, while a disciplined focus on raw material costs will support the Company's near-term targets of EBIDTA and ROCE improvement. With continued investment in employee engagement and competence building, and a culture grounded in continuous improvement, operational excellence, and customer satisfaction, BGL is well-positioned to deliver sustainable, profitable growth for all stakeholders in the years ahead.

Message from the Chairman and Managing Director

The increasing demand for green mobility solutions led to a landmark 24.52 lakh EV units being sold in FY 2025-26, an impressive 24.6% y-o-y growth over the previous year

Dear Shareholders,

It gives me great pleasure to present the 54th Annual Report of Bharat Gears Limited for the financial year 2025-26. The year was defined by smart growth, key advancements and our steadfast commitment to building a more sustainable future while creating lasting value for all our stakeholders.

I am extremely delighted to share that, despite a challenging global environment, we delivered an exceptional performance, closing the year with a record-high Total Income of ₹ 79,050 Lakhs, a remarkable 21.60% y-o-y growth. Profit after Tax (PAT) rose to ₹ 1,650 Lakhs, an outstanding 417.24% increase over FY 2024-25, reflecting continued focus on profitability, product and tech innovation, operational excellence, cost leadership and market diversification.

Macro-Economic Scenario

In an uncertain global landscape, marked by geopolitical conflicts, including the Middle-East crisis, evolving tariffs and rising commodity prices, the Indian economy held steady and strong, generating a robust 7.7% real GDP growth and retaining its stature as the world's fastest-growing major economy in FY 2025-26. Growth was driven by manufacturing and service sectors, robust domestic consumption, prudent investments, continued capital expenditure and steady growth in agriculture and allied sectors.

India's demographic advantage, dynamic R&D competencies, low-cost skilled labour and world-class manufacturing infrastructure position it as an alternative destination for global OEMs implementing the 'China plus one strategy', amidst ongoing supply chain disruptions.

Continued infrastructure investment and supportive policies such as the Production Linked Incentive (PLI) schemes and the Atmanirbhar Bharat have further strengthened India's manufacturing ecosystem. These policies are aimed at promoting localisation, enhancing exports and boosting India's global competitiveness.

Wholesale inflation remained elevated due to Middle-East tensions, leading to higher fuel prices and energy prices. In response, the RBI maintained the repo rate at 5.25% in March 2026, following earlier repo-rate reductions, improving access to credit and supporting economic growth amid global uncertainties.

The Union Budget 2026-27 advanced the Viksit Bharat 2047 vision with continued investments in manufacturing and infrastructure while rooting for clean energy, digital transformation and MSME growth, strengthening India's foundation for long-term growth.

Industry Review

FY 2025-26 was a milestone year for India's automobile sector. The industry recorded its highest-ever annual sales across major vehicle categories, backed by GST 2.0 reforms, multiple repo rate cuts and revised income tax rates, improving affordability and customer confidence and reaffirming India's position as the world's third-largest automobile market. During this period, total passenger vehicle sales grew by 8% to 4.64 million units, commercial vehicles by 12.6% to 1.08 million units and three-wheelers by 8% to 0.84 million units. Vehicle exports across categories increased by 24% to reach 6.65 million units, further bolstering India's position in the global automotive manufacturing.

The increasing demand for green mobility solutions led to a landmark 24.52 lakh EV units being sold in FY 2025-26, an impressive 24.6% y-o-y growth over the previous year.

Steady growth in agriculture and allied sectors, proactive policies and subsidies, enhanced mechanisation and affordable credit schemes led to strong growth in the Indian tractor segment. In FY 2025-26, a record 1.04 million tractor units were sold, reflecting 18.55% yearly increase in retail tractor sales.

Policy interventions such as the National Logistics Policy, PM Gati Shakti, PLI schemes for automobile and auto components and PM E-Drive are expected to accelerate technology adoption, strengthen manufacturing infrastructure and enhance self-reliance towards creating a stronger, resilient and sustainable automotive ecosystem in India.

FY 2025-26 Performance Overview

In FY 2025-26, your Company's Total Income increased significantly to ₹ 79,050 Lakhs, a record-high, from ₹ 65,005 Lakhs in FY 2024-25. Strong demand from the domestic farm equipment segment, aggressive new order acquisitions with leading farm equipment OEMs and deepening

> *"Steady growth in agriculture and allied sectors, proactive policies and subsidies, enhanced mechanisation and affordable credit schemes led to strong growth in the Indian tractor segment"*

engagement with existing customers enabled us to deliver a healthy 20% growth, closely in line with industry volume growth of 25%.

Our exports accounted for 30% of the overall revenues in FY 2025-26.

Our EBITDA grew to ₹ 5,859 Lakhs, up from ₹2,781 Lakhs in FY 2024-25, a 110.68% growth. Cost optimisation across Procurement costs materials, power consumption and consumables increased EBITDA margins to 7.47% in FY 2025-26, a robust 74.53% y-o-y growth. Our disciplined approach to improving margins, return ratios and cash flows while scaling operations sustainably helped us deliver an exceptional PAT of ₹ 1,650 Lakhs over ₹ 319 Lakhs in the previous year, a whopping 417.24% y-o-y increase.

Strategic Focus

During the fiscal year, we sharpened our focus on operational excellence, cost optimisation, customer diversification, technological and digital transformation and differentiated offerings, driving profitable and disciplined growth.

On the product front, we introduced sub-assemblies to enhance our portfolio with differentiated offerings, customisation and higher value-added solutions. Under gears, we launched ground bevel gears while adapting honing technology for gears and shafts, further reaffirming our technology leadership in precision gear manufacturing.

As part of our customer diversification strategy, we continued to onboard new customers while exploring new markets through targeted engagements in domestic and international markets. We also strengthened our export footprint by deepening relationships with Tier-1 suppliers and progressively engaging directly with OEMs. Our focus on a more diversified customer mix has enabled us to reduce dependence on top customers, thereby reducing concentration risk.

We took a significant step forward in our clean mobility journey, venturing into EV products during the fiscal year. Currently, we are in discussion with select two-& three-wheeler EV players for long-term collaboration.

During the fiscal year, we continued to advance our ESG agenda with strategic initiatives through Project Vasundhara – our comprehensive ESG framework. During FY 2025-26, we accelerated the adoption of renewable electricity by signing a Power Purchase Agreement for our Faridabad. Today, nearly 67% of our manufacturing operations are certified under the Occupational Health and Safety Management System standard - ISO 45001, reinforcing our commitment to safe and sustainable operations, aligned with internationally benchmarked practices and evolving stakeholder expectations.

Way Ahead

As we enter FY 2026-27, I am optimistic about our long-term opportunities on the domestic and global front, though short-term headwinds could impact demand. Structural drivers such as increasing localisation, advanced technology adoption, rising demand for value-added and differentiated offerings and the growing shift towards aggregate and sub-assembly sourcing are creating new avenues of growth for suppliers offering innovative and cost-competitive solutions. Evolving mobility requirements are also increasing demand across emerging EV segments.

Prioritising value-added offerings, we will continue to deepen reach across our stronghold segments, including agriculture and construction equipment, while tapping new customers in electric and hybrid segments through an aggressive pricing strategy. The 'China plus one strategy' continues to work in India's favour as major OEM's look at alternative supply bases to mitigate risk. With our rising export capabilities, we are well-positioned to capture a greater share of this opportunity.

Backed by a strong order pipeline, a customer-first approach and a commitment to continuous innovation, we will continue to strengthen our technology leadership, optimise costs by adopting industry best practices and undertake strategic investments in people and process to build a smart, agile and future-ready organisation.

Maintaining our steadfast focus on consistent and profitable growth, we are well-prepared to seize emerging opportunities as we advance our mission to emerge as the global leader in powertrain components and aggregates.

In conclusion, I would like to extend my heartfelt gratitude to our shareholders, customers, partners, employees and other stakeholders for their unwavering trust and support.

With a strong foundation and a clear sense of purpose, we remain committed to building a sustainable future and creating a lasting, positive impact.

Warm regards,

Surinder Paul Kanwar

Chairman and Managing Director

FY 2025-26 Performance

Our Progress Defined by Robust Numbers

FY 2025-26 was a defining year in our history as we achieved the highest turnover of ₹ 79,050 Lakhs. Focus on new order acquisitions and robust demand from the domestic farm equipment segment supported this momentum. Alongside topline growth, sustained cost optimisation efforts contributed to stronger EBITDA margins of 7.47% and an outstanding PAT of ₹ 1,650 Lakhs, reinforcing our commitment to disciplined and smart growth.

Profit and Loss Indicators

Total Income (₹ in Lakhs)

2025-26	**79,050**
2024-25	65,005
2023-24	66,667
2022-23	77,152
2021-22	73,297

YoY growth: 21.60% ↑

EBITDA Margin (%)

2025-26	**7.47**
2024-25	4.28
2023-24	4.10
2022-23	7.14
2021-22	9.50

YoY growth: 74.53% ↑

PAT (₹ in Lakhs)

2025-26	**1,650**
2024-25	319
2023-24	(974)
2022-23	1,349
2021-22	2,584

YoY growth: 417.24% ↑

Balance Sheet Indicators

Capital Employed (₹ in Lakhs)

2025-26	**15,924**
2024-25	15,383
2023-24	18,151
2022-23	20,712
2021-22	17,677

Net Worth (₹ in Lakhs)

2025-26	**13,119**
2024-25	11,289
2023-24	11,060
2022-23	12,056
2021-22	10,819

Debt Equity Ratio (%)

2025-26	**0.44**
2024-25	0.54
2023-24	0.84
2022-23	0.85
2021-22	0.93

Key Operational Highlights

- Launched new products such as sub-assemblies, ground Bevel gears and honing technology for gears and shafts
- Marked our foray into EV products
- Dedicated manufacturing lines for key customers
- Signed PPA with Hexa Climate Solutions to supply renewable energy at Faridabad (3,640 kWp)

Business Strategy

Geared for a Smarter and Sustainable Future

At BGL, every strategy implemented is a deliberate step towards building a resilient and future-ready organisation, positioning us well to drive the next phase of smart and sustainable growth.

Strategic Focus Areas

1

Profitable and Disciplined Growth

We focused on improving margins, return ratios and cash flows while scaling operations sustainably.

Key Initiatives in FY 2025-26

- Undertook various cost optimisation measures across procurement costs, power consumption and consumables, leading to improved EBITDA margins

2

Operational Excellence and Cost Leadership

We continue to strengthen processes to enhance productivity, quality and efficiency across the value chain while sharpening our competitive edge.

Key Initiatives in FY 2025-26

- Established customer-oriented manufacturing dedicated lines for key customers consumables, leading to improved TIF and QPPM

3

Diversification of Customer Base and Markets

We expanded into new customer segments, geographies and end-use applications to reduce concentration risks and diversify our customer base and revenue potential.

Key Initiatives in FY 2025-26

- Tapping new customers and new segments through multiple visits, both locally and globally
- Targeting 2x plus growth with strategic customers
- Entering export markets initially through Tier 1 suppliers and progressing directly to OEM
- Reducing dependence on top customers to reduce concentration risks

4

Technology and Digital Transformation

We leveraged automation, digital tools, data analytics and innovation to improve agility, scalability and decision-making across our operations.

Key Initiatives in FY 2025-26

We have upgraded automation in bevel cutting machines and the CGCF furnace to enhance production capability and reduce manual interventions. We are further strengthening our manufacturing capabilities through AI-based inspection, automated quality control and quality-integrated automation across our gear manufacturing operations, eliminating subjective manual judgment. We are also deploying AI-powered vision systems to enable precise, 100% inspection of critical dimensions and surface quality, along with automated gauging and in-line sensors to provide real-time feedback, enabling machines to self-correct during the process. By integrating quality directly into the manufacturing process, these initiatives will significantly reduce rejections, enhance consistency, traceability, and compliance with automotive quality standards. This will improve EBITDA through lower scrap and higher first-pass yield and strengthen customer confidence with OEM partners while reinforcing BGL's culture of continuous improvement, operational excellence and technology leadership.

5

Enhancing Product and Value Proposition

We focused on moving up the value chain through differentiated offerings, customisation and increasing the share of premium solutions in our portfolio.

Key Initiatives in FY 2025-26

- Aggressive new order bookings supported by faster developments and a strong value proposition helped boost demand over and above robust demand from the domestic farm equipment
- Introduced new products such as sub-assemblies, ground Bevel gears and honing technology for gears and shafts
- Ventured into EV products to capitalise on growing opportunities

6

Sustainability and ESG Integration

Our sustainability efforts are centred on reducing environmental impact, fostering a safe, inclusive, and engaging workplace while upholding strong standards of governance and ethical conduct. We acknowledge that sustainability is an ongoing journey that requires continuous learning, measurable progress and active stakeholder engagement.

For more details, refer to the ESG section, pages 20-25.

Future Roadmap

Consistent Profitable Growth

Diversified Growth

Reinforce leadership position across key markets and segments

Cost Optimisation

Adopt industry best practices to optimise cost efficiencies

Operational Excellence

Actively invest in people and robust processes to build a future-ready BGL

Environmental, Social and Governance (ESG)

At Bharat Gears Limited, ESG governance is anchored at the highest level of the organisation, ensuring that sustainability considerations are integrated into strategic decision-making. A member of highest executive body of the company oversees the ESG initiative, enabling close alignment between governance oversight and operational leadership. This structure supports cohesive execution of strategy while maintaining a balance through clearly-defined roles, strong oversight by Non-Executive Independent Directors, a robust committee framework, adherence to the Code of Conduct, and withdrawal mechanisms wherever required to mitigate potential conflicts of interest.

Key Environmental and Social Targets

Building on the insights from our double materiality assessment, Bharat Gears Limited has defined a focused set of ESG targets that address our most critical material issues while aligning with the United Nations Sustainable Development Goals (UN SDGs). This alignment reflects our commitment to contributing to global sustainability priorities, ensuring that our initiatives create long-term value for our business, society and the environment.

ESG Goals

Environment

Environmental Target	Target Description
Energy Reduction	Reduce energy intensity by 15% by FY 2029-30 from the FY 2023-24 baseline
Adopt Renewable Electricity	Achieve 25% renewable electricity in own operations by FY 2033-34
Freshwater Withdrawal Intensity Reduction	Reduce freshwater withdrawal intensity by 40% by FY 2029-30 from the FY 2023-24 baseline
Zero Liquid Discharge (ZLD)	Achieve Zero Liquid Discharge across all manufacturing operations by FY 2029-30
Zero Waste to Landfill	Achieve 100% diversion of waste from landfill across all manufacturing facilities by FY 2034-35

Social

Social Target	Target Description
100% Training Provided/ Conducted for Employees	Maintain 100% training coverage for employees
Women in Workforce	Increase women's representation in the workforce by 10% by FY 2029-30

Governance

Governance Targets	Target Description
Training on Code of Conduct and Ethical Standards	Achieve 100% employee coverage for Code of Conduct and ethical standards training by FY 2029-30
Supply Chain	Achieve 100% supplier ESG audits by FY 2029-30

Environmental

Environmental stewardship is a core responsibility for Bharat Gears Limited. The scale and nature of our manufacturing operations lead to high use of energy, materials, and water, along with the generation of emissions and waste. We recognise the importance of embedding sustainable practices across our operations for effectively managing our environmental impacts, strengthening resource efficiency while ensuring compliance with applicable regulatory requirements.

Energy Conservation

As an energy-intensive business, energy management remains integral to enhancing operational efficiency and reducing greenhouse gases. Over the past few years, we have undertaken various measures across our manufacturing facilities to strengthen our energy performance and reduce our environmental impact.

Key initiatives include:

- Installation of automatic power factor correction (APFC) panels in the Low Tension (LT) Room to effectively manage the power factor
- Cleaning of all transparent roof sheets at the Mumbra and Lonand plants to increase natural light on the shop floor, reducing power consumption
- Maintaining a unity power factor throughout the year
- Monitoring fuel-based and electricity-based energy consumption through structured governance mechanisms and quarterly ESG team reviews
- Process optimisation initiatives, including better material utilisation, autoloading systems, fixture redesigns, reduced handling losses and energy-efficient operational practices under the Kaizen framework
- Putting motion sensors on office lights across departments at the Faridabad plant to conserve electricity and energy through drive optimisation
- Heavy duty AC induction motors were replaced by less capacity motors on 3 machines at the Mumbra plant, resulting in 225 KVA power saving per day
- Using an alternative source of energy from a 950 kW of solar plant at Lonand plant, supporting green energy adoption and reducing our carbon footprint
- Plans to procure solar green energy from solar generating plants at Mumbra plant in the coming fiscal year

15,22,513 kWh

Net Savings in Electricity for FY 2025-26

Resource Optimisation

Along with energy conservation, we focused on optimising our resources across facilities to drive continual process improvement while reducing wastage and environmental impact.

Key initiatives include:

- Use of treated water from the Sewage Treatment Plant (STP) for gardening
- Implemented projects such as Zero Water Leakage and Zero Air Leakage to reduce wastage and protect environment
- Establishing sustainability targets and KPIs for effective monitoring, review and continual process improvement
- Utilised furnace waste heat to maintain washing tank temperatures at Lonand facility, cutting process emissions by 50%
- Transitioning from separate blowers to a single blower for two furnaces at Lonand plant, significantly reducing electricity consumption by 1.13%.

1,100 Tons

Total Reduction in CO_2 Emissions in FY 2025-26

8.40 Tons

Total Waste Reduction in FY 2025-26

Social

At Bharat Gears Limited, our people are at the heart of our performance and resilience. We strive to create a workplace where safety is integral to operations, growth opportunities are actively enabled, and dignity and respect guide all interactions. Our social commitments span employee development, workplace well-being and community outreach, reflecting our belief that responsible business starts from within and creates positive impact beyond our boundaries.

At BGL, our social performance reflects our commitment to employee well-being, workplace safety,inclusive practices and responsible community engagement.

Key FY 2025-26 Highlights

1,107
Total Employees

100%
Employees covered under health, statutory and retirement benefits

100%
Employees received training and performance & career development review

100%
Operational sites covered under health & safety and human rights risk assessments

Zero
Cases of sexual harassment, workplace harassment, discrimination, child labour or forced labour reported

Zero
Lost Time Injury Frequency Rate (LTIFR) across operations

Zero
Fatalities reported across all locations

2,626
Total accident-free days Up to 31.03.2026

Corporate Social Responsibility

Guided by a broader sense of responsibility, we continue to invest in thoughtful CSR programmes, contributing to the well-being of communities where we operate and driving environmental sustainability.

In FY 2025-26, we contributed ₹ 8 Lakhs for various CSR initiatives. These include

Supporting Special Children

We donated a sum of ₹ 2 Lakhs to The Association of Parents of Mentally Retarded Children ("Adhar") for providing lifetime care, training, treatment and rehabilitation to the special children.

Food Distribution to Needy People

We donated foodgrains worth ₹ 3 Lakhs, including wheat flour, rice, pulses and shoes to Robin Hood Army, Faridabad, for distribution to needy people in local areas.

Promoting Environmental Stewardship

We made a donation of ₹ 3 Lakhs to Vanshivat Vishwa Mangalam" for Vriksh Vandana Project by Giriraj Talhati, Goverdhan, Mathura,for planting trees, aligned with our commitment to promoting environmental sustainability.

₹ 8 Lakhs

Total CSR Spend in FY 2025-26

Governance

Seasoned Leadership

At BGL, we are guided by an experienced Board of Directors with deep expertise across diverse domains. Upholding industry best governance practices, the Board provides strategic direction and oversight, ensuring transparency across operations, protecting stakeholder interests and driving long-term sustainable growth.

Board of Directors

Mr. Surinder Paul Kanwar
Chairman & Managing Director

Mr. Naresh Kumar Verma
Executive Director-Operations

Mr. Wolfgang Rudolf Schilha
Non-Executive Independent Director

Mr. Nagar Venkatraman Srinivasan
Non-Executive Independent Director

Mr. Raman Nanda
Non-Executive Independent Director

Ms. Kavita Jha
Non-Executive Independent Director

Mr. Bharat Dev Singh Kanwar
Non-Executive Independent Director

Mr. Satya Prakash Mangal
Non-Executive Independent Director

Executive Leadership Team

Mr. Jagdeep Singh
Business Head – After Market

Mr. Milind Pujari
Chief Financial Officer

Mr. Prashant Khattry
Corporate Head - Legal & Company Secretary

Mr. Kiran Rai
Process Head-OE Marketing & Business Development

Awards & Recognition


COLLABORATE.COMMIT. ACCELERATE

ZF GROUP REGION INDIA
STRATEGIC SUPPLIER MEET 2026
APRIL 29, 2026

CERTIFICATE OF APPRECIATION
presented to
Bharat Gears Ltd., Faridabad
for
Outstanding support to ZF Group for its India Procurement Strategy

Localization Excellence:
For driving outstanding excellence in localizing ECOMAX parts, achieving 086696 through alternate material grades, while effectively managing global part developments across ZF locations to enhance localization measures and supply robustness.

Frank Day
SVP & Head of Procurement,
Commercial Vehicle Solutions, Industrial Technology & Region India,
ZF Group

Mandar Vaidya
Head of Region India,
ZF Group India Private Ltd.

Localization Excellence 2026

Partner Level Award
for year 2026 (JD)

PFMEA Driven
Excellence (2025)

Excellence In Gear
Manufacturing

Zero Defects Supply
in FY 2025-26

Corporate Information

Board of Directors

Executive Directors

Mr. Surinder Paul Kanwar
Chairman & Managing Director

Mr. Sameer Kanwar
Joint Managing Director
(Till 31 May, 2026)

Mr. Naresh Kumar Verma
Executive Director-Operations
(w.e.f. 01 June, 2026)

Non-Executive Independent Directors

Mr. Wolfgang Rudolf Schilha

Mr. Raman Nanda

Ms. Kavita Jha

Mr. Bharat Dev Singh Kanwar
(Appointed on 22 May, 2025)

Mr. Satya Prakash Mangal
(Appointed on 22 May, 2025)

Mr. Nagar Venkatraman Srinivasan
(Designated as Non-Executive Independent Director w.e.f. 22 May, 2025)

Mr. Rakesh Chopra
(Tenure completed on 30 July, 2025)

Mr. Virendra Kumar Pargal
(Tenure completed on 30 July, 2025)

Audit Committee

Mr. Raman Nanda
Chairman

Ms. Kavita Jha

Mr. Satya Prakash Mangal

Mr. Bharat Dev Singh Kanwar

Stakeholders Relationship Committee

Mr. Nagar Venkatraman Srinivasan Chairman

Mr. Surinder Paul Kanwar

Mr. Raman Nanda

Mr. Naresh Kumar Verma
(w.e.f. 29 June, 2026)

Mr. Sameer Kanwar
(Till 31 May, 2026)

Nomination & Remuneration Committee

Mr. Nagar Venkatraman Srinivasan Chairman

Ms. Kavita Jha

Mr. Satya Prakash Mangal

Mr. Surinder Paul Kanwar

Corporate Social Responsibility Committee

Mr. Satya Prakash Mangal
Chairman

Mr. Surinder Paul Kanwar

Mr. Raman Nanda

Mr. Naresh Kumar Verma
(w.e.f. 29 June, 2026)

Mr. Sameer Kanwar
(Till 31 May, 2026)

Finance Committee

Mr. Surinder Paul Kanwar
Chairman

Mr. Nagar Venkatraman Srinivasan

Mr. Satya Prakash Mangal

Mr. Naresh Kumar Verma
(w.e.f. 29 June, 2026)

Mr. Sameer Kanwar
(Till 31 May, 2026)

Auditors

Deloitte Haskins & Sells LLP
One International Centre, Tower 3,
31st Floor, Senapati Bapat Marg,
Elphinstone Road (West)
Mumbai - 400013, Maharashtra

Bankers

State Bank of India
IDBI Bank Limited

NBFC

Aditya Birla Capital Limited
Tata Capital Limited

Registrar & Transfer Agent

MUFG Intime India Private Limited
Noble Heights, 1st Floor, Plot NH 2,
C-1 Block LSC,
Near Savitri Market, Janakpuri,
New Delhi - 110 058

Plant Locations

Kausa Shil, Mumbra,
District Thane - 400
612, Maharashtra

20 K.M. Mathura Road,
P.O. Amar Nagar,
Faridabad - 121 003,
Haryana

Lonand, Taluka Khandala,
District Satara - 415
521, Maharashtra

Registered Office

20 K.M. Mathura Road,
P.O. Amar Nagar,
Faridabad - 121 003,
Haryana

Corporate Office

14th Floor, Hoechst House,
Nariman Point,
Mumbai - 400 021
Maharashtra

Branch Office

1009, Surya Kiran Building,
19, Kasturba Gandhi Marg,
New Delhi - 110 001

G-6, 1, Crooked Lane,
Kolkata - 700 069

Management Discussion and Analysis

Global Economy

The global economy demonstrated stability throughout 2025, effectively navigating evolving trade policies and diverse regional performance variations. Strategic investments in technology played a key role in offsetting the impacts of emerging tariffs and policy shifts. Worldwide inflation stabilised at 4.1%, with several nations achieving rates below initial market forecasts. Household spending grew consistently across the globe during the year, supported by technology-driven investments and wage increases in major regions. In the United States and emerging Asia particularly, consumer expenditure on goods and services accelerated as financial conditions eased, helping to counterbalance tariff-related pressures.

The Russia-Ukraine conflict persisted through 2025, continuing to unsettle global energy markets and supply chains while creating uncertainty around commodity prices and international trade flows. Simultaneously, intensifying tensions in the Middle East placed additional strain on oil supplies and amplified inflationary pressures across multiple economies. These geopolitical developments posed significant challenges to manufacturing industries worldwide and tested the limits of international diplomatic efforts.

Global employment markets remained robust despite trade uncertainties and policy concerns. Strong hiring momentum in technology and services sectors compensated for more subdued job creation in manufacturing. This employment resilience supported household incomes and contributed to broader economic well-being. The services sector emerged as a critical pillar of global growth in 2025, expanding steadily even as physical goods trade experienced volatility. Solid performances in financial services, technology, and tourism helped offset manufacturing slowdowns, particularly evident in Europe and Asia, ultimately sustaining overall economic momentum.

World GDP growth stood at 3.3% in 2025, though results varied significantly by region. Advanced economies expanded by 1.7%, with the United States recording 2.1% growth driven by technology investments and fiscal measures. The euro area managed 1.4% growth, while Japan achieved 1.1%. Emerging markets outperformed with 4.4% growth overall, led by India's robust 7.3% expansion and China's 5.0% increase.

Real GDP Growth

World Output

Advanced Economies

Emerging Market and Developing Economies

P = Projections

World trade volumes expanded to 4.1% in 2025, up from 3.6% the previous year in 2024. Trade tensions eased following a US-China agreement that reduced tariffs and suspended export restrictions on electronic components and critical minerals. The United States also lifted select agricultural tariffs, maintaining overall tariff levels comparable to prior periods. Although policy uncertainties had declined from their late-2025 peaks, they remained elevated compared to the previous year. Financial conditions generally supported economic activity despite some market fluctuations, with high-growth technology stocks outperforming broader market indices. Global trade stability persisted, bolstered by robust technology-related exports originating from Asia.

Central banks effectively controlled inflation through measured policy adjustments, including interest rate reductions in the United States and United Kingdom. These actions sustained a supportive financial environment amid ongoing trade and geopolitical challenges.

(Source: World Economic Outlook (IMF))

Outlook

The global economy enters a period of stability in 2026, with projected growth of 3.3% before moderating to 3.2% in 2027. This trajectory reflects a decisive shift toward technology-led productivity gains, particularly as artificial intelligence integrates more deeply into industrial processes and medical applications, helping to offset lingering trade tensions and evolving political pressures.

Advanced economies anticipate 1.8% growth in 2026, led by the United States at 2.4%, bolstered by tax incentives under the One Big Beautiful Bill Act and market recovery following the brief 2025 federal shutdown. These measures create a favourable environment for private investment and domestic consumption. The Eurozone expects more measured expansion at 1.3%, maintaining its role as a stable anchor in global markets, while Japan's growth recalibrates to 0.7% amid recent policy adjustments.

Emerging markets sustain robust momentum above 4.0%, with China projected at 4.5% growth supported by domestic financial stimulus and improved US trade relations. India continues as a standout performer with 6.4% expansion, cementing its position as a critical hub for manufacturing and digital innovation.

Headline inflation is expected to ease gradually to 3.8% in 2026 and further to 3.4% in 2027, as advanced economies approach targets more slowly – particularly the United States. Central bank policy rates are expected to decline steadily in the United States and United Kingdom, hold steady in the euro area, and rise modestly in Japan. World trade growth is expected to moderate to 2.6% in 2026 amid tariff recalibrations, yet remains underpinned by resilient technology exports.

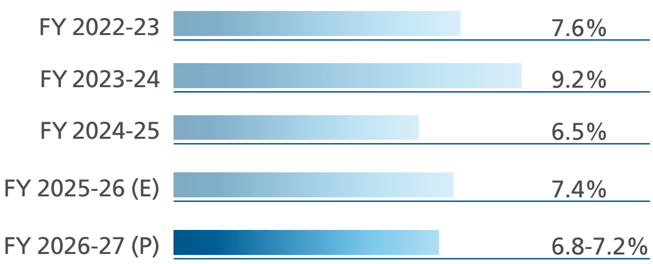
(Source: World Economic Outlook (IMF))

Indian Economy

The Indian economy in 2025-26 demonstrated steady strength against a global backdrop of trade uncertainty and market swings. First Advance Estimates project real GDP growth at 7.4% and Gross Value Added at 7.3%, highlighting the durability of a growth model led by domestic demand. Strong agricultural output supported rural incomes, while urban consumption improved due to steady employment and lower inflation.

(Source: PIB)

Gross Domestic Product (GDP)



E = Estimated ; P = Projections

In a significant milestone, India has surpassed Japan to become the world's fourth-largest economy with a current GDP of $ 4.18 trillion. The country is on track to become the third-largest economy by 2030 with a projected GDP of $ 7.3 trillion. These figures confirm that India remains the fastest- growing major economy, supported by resilient domestic demand and ongoing structural reforms.

(Source: AngelOne)

Private consumption remains a primary driver, aided by lower inflation and higher real incomes. Investments increased with public capital expenditure of ₹ 12.2 Lakh Crore (as per the Union budget 2026-27), which enhanced infrastructure and spurred activity in manufacturing, construction, and energy. Government initiatives like Viksit Bharat 2047 promote self-reliance and capacity building despite external pressures.

The Union Budget for 2026-27 reaffirms the focus on driving economic growth while managing finances responsibly. By continuing to prioritise long-term investments in infrastructure and manufacturing, the budget supports the broader vision of a developed India. Significant emphasis has been placed on energy transition, digital innovation, and support for small and medium enterprises. New measures to simplify business operations and improve access to credit are expected to boost industrial production and create a solid foundation for sustainable future growth.

Average headline Consumer Price Index (CPI) Inflation (retail inflation) reached a historic low of 1.7% during the first nine months of FY 2025-26. This price stability has been a key driver in strengthening domestic purchasing power. Moving forward, inflation expectations remain well-anchored, with the RBI projecting a rate of 2.0% for the full year. This stability is supported by disciplined government spending and steady growth in bank credit. Furthermore, the banking sector remains resilient with strong capital reserves and low levels of bad loans. With foreign exchange reserves exceeding $ 700 billion, India has become the fourth-largest economy, and it is well-positioned to withstand global volatility.

(Source: PIB)

Outlook

The outlook for the Indian economy remains positive and stable. For the upcoming 2026-27, real GDP is expected to grow between 6.8% and 7.2%. This demonstrates India's ability to maintain strong momentum even during times of global uncertainty.

This growth will likely be driven by continued government spending on infrastructure, a steady increase in private sector investment, and a strengthening manufacturing base. Additionally, the services sector is expected to maintain its consistent expansion. Supported by a stable economy and steady policies, India is well-prepared to manage global challenges while ensuring that economic progress remains inclusive and sustainable over the long term.

(Source: PIB)

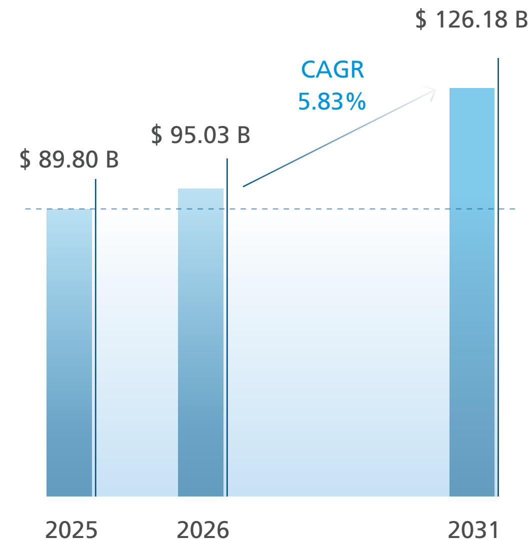
Industry Overview

Global Tractor Sector

The global tractor industry is set for sustained growth, with market value projected to reach $ 95.03 billion in 2026, expanding to over $ 126.18 billion by 2031 at a CAGR of 5.83%. Growth is driven by rising agricultural mechanisation, expanding farm sizes, and steady investments in rural infrastructure, most notably in the Asia-Pacific region, which accounts for more than 48% of global sales, led by India and China.

Tractor Market

Market Size in US$ Billion



(Source: Mordor Intelligence)

Adoption of modern technologies, electrification pilots, and autonomous machinery is enhancing productivity and efficiency in both farming and non-farm applications. Tractors above 100 horsepower are expected to grow fastest, meeting the needs of larger farms and diversified agricultural operations. Government subsidies, favourable financing, and the push for sustainable, emissions-compliant equipment are further supporting global demand.

North America and Europe show mature purchasing cycles and innovation through electric, hybrid, and autonomous tractor offerings, while emerging markets drive high-volume sales of mid-range units. Export growth and increased global food demand continue to underpin the long-term resilience of the sector, despite regional regulatory changes and fluctuating input costs.

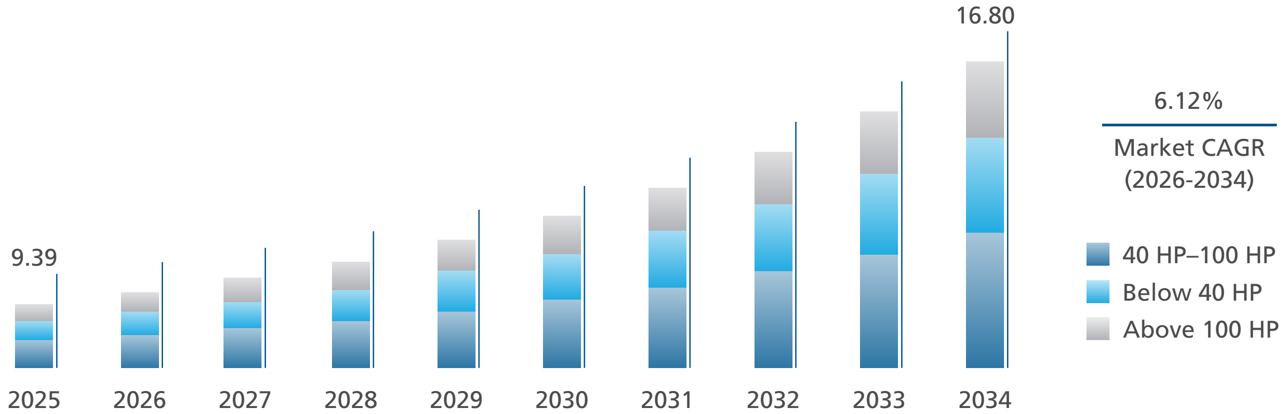
Indian Tractor Sector

The Indian tractor market is a core segment of the country's agricultural and allied equipment ecosystem, supporting the mechanisation of farming, construction-linked activities, and infrastructure-related tasks through a diverse range of horsepower graded platforms.

The Indian tractor market was valued at $ 9.39 billion in 2025 and is projected to reach $ 16.80 billion by 2034, growing at a CAGR of 6.12% during 2026-2034, as per the IMARC Group report. This expansion reflects rising farm income levels, deeper mechanisation of small and medium-sized holdings, and policy-linked financing and subsidy support that together improve rural purchasing power for tractors.

India Tractor Market Forecast

Size, By Power Output, 2025-2034 (US$ Billion)



By power output, the 40 HP - 100 HP segment dominated the market with a 55.2% share in 2025, as this mid range band offers an optimal balance of performance, fuel efficiency, and versatility across India's varied cropping systems and fragmented landholdings. This band efficiently handles ploughing, sowing, hauling, and harvesting, supports a wide range of attachments, and benefits from relatively lower maintenance and operating costs.

By application, agriculture accounted for 82.4% of the Indian tractor market share in 2025, underpinning the centrepiece of the sector's demand base. Tractors are critical for ploughing, tilling, harvesting, and powering attachments such as rotavators, seed drills, and irrigation linked equipment, with demand sustained by seasonal crop cycles and policy backed modernisation programmes. Non agricultural segments such as construction, infrastructure, and forestry are growing in importance, broadening the tractors' addressable application base beyond pure farming.

Growth is being driven by rising agricultural mechanisation imperatives, small farm and marginal farm focused incentives, and low interest financing and leasing schemes, which collectively lower the effective entry barrier for tractor ownership. Farmers are increasingly seeking multi task, compact, and fuel efficient models that can operate on narrow lanes and fragmented plots while handling a wide range of attachments, reducing labour dependency and operational costs. Durability, operator comfort, and ease of service, including digital instrument clusters and improved cooling systems, are becoming important purchase criteria, especially for long duration field operations.

The sector is also witnessing greater adoption of digital platform based tractor marketplaces, which connect farmers with equipment, financing, and transparent pricing mechanisms, thereby improving access and utilisation in remote areas. In parallel, sustainable traction innovations such as electric tractors and low emission, high efficiency diesel platforms are gaining traction, reflecting a shift toward eco-friendly and cost-efficient mechanisation.

Despite strong fundamentals, the market faces affordability barriers for small and marginal farmers, monsoon-linked demand volatility, and rising compliance costs under TREM IV and upcoming TREM V emission norms, which can increase per unit manufacturing complexity and pricing. Limited formal credit access in some remote rural belts and infrastructural gaps in low mechanisation regions also moderate the pace of penetration.

Looking ahead, the Indian tractor market is expected to benefit from continued expansion of tractor penetration in central and eastern India, deeper mechanisation of labour intensive crops, and technological upgrading of existing fleets, all of which are anchored in the 2025 based size and 6.12% CAGR scenario projected by the source report.

(Source: IMARC)

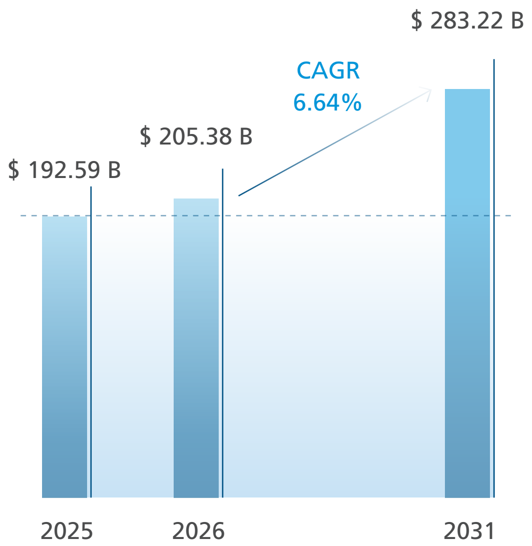
Global Construction Equipment Sector

The global construction equipment market is a core segment of capital goods demand, providing earth moving, lifting, material handling, and paving machinery that supports infrastructure, construction mining, energy, and industrial projects worldwide.

The global construction equipment market was valued at $ 192.59 billion in 2025 and is projected to grow from $ 205.38 billion in 2026 to $ 283.22 billion by 2031, expanding at a CAGR of 6.64% during 2026-2031, as per the Mordor Intelligence report. This growth reflects sustained investment in infrastructure, urban expansion programmes, and energy transition linked projects, alongside rising demand for specialised and high productivity machinery in developed and emerging market economies.

Construction Equipment Market

Market Size in US$ Billion



(Source: Mordor Intelligence)

Key industry trends include increasing digitalisation and automation, with telematics, IoT-enabled monitoring, and predictive maintenance systems delivering efficiency gains. Electrification and sustainability are shaping new product development. Over the next five years, sales of electric and hybrid equipment are predicted to increase nearly threefold, as environmental regulations and customer preferences evolve. Equipment rental and subscription models are also gaining traction, providing contractors access to the latest technology while optimising capital expenditure.

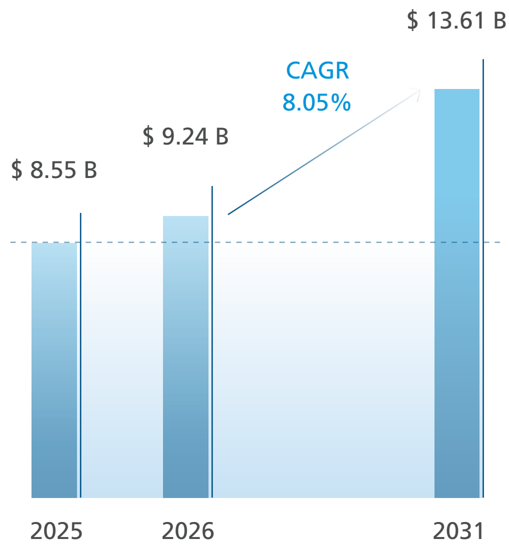
Indian Construction Equipment Sector

The Indian construction equipment market is a critical enabler of infrastructure, construction and industrial development projects, supplying earth moving machines, lift cranes, and material handling equipment that underpin highways, urban sprawl, railways, and energy linked construction.

The Indian construction equipment market was valued at $ 8.55 billion in 2025 and is projected to grow from $ 9.24 billion in 2026 to $ 13.61 billion by 2031, expanding at a CAGR of 8.05% during 2026-2031, as per the Mordor Intelligence report. This growth is driven by the government's multi year infrastructure spend roadmap, including national-level highway programmes, metro rail expansions, and defence and energy related construction, which collectively sustain demand for heavier and more specialised machines.

India Construction Equipment Market

Market Size in US$ Billion



(Source: Mordor Intelligence)

By equipment type, excavators led the Indian construction equipment market in 2025 with 47.42% share, owing to their versatility in road building, trenching, and multi attachment jobs across highways, municipalities, and mining linked sites. Backhoe loaders captured 21.09% share and are expected to grow at a CAGR of 7.23% to 2031, supported by demand from utility trenching, small building, and rural infrastructure projects. Telehandlers are projected to register the fastest growth at 14.34% CAGR, as solar farm and industrial warehouse construction favour multi-level materials handling machines with high reach capabilities. Other key segments include dump trucks, motor graders, and crane variations, which cater to earth moving, grading, and lifting linked work scopes.

By application, civil construction accounted for 51.65% of the market share in 2025, underpinned by residential tower building, township development, and housing scheme linked projects that rely on excavators, dump trucks, and lift machines. Road construction is the fastest growing application, expected to grow at a 14.15% CAGR to 2031, supported by the expansion of national and state highway networks, urban freeways, and connectivity corridors. Agriculture linked uses, including bunding, canal laying, and farm modernisation, also contribute a notable share, while the mining and quarrying segment demand is expanding in line with mineral extraction linked activities.

Growth is being driven by a strong government-led infrastructure push, including flagship national highway expansion programmes, metro rail and urban mass transit projects, and defence and energy-related construction spend, which collectively sustain demand for heavier grade machines. Expectations of lower interest rate cycles post 2026 are expected to ease the high ticket nature of construction equipment purchases, making financing and leasing based acquisitions more affordable for contractors and agricultural users.

Looking ahead, the Indian construction equipment sector is expected to benefit from sustained infrastructure investments, increasing mechanisation, and rising demand for specialised equipment, including compact excavators, truck-mounted cranes, and telehandlers suited for urban and space-constrained projects. Continued investments in roads, railways, mining, and urban infrastructure, along with increasing adoption of equipment rental solutions and technologically advanced machinery, are expected to support the sector's long-term growth trajectory.

Global Automobile Industry

The global automobile industry is a large scale, technology intensive sector that spans passenger vehicles, commercial vehicles, and related components, serving mobility, logistics, and industrial transport needs across the world. The market is anchored by continuous product development cycles, supply chain reconfiguration, and evolving regulatory requirements on emissions, safety, and digital connectivity.

The global automotive market was valued at $ 2.75 trillion in 2025 and is projected to grow to $ 3.26 trillion by 2030, expanding at a CAGR of 3.46% during 2025-2030. This growth reflects stable vehicle ownership expansion in emerging economy urban centres, gradual replacement of ageing fleets in mature markets, and rising demand for connected and higher feature content vehicles across both personal and commercial segments.

By vehicle type, the market separates into passenger cars and commercial vehicles, with passenger cars forming the largest share of production and retail volume, while commercial vehicles are critical for freight, logistics, and public transport networks. Within passenger vehicles, SUVs and crossovers are capturing a growing share of registrations, reflecting consumer preference for higher riding, spacious, and safety perceived platforms. Commercial vehicles are increasingly tailored to e commerce driven last mile delivery, inter city freight, and public bus fleet modernisation programmes that demand higher utilisation and lower emission solutions.

The sector's growth is being driven by rising vehicle ownership in emerging economy cities, renewal of ageing fleets in mature markets, and policy push for low emission and connected mobility solutions, all of which are reflected in the 3.46% CAGR to 2030. Digital cockpit and telematics driven services and modular EV platform strategies are extending OEM value beyond the initial hardware sale and supporting higher engineering and services content.

However, the industry faces critical mineral supply bottlenecks, semiconductor sourcing risks, and evolving regulatory frameworks on emissions, cybersecurity and data privacy, which are pushing manufacturers to invest in resilient supply chains, local content strategies, and higher investment in R&D. Over the forecast period, the global automobile industry is expected to remain a high capital, high volume, and technology velocity sector, anchored to the 2025–2030 size and growth trajectory set out in the Mordor Intelligence report.

Indian Automobile Industry

The Indian automobile industry has reached a decisive stage in its development, with India now recognised as the world's third-largest automobile market, having overtaken Japan in recent years. The sector's valuation exceeds ₹ 22 Lakh Crore (~ $ 260 billion), reflecting rapid growth driven by strong domestic demand, government incentives, and a strategic shift toward electric vehicles (EVs). The Union Minister for Road Transport and Highways, Nitin Gadkari, has reiterated the government's ambitious goal of making India the world's number one automobile manufacturing nation by 2030, supported by expanding exports, job creation, and large scale infrastructure and sustainability initiatives.

This aspirational target rests on strong fundamentals, including rising income levels and urbanisation that sustain domestic demand, growing export volumes to global markets, and rapid technological transformation in design, connectivity, and electrification. The sector is also being reshaped by green mobility policies and production linked incentive schemes, which are accelerating the adoption of EVs and hybrid technologies across passenger vehicles, two-wheelers, and commercial fleets. As a result, India is evolving from a cost competitive manufacturing base into a broader global mobility hub, with domestic manufacturers and global OEMs increasingly treating the country as a design, export, and innovation support centre.

Key Milestones

India is the World's 3rd-Largest Auto Market

Largest manufacturer of three-wheelers

Second-largest manufacturer of two-wheelers

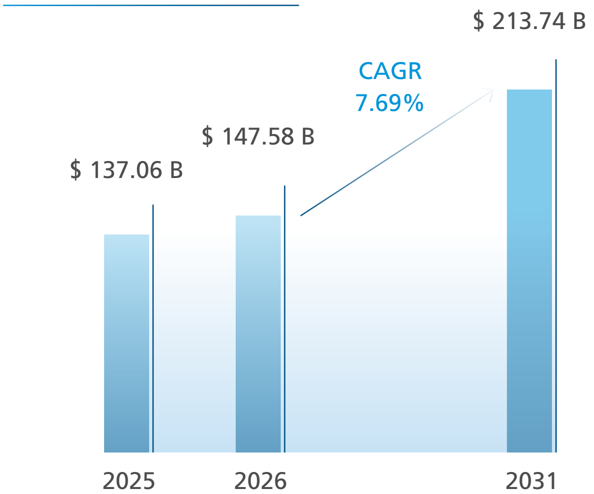
Third-largest manufacturer of passenger vehicles globally

(Source: Ambedkar Chamber of Commerce and Industry)

The Indian automobile market is valued at $ 137.06 billion in 2025 and is expected to grow to $ 147.58 billion in 2026, with forecasts indicating a rise to $ 213.74 billion by 2031, at a CAGR of 7.69% during 2026-2031. This growth is underpinned by large scale vehicle production, with the industry manufacturing around 28.43 million vehicles in FY 2023-24, highlighting the sector's position as one of the largest in the global automotive landscape.

Indian Automobile Industry

Market Size in US$ Billion



(Source: Mordor Intelligence)

By ownership, personal vehicles commanded 75.94% of the Indian automobile market size in 2025, reflecting the dominance of privately-owned cars and two-wheelers, while commercial fleets are projected to grow at a CAGR of 9.16% to 2031, driven by expanding logistics, e commerce, and inter city transport networks.

The sector's growth is being driven by population led consumption demand, rising household incomes, policy backed electrification, and a robust domestic manufacturing base that also supports export-oriented production. Strengthening infrastructure, digital payment adoption, and financing product innovations are further improving affordability and access to automobiles, especially in Tier II and Tier III markets. Looking ahead, the industry is expected to deepen its electrification, connectivity, and emission control capabilities, reinforcing India's position as a leading automotive production and consumption hub in Asia.

Automobile Domestic Sales Trend

Category	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Passenger Vehicles	27,11,457	30,69,523	38,90,114	42,18,746	43,01,848	46,43,439
Commercial Vehicles	5,68,559	7,16,566	9,62,468	9,67,878	9,56,671	10,79,871
Three-Wheelers	2,19,446	2,61,385	4,88,768	6,91,749	7,41,420	8,36,231
Two-Wheelers	1,51,20,783	1,35,70,008	1,58,62,087	1,79,74,365	1,96,07,332	2,17,05,974
Tractors	8,99,407	8,42,266	9,45,311	8,67,237	9,39,713	11,60,231
Grand Total	**1,95,19,640**	**1,84,59,872**	**2,21,49,473**	**2,47,20,700**	**2,65,47,104**	**2,94,25,746**

(Source: SIAM, Tractor Guru)

Company Overview

Bharat Gears Limited (BGL or 'the Company') stands as one of India's most trusted and foremost manufacturers of automotive gears. The Company caters to a diverse range of industries both in India and internationally.

Established in 1971, BGL has a strong commitment to engineering excellence. The Company has continuously evolved by integrating cutting-edge technology, advanced manufacturing processes, and a customer-centric approach to strengthen its leadership position in the automotive gears and components industry.

Market Position and Products

With a legacy spanning several decades, BGL has become a preferred partner for leading automotive OEMs, off-highway vehicle manufacturers, and the aftermarket sector.

The Company specialises in producing a wide array of high-quality products, including:

- Spiral Bevel Gears
- Transmission gears and shafts
- Differential gears
- Heat-treating furnaces
- A host of other precision-engineered components that are critical for enhancing vehicle performance and efficiency worldwide

BGL's success is built upon an unparalleled dedication to innovation, product quality, and sustainability. The Company manages state-of-the-art manufacturing facilities. These plants use advanced CNC machines, heat treatment processes, and strict quality control systems. This ensures every product manufactured meets global industry standards without exception. Backed by strong engineering capabilities, BGL constantly seeks new ways to advance technology, improve process efficiencies, and enhance products. This allows the Company to meet the ever-changing needs of the automotive sector.

The Company has an extensive global footprint spanning key automotive markets. BGL exports products across multiple continents. We have established long-term relationships with customers by providing value-driven solutions, customised engineering support, and consistently reliable products. Through clever collaborations, efficient supply chains, and a commitment to operational excellence, BGL maintains its position at the leading edge of industry trends and market activity.

The automotive sector is transforming quickly due to the rise of electric vehicles, sustainable manufacturing, and digital integration. BGL is proactively adapting to this change so it can thrive. The Company continues to invest in next-generation technologies, automation, and talent development. These investments strengthen our competitive position and secure future growth.

Business Departments

The Company operates across several key industrial sectors, providing specialised engineering components and equipment.

Gears

The Company's production includes a wide variety of gear and transmission technologies. This portfolio encompasses products such as ring gears, pinions, transmission gears, shafts, differential gears, and specialised sub-assemblies, with the primary focus remaining on automotive applications.

BGL supplies these key components to major Original Equipment Manufacturers (OEMs) in both the Indian and international markets. Our products serve diverse automotive segments, including:

- Heavy, medium, and light trucks
- Tractors and utility vehicles
- Construction equipment
- Off-highway vehicles

Automotive Components

Beyond its core gear production, the Company supplies a full spectrum of automotive components. This extensive range includes critical parts such as:

- Automotive clutch assemblies and components
- Turbochargers and related parts (including the core and rotor)
- Driveline products
- Axle shafts
- Flywheel assemblies and rings
- Propeller shaft components
- Universal Joint (U-J) Crosses
- Steering components
- Differential cages
- Steel wheel rims
- Straight bevel components
- Ceramic buttons
- Brake linings

Heat-Treating Furnaces

The Furnace division is a key part of the Company, specialising in thermal technology solutions.

- **Product Focus:** The division manufactures highly dependable heat-treating furnaces, offering both batch and continuous models.

- **Technology Source:** The design and technology for these furnaces are provided by AFC-Holcroft, USA.

- **Design Features:** These units are engineered for end-to-end processing capability and has features which enable highly user friendly operations.

- **Local Suitability:** They are designed for straightforward, cost-effective maintenance, ensuring they are well-suited for the requirements of the Indian operational environment.

Market Segmentation & Customer Base

The Company's customers are grouped into four major industry segments.

- **Agricultural Machinery:** The primary focus in this segment is tractors. This sector is the most important as it brings in the largest share of the Company's revenue.
- **Automotive:** The Company provides engineered goods mainly for medium and heavy commercial vehicles. This category includes heavy, medium, and light trucks, alongside utility vehicles and off-highway vehicles.
- **Construction Equipment:** BGL's product lines support several key areas within the construction industry. These include earth-moving equipment, various material handling equipment, and road construction machinery.
- **Others:** The Company's products are also used in a variety of other sectors that need specialised engineering goods. This includes areas like wind turbines, oil drilling, hydraulic systems, cooling towers, and general material handling systems.

Business (Plants) Operations

Bharat Gears Limited (BGL) operates manufacturing facilities across three key locations: Mumbra and Lonand in Maharashtra, and Faridabad in Haryana. All three plants hold IATF certification, which guarantees high standards of quality and operational efficiency. Furthermore, the Faridabad and Lonand plants have achieved ISO 14001:2015 and ISO 45000:2018 certifications.

Plant Specialisation

- The Mumbra plant, the oldest facility, specialises in the production of bevel, transmission, and differential gears
- The Lonand plant focuses primarily on the manufacture of transmission gears and sub-assemblies
- The Faridabad plant produces both bevel and transmission gears

BGL consistently invests in the modernisation of its manufacturing facilities, continuously incorporating the latest technological advancements.

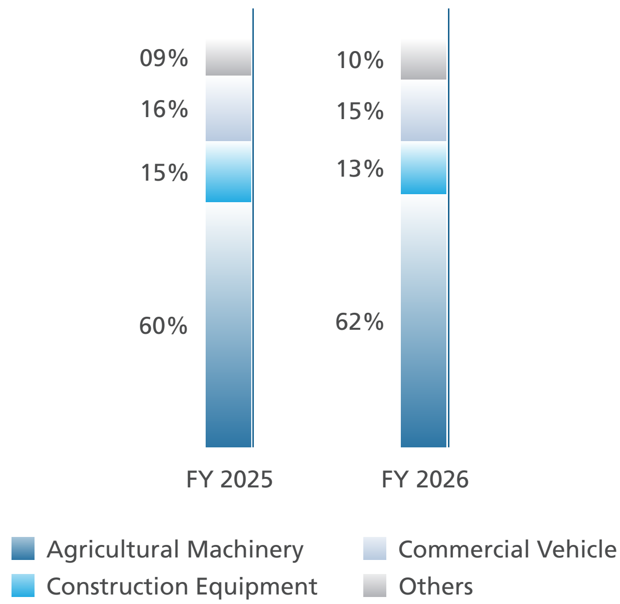
Quality and Operational Excellence

The Company has earned international recognition for its commitment to quality and technological progress. BGL continuously improves its manufacturing capabilities with cutting-edge technology and implements industry best practices across all plants. These practices include:

- Kaizen (continuous improvement)
- Total Quality Management (TQM)
- 5S Systems
- Autonomous maintenance
- Visual management

Safety remains a top priority at BGL, demonstrated by the Company's strong safety record.

Details of Gear Sales



Key Focus Area

Production and Manufacturing Excellence:

Built-in Quality

The Company is deeply committed to improving quality for long-term success through complete customer satisfaction. Quality is a core value at BGL, and every employee actively participates in enhancing processes, products, services, and the overall culture. Bharat Gears employs various quality methodologies, and the impressive results achieved during the reported financial year are detailed below.

Mumbra Plant

- Several process improvement initiatives were undertaken to enhance productivity and reduce rejection levels, including migration of bevel bore grinding operations to hard turning processes, conversion of conventional milling to VMC turning, elimination of top face hard grinding through improved dimensional control, and development of hard turning operations for larger-size Ring Gears through in-house fixture modifications. Productivity improvements were also achieved through fixture redesign and optimisation of loading patterns for heat treatment and shaping operations across multiple components.

- The plant continued to strengthen quality assurance and inspection systems through the introduction of phosphating coating thickness gauges, the replacement of old MPI machines in the Bevel and Heat Treatment shops, the installation of auto polishing machines in the Metallurgy Laboratory, and the development of a dedicated Safe Launch Room for New Product Development (NPD) and layout inspection activities.

- Multiple tooling and cost optimisation initiatives were implemented during the year, including replacement of CBN and ceramic inserts with carbide inserts in hard turning operations, and the improvement in cutting tool life through enhanced coating practices.

- Operational efficiency and workplace management were strengthened through improvements in material handling systems, shop floor flooring upgrades, machine painting activities, and installation of oil trays to support enhanced 5S implementation and better workplace conditions.

- The Mumbra Plant continued to promote a strong quality and continuous improvement culture through active participation in ACMA Quality Circle competitions and Monthly Kaizen Award Ceremonies. During FY 2025-26, a total of 2,368 Kaizens were implemented, averaging nearly 200 Kaizens per month. The plant also received recognition during the year, with the Best-in-Class Quality Award from JD Pune.

Lonand Plant

- The plant continued its "Zero Tolerance Culture Drive" for material handling and movement for the second consecutive year, alongside the implementation of Quality Culture initiatives based on 3A and 3C concepts. These initiatives significantly strengthened process discipline and contributed to a 95% reduction in customer complaints during the year.

- Quality awareness and employee participation initiatives remained a key focus area, with more than 100 awareness and training sessions conducted every month by the Quality and Production teams. The plant also actively promoted Small Group Activities (SGA) and Quality Circle initiatives to address major defect contributors through employee-driven continuous improvement practices.

- Several inspection and traceability enhancement initiatives were implemented during the year, including the introduction of Compact DOP Testers in place of micrometres, the installation of multi-gauging checking units, and the implementation of 100% QR code traceability through laser marking across all of a top customer, resulting in improved quality assurance and inspection reliability.

- The plant undertook multiple automation and productivity improvement initiatives, including the replacement of conventional gear hobbing machines with automated CNC hobbing machine, the implementation of PPC gear-saving automation, and the introduction of pick-and-place automation with conveyor systems on existing hobbing machines. These initiatives substantially improved machine utilisation, productivity, and operational efficiency during the year.

- Material handling systems were further strengthened through the introduction of VFC with Clip-Lok boxes, resulting in improved space utilisation and smoother operational flow across the shop floor.

- During the year, the Lonand Plant received the "Excellence in Gear Manufacturing" award from Gear Technology and secured the 3rd position in the Quality Circle Awards organised by ACMA for the Western Region.

Faridabad Plant

- The plant implemented multiple process improvement initiatives during the year to enhance machining efficiency and reduce throughput time. These included the development of Gang Hobbing processes for twin gears and shaft-type components, the implementation of multi-start HOB technology, and the shifting of certain bore grinding operations to hard turning processes, resulting in improved productivity and process efficiency. The plant also implemented a QR code-based traceability system across all parts for a key customer, enabling 100% process traceability across operations.

- Several productivity enhancement initiatives were undertaken through process optimisation, fixture development and modification, automation, and improved machine utilisation. These initiatives, implemented across several critical components, delivered productivity improvements ranging from 36% to 67%, while multiple-part loading fixtures further enhanced operational efficiency across key manufacturing processes.

- The plant also achieved significant operational improvements by shifting selected machining operations from high-cost equipment to more efficient machines, resulting in higher output and improved cost efficiency. While automation in key machining operations improved productivity by 21%. The plant further strengthened machining productivity through the development of new cutting inserts for hard turning processes.

- During the year, the Faridabad Plant received the Best-in-Class Quality Award from JD Pune and secured the Silver Award in the Best Quality Circle category from Escorts Kubota, recognising the plant's continued focus on quality excellence and continuous improvement initiatives.

Sustainability Efforts

This year, we continued to advance our sustainability journey, building on last year's official launch of Project Vasundhara – our comprehensive ESG initiative. We commenced our first-ever ESG maturity and materiality assessments, crucial steps to align our business with global best practices and evolving stakeholder expectations. These foundational efforts have successfully laid the groundwork for an effective ESG framework that will guide our actions going forward. With pride, we announce the publication of our inaugural ESG Report, a significant milestone that reflects our commitment to transparency, responsibility, and sustainable growth. In our ongoing pursuit of global best practices and to demonstrate our commitment to sustainable supply chains, this year we also underwent an EcoVadis assessment, a globally recognised sustainability rating.

As we move forward, we aim to set measurable, science-aligned ESG targets, strengthen our climate action initiatives, and consistently raise the bar to become the most sustainable automotive gear manufacturer in the industry.

Further details on the Company's plant level initiatives are provided in the ESG chapter of this Annual Report (Pages 20-24)

Energy Conservation

The Company is actively dedicated to meeting its sustainability objectives, with a strong focus on energy conservation. The goal is to reduce the energy intensity used across both manufacturing processes and infrastructure. Bharat Gears Limited (BGL) plants have implemented a range of specific actions, including regular audits, to boost energy performance and ensure efficient operations.

These energy-saving initiatives include:

- **Power Factor Management:** Installation of in-house automatic power factor correction (APFC) panels in the Low Tension (LT) Room to effectively manage and stabilise the power factor.
- **Natural Lighting:** Cleaning all transparent roof sheets at the Mumbra and Lonand Plants. This increases the use of natural light on the shop floor, resulting in reduced electrical power consumption.
- **Performance Maintenance:** The Company ensures the maintenance of a unity power factor consistently throughout the year.

As part of its ongoing green energy initiatives, the Company commenced rooftop solar power generation at its Faridabad plant during Q4 FY26, marking a further step towards increasing the use of renewable energy in its operations. The Company is also progressing the implementation of a Group Captive Open Access solar power arrangement for its Faridabad and Mumbra plants to support its long-term energy sustainability objectives.

Safety Management

The Company prioritises the safety of its staff and the continuity of operations across all manufacturing locations. The Company maintains a comprehensive safety management system. This includes strict measures such as removing hazardous materials like kerosene and asbestos and providing all employees with necessary protective gear and uniforms.

Proactive Safety Measures and Training

A safe working environment is ensured through continuous employee awareness programmes. Machinery is carefully chosen based on its compatibility with the '5S System' principles, and Kaizen methodology is applied for continuous improvement. The Company conducts safety checks routinely:

- **Monthly:** Safety Committee meetings, audits, firefighting, and first aid training sessions.
- **Quarterly:** Fire and mock drills.

These safety initiatives strengthened the Company's workplace safety performance, resulting in zero fatalities and zero lost time injuries across its operations.

Governance and Compliance

An updated emergency preparedness plan is always in place. The commitment of senior management to Environmental, Health, and Safety (EHS) is integrated into every system. Housekeeping and safety audits, training sessions, and mock drills are carried out throughout the year. Unsafe conditions are identified and fixed immediately, and strict discipline is enforced when handling hazardous materials. The Lonand Plant completed its ISO 45001 recertification audit. To further strengthen safety, a dedicated Safety Department has been established, led by a qualified Safety Officer and supported by Safety Marshals.

Operational Support System

The Company relies on IT systems to support all operational activities. This includes a custom-built Enterprise Resource Planning (ERP) system, which manages both core and support functions. IT tools are used extensively across engineering and manufacturing to achieve several key objectives: improving products, managing technical knowledge, handling customer relationships for reporting, and resolving problems efficiently.

The Company's Human Resources team is dedicated to support the manufacturing workforce. Their function ensures the continuous availability of skilled personnel required to achieve business goals related to industry leadership, process efficiency, product quality, and customer satisfaction. BGL's HR policy actively promotes competitiveness, work-life balance, and a positive work culture. Furthermore, regular training and engagement programmes are conducted to continuously improve the skills and capabilities of the employees. As of 31 March 2025, the company employed 1,107 permanent staff members.

Financial Highlights

(₹ In Lakhs)

Particulars	FY 2025-26	FY 2024-25	Variance (%)
Operating Revenue	78,417	64,753	21.10%
Other Income	633	251	152.19%
EBITDA	5,859	2,781	110.68%
Interest	1,400	1,708	-18.03%
Cash Profit	4,459	1,073	315.56%
Depreciation	2,257	2,363	-4.49%
Exceptional Items	-	1,684	-100.00%
Profit/(Loss) Before Tax	2,202	394	458.88%
Tax	552	(75)	-836.00%
Net Profit/(Loss)	1,650	319	417.24%

Key Financial Ratios

(₹ In Lakhs)

Particulars	FY 2025-26	FY 2024-25	Variance (%)
Debtors Turnover Ratio	7.45	6.08	22.53%
Inventory Turnover Ratio	8.07	7.39	9.20%
Interest Coverage Ratio	4.18	1.63	156.44%
Current Ratio	1.23	1.22	0.82%
Debt Equity Ratio	0.44	0.54	-18.52%
Operating Margin	4.56%	0.64%	612.50%
Net Profit Margin	3.00%	1.00%	200.00%
Return on Net Worth	14.00%	3.00%	366.67%

The Company achieved a robust 21% year-on-year growth in revenue, largely propelled by a resurgence in the domestic tractor market following a favourable monsoon. This domestic momentum was further bolstered by strategic gains in the export sector, driven by new business acquisitions from existing clients and the successful onboarding of a key client in the recreational vehicle segment.

The Company's profitability metrics, including interest coverage, operating profit margin, net profit margin, and return on net worth, have shown significant improvement, primarily driven by higher volumes, which led to better absorption of fixed cost & ongoing cost optimisation activities.

While operational performance was strong, the current ratio saw only marginal improvement due to a temporary working capital blockage. This was caused by an inverted duty structure following GST rate cuts, under GST 2.0 reforms.

The debt-equity ratio has improved due to debt repayments.

Strategic Outlook

The Company's strategic plan concentrates on several key priorities aimed at securing market leadership and sustained development.

- **Revenue and Sales Growth:** The Company targets revenue through expansion of its diversified customer base with a target CAGR of 10%.

- **Powertrain Components Leadership:** BGL aims to establish leadership across powertrain components through product range expansion and segment diversification. The Company will strengthen its position in bevel gears while building similar leadership in transmission gears. New product development processes and First Time Right culture support this technology focus.

- **Strategic Partnerships:** The Company will identify partners for BGL's proprietary products, along with pursuing joint ventures and contract manufacturing arrangements for forgings. These partnerships create access to new technologies, markets, and production capabilities while sharing development costs and risks.

- **Operational Excellence:** Operational excellence drives cost competitiveness with a peer-aligned cost structure and a zero-defect culture. The Company launched the ACMA turnaround project at the Faridabad plant with learnings deployed across units. Key focus areas include reducing WIP levels, lowering PPM through automation, and improving process capability for reliable contemporary processes.

- **Talent and Culture Development:** BGL builds a performance-driven culture with a highly engaged workforce and leadership in technical innovation skills. Plans include revamping the appraisal process, deploying KPIs with variable pay, career succession planning, and inducting specialists for key roles. Trainings to strengthen technical competence and customer centricity.
- **Sustainability Leadership:** Sustainability becomes core to operations with an EcoVadis score target above 70%. The Company drives sustainability initiatives across facilities while launching the Vision, Mission, Values programme with 100% coverage. Customer first culture, technical expertise, superior manufacturing, and minimum response times create clear market differentiators.

BGL remains well positioned for strong growth through the execution of its strategic initiatives.

Risk and Concerns

The Company places significant emphasis on effective risk management, meticulously monitoring both internal and external factors for potential threats. This constant vigilance allows for the early identification of emerging risks, enabling the swift implementation of appropriate mitigation strategies. Through this proactive risk reduction approach, the Company aims to maintain a secure and stable operating environment.

Risk	Impact	Mitigation
Macro Environment Risk	Economic downturns can negatively impact the Company's business operations. Any significant decline or recession in global markets may sharply reduce the demand for both industrial and automotive components. This reduction in demand could potentially disrupt the Company's operational activities.	The Company conducts regular assessments of its order book, execution plans, market opportunities, and changes in the overall business environment across its various markets. This continuous analysis allows the Company to refine its strategy for sector and geographic diversification. This enables the Company to actively capitalise on emerging opportunities and quickly adapt its approach to address any new challenges that arise.
Technological Risk	The adoption of novel manufacturing technologies, such as automation and digitalisation, presents specific challenges. These new methods could potentially impact both production efficiency and final product quality. Furthermore, if the Company fails to adopt cutting-edge technology, it may struggle to satisfy changing global market requirements, possibly resulting in the loss of future business opportunities.	The Company places a high priority on proactive investment in modern and sustainable technologies. This investment strategy aims to maintain high product quality while simultaneously expanding the product range. Additionally, our efforts are focused on emerging technologies, applications, and market trends. The ultimate goal of this is to continually improve manufacturing processes, quality control, and product enhancements.
Financial Risk	The Company's global operations expose it to several financial risks. These risks stem from foreign exchange fluctuations, rising interest rates, and changes in the availability of credit and liquidity. If these factors move adversely, they can negatively affect the Company's profit margins and overall profitability. A further risk is the potential for unexpected inventory write-offs due to either insufficient protection or obsolescence. Such events could harm the Company's reputation and lead to financial losses.	The Company takes several active steps to reduce these financial risks: Currency Risk: The Company diligently monitors exchange rate movements and uses a hedging strategy to minimise the effects of adverse currency fluctuations. Credit and Liquidity: Robust credit policies, effective collection procedures, and established banking relationships all help mitigate risks related to liquidity and access to credit. Inventory Management: The Company conducts regular evaluations of its inventory targets and policies concerning slow-moving items. Additionally, it has set up appropriate storage facilities and material handling systems to protect the inventories.

Risk	Impact	Mitigation
Supply Chain Risk	Disruptions within the supply chain present a significant risk, potentially leading to material or component shortages. Such shortages could result in lost sales or increased operational costs. Furthermore, recent geopolitical tensions have added considerable pressure to the entire global supply chain network.	The Company has addressed this by actively strengthening its supply chain network and developing strong relationships with key suppliers and vendors to ensure uninterrupted operations. Wherever feasible, the Company has implemented a dual sourcing strategy for materials to further reduce potential supply risks.
Raw Material & Inflation Risk	Price increase of essential inputs, such as steel, energy, and other raw materials, significantly affects the Company's overall cost structure. This rise in input costs presents a clear risk to the Company's profitability and its ability to deliver finished products on time, within budget, and to the required quality standards.	The Company uses a comprehensive strategy to minimise the risks associated with inflation and raw material price movements. Inflation is closely monitored, and export contract prices are adjusted as needed. Contracts are structured with clients to pass on variations in raw material costs, which helps protect profit margins. Cost-saving efforts are ongoing, including implementing process automation, shifting towards renewable energy sources, and improving supply chain efficiency. Furthermore, the Company maintains strong relationships with vendors and enforces rigorous inventory control to procure materials at competitive prices. These combined efforts are designed to protect the Company's profitability and maintain operational efficiency.
Regulatory Risk	The components produced by the Company are vital for many critical industrial and commercial applications. Since any failure could lead to major losses, our products must meet the rigorous regulatory requirements, quality standards, and technical specifications set by OEMs and authorities. Non-compliance with these stringent standards is a serious concern, as it could result in business losses and significant damage to the Company's reputation.	To maintain high levels of precision, quality, and productivity, the Company continuously invests in upgrading its manufacturing facilities and developing the skills of its workforce. Beyond standard testing by the Inspection and Quality Assurance team, we actively seek client feedback on product quality. Furthermore, the Company protects itself from potential financial setbacks associated with product failures by securing product liability insurance.
Natural Calamities & Crisis Risk	The Company faces risks from natural disasters and wider global or national crises. These events include pandemics, earthquakes, geopolitical instability, and wars. Such crises have the potential to cause significant operational disruptions, leading to facility shutdowns, production reductions, project delays, supply chain obstacles, and increased construction expenses.	The Company prioritises the safety of its stakeholder community and the maintenance of business continuity during any unforeseen crisis. It concentrates on several strategies to insulate business operations during challenging circumstances: • Delaying capital expenditures • Managing liquidity • Establishing alternative supply and manufacturing options • Implementing strict cost-reduction measures

Risk	Impact	Mitigation
People Risk	Excessive manpower can create several operational issues. These include industrial relations problems, decreased gross margins, lower productivity standards, and negative impacts on support systems. On the other hand, a lack of qualified personnel for key business positions can severely impede the organisation's growth potential. Furthermore, inadequate development of the leadership team and a weak succession planning process also present significant long-term challenge for the Company.	The Company takes proactive measures to manage its workforce effectively. It conducts benchmarking studies across all its plants to identify and adopt best practices, which in turn improve manpower utilisation. Key measures prioritised include enhancing machine maintenance to increase overall productivity and implementing lean layouts across facilities. Furthermore, a structured process is used to accurately identify critical positions requiring immediate and formalised succession planning.

Internal Control Systems & Their Adequacy

Bharat Gears Limited operates as an organisation driven by systematic processes. An effective internal control system is essential for maintaining efficient daily operations. The Company utilises a structured approach for financial reporting across transactions, ensuring operational efficiency, strong asset protection, and adherence to all relevant laws and regulations.

The Company maintains a continuous and systematic audit process. This process provides the foundation for evaluating the overall effectiveness of internal control systems. These internal controls are appropriately designed to ensure the reliability and accuracy of financial and other records, which are necessary for preparing accurate financial information and related data.

Internal audits are conducted by appointed internal auditors, who receive necessary support from the Company's functional teams. Reports from the Internal Auditors are formally reviewed during Audit Committee meetings. Recommendations for enhancing internal controls are proposed and carefully considered. Furthermore, the Board's Audit Committee reviews and deliberates on these suggestions on a quarterly basis. The ultimate objective of this rigorous review cycle is to achieve continuous improvement in the Company's internal controls and systems.

Cautionary Statement

The statements made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations may be 'forward-looking' statements within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand, supply, and price conditions in the domestic & overseas markets in which the Company operates, changes in Government regulations, tax laws & other statutes, and other incidental factors. The Company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in the future.

Board's Report

(Section 134 of the Companies Act, 2013)

To The Members

The Directors are pleased to present the 54th Annual Report and the Audited Financial Statements for the year ended 31 March, 2026.

(₹ in Lakhs)

Financial Results	Year ended 31 March, 2026	Year ended 31 March, 2025
Revenue from operations and other income	78417.48	65004.52
Profit before finance costs and depreciation and amortisation expense	5859.32	2780.84
Finance costs	1400.41	1708.07
Depreciation and amortisation expense	2257.03	2363.14
Profit/(Loss) before exceptional items and tax	2201.88	(1290.37)
Exceptional items	-	1683.77
Profit/(Loss) before tax	2201.88	393.40
Less: Tax expense	551.47	74.59
Profit/(Loss) after tax	1650.41	318.81
Other comprehensive income	179.60	(89.84)
Total comprehensive income	1830.01	228.97
Statement of other equity		
Opening balance	9753.39	9524.42
Add: Profit/(Loss) for the year	1830.01	228.97
Closing balance	**11583.40**	**9753.39**

DIVIDEND

Considering the Company's financial performance, the Directors have recommended a dividend of ₹ 1.00 per equity share (10%) on 1,53,55,058 equity shares of the Company, subject to the approval of the shareholders at the ensuing Annual General Meeting, for the year under review. This will involve a cash outflow of ₹ 1.54 crores.

FINANCIAL PERFORMANCE

The Company achieved a robust 21% year-on-year growth in revenue, largely propelled by a resurgence in the domestic tractor market following a favourable monsoon. This domestic momentum was further bolstered by strategic gains in the export sector, driven by new business acquisitions from existing clients and the successful onboarding of a key client in the recreational vehicle segment.

Higher production and sales volumes led to better fixed cost absorption. Coupled with Management's ongoing commitment to driving operational efficiencies across the organization, these factors culminated in a significant improvement in EBITDA.

During the year, the Company strengthened its balance sheet and consolidated its Debt profile by making ₹ 13 crore principal repayment to term lenders. Capital expenditure for the year was largely funded through internal accruals.

INDIAN ACCOUNTING STANDARDS ("IND AS")

The financial statements for the year ended 31 March, 2026 have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as required under the provisions of Section 133 of the Companies Act, 2013 read with rules made there under, as amended.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed analysis of the Company's operations in terms of performance in markets, manufacturing activities, business outlook, risks and concerns forms part of the Management Discussion and Analysis, a separate section of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with 134(5) of the Companies Act, 2013, your Directors confirm that:-

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

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2026 and of the Profit and Loss of the Company for the period ended on that date;

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

(d) the Directors had prepared the annual accounts on a going concern basis;

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

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

RELATED PARTY CONTRACTS AND ARRANGEMENTS

The contracts or arrangements of the Company with related parties during the period under review referred to in Section 188(1) of the Companies Act, 2013 were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into the contract/arrangement/transaction with related parties which could be considered 'material' in accordance with the related party transaction policy of the Company. Thus, there are no transactions which are required to be reported in the prescribed Form AOC-2 of the Companies (Accounts) Rules, 2014.

Further, during the Financial Year 2025-26, there were no materially significant related party transactions entered into by your Company with the Promoters, Directors, Key Managerial Personnel or other designated persons, which might have potential conflict with the interest of the Company at large.

As all the related party transactions are at arm's length price and in the ordinary course of business, the same are placed before the Audit Committee for its approval. There was no related party transaction which requires approval of the Board. During the Financial Year under review, the Audit Committee has reviewed all the ongoing multi-year contracts/long term contracts of the Company with its related parties in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations"). Related party transactions were disclosed to the Board on regular basis as per Ind AS-24. Details of related party transactions as per Ind AS-24 may be referred to in the Notes forming part of the Financial Statements.

The policy on Related Party transactions as approved by the Board in terms of the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") is available on the official website of the Company i.e. www.bharatgears.com under the link: https://www.bharatgears.com/pdf/related_party_transaction_policy.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

During the period under review, the Company has not made any loan, guarantee or investment in terms of the provisions of Section 186 of the Companies Act, 2013.

DIRECTORS

During the Financial Year 2025-26, the members of the Company vide their special resolution(s) passed at the Annual General Meeting held on 30 July, 2025 approved the:

- Appointment of Mr. Satya Prakash Mangal as a Non-Executive Independent Director of the Company for a period of 5 (Five) years with effect from the aforesaid Annual General Meeting i.e. 30 July, 2025 in terms of the provisions of Section 149 of the Companies Act, 2013;

- Appointment of Mr. Bharat Dev Singh Kanwar as a Non-Executive Independent Director of the Company for a period of 5 (Five) years with effect from the aforesaid Annual General Meeting i.e. 30 July, 2025 in terms of the provisions of Section 149 of the Companies Act, 2013;

- Appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Independent Director of the Company for a period of 5 (Five) years with effect from the aforesaid Annual General Meeting i.e. 30 July, 2025 in terms of the provisions of Section 149 of the Companies Act, 2013.

  In terms of the applicable provisions of the Companies Act, 2013 and the Regulations, in read with Regulation 17 of the Regulations as amended, the age of Mr. Nagar Venkatraman Srinivasan being more than seventy five years at the commencement of his tenure.

The tenure of Mr. Sameer Kanwar as Joint Managing Director of the Company shall expire on 31 May, 2026. The Board of Directors in its meeting held on 30 May, 2026 has decided not to extend the term of Mr. Sameer Kanwar, Joint Managing Director.

The Board of Directors in its meeting held on 30 May, 2026 considered and approved the appointment of Mr. Naresh Kumar Verma, Corporate Business Head of the Company as an Additional Director of the Company and in furtherance as Executive Director-Operations of the Company with effect from 01 June, 2026, subject to the approval of members of the Company at the ensuing Annual General Meeting.

During the Financial Year 2025-26, Mr. Virendra Kumar Pargal and Mr. Rakesh Chopra ceased to be Non-Executive Independent Director(s) of the Company with effect from 30 July, 2025, due to completion of their respective tenure in accordance with the provisions of the Companies Act, 2013 and the Regulations.

Mr. Virendra Kumar Pargal and Mr. Rakesh Chopra had been an integral part of the Board, contributing their extensive expertise and valuable insights, particularly in the field of plant management and finance respectively during their association with the Company. The leadership of Mr. Virendra Kumar Pargal guided us through critical transformations, strengthened our operational efficiency, and instilled a culture of integrity, professionalism, and excellence. Beyond his professional contributions, his ability to mentor, support, and inspire those around him has left a lasting impression on everyone fortunate enough to work along with him. His legacy will continue to resonate across the organization for years to come. Additionally, Mr. Rakesh Chopra brought a unique combination of financial acumen and strategic foresight to the Company's Boardroom, which has driven improvements in operational efficiency and long-term growth. His legacy will endure in the culture he helped shape and the high standards he upheld.

The Board of Directors and Management of the Company place on record their sincere appreciation for the valuable contributions and guidance provided by Mr. Virendra Kumar Pargal and Mr. Rakesh Chopra throughout their tenure.

In terms of the provisions of Section 149 of the Companies Act, 2013, Mr. W.R. Schilha had been re-appointed as a Non-Executive Independent Director at the Annual General Meeting (AGM) of the Company held on 22 September, 2021 for second consecutive term for a further period of 5 (Five) Years upto the conclusion of the 54th AGM of the Company in the Calendar year 2026.

In purview of the same, the tenure of Mr. W.R. Schilha as Non-Executive Independent Director of the Company shall conclude on 03rd August, 2026.

BOARD'S OPINION REGARDING INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED/RE-APPOINTED DURING THE YEAR

The Board is of the opinion that the Independent Directors appointed/re-appointed during the year under review are person(s) of integrity and possess core skills/expertise/competencies (including the proficiency) as identified by the Board of Directors as required in the context of Company's business(es) and sector(s) for the Company to function effectively.

NUMBER OF MEETINGS OF THE BOARD

During the financial year 2025-26, 6 (Six) Board Meetings were held on the following dates:-

- 29 April, 2025;
- 22 May, 2025;
- 29 July, 2025;
- 14 November, 2025;
- 23 January, 2026; and
- 10 February, 2026

The gap between any two meetings was not more than one hundred twenty days as mandated under the provisions of Section 173 of the Companies Act, 2013 and Regulation 17(2) of the Regulations.

INDEPENDENT DIRECTORS

In terms of the provisions of Section 149(7) of the Companies Act, 2013 read with Regulation 25(8) of the Regulations, all the Independent Directors of the Company have furnished a declaration to the Compliance Officer of the Company at the meeting of the Board of Directors held on 30 May, 2026 stating that they fulfill the criteria of Independent Director as prescribed under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the Regulations, and are not being disqualified to act as an Independent Director. Further, they have declared that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

In the opinion of the Board, all the Independent Directors fulfill the conditions specified in the Companies Act, 2013 read with the Rules made there under and the Regulations, and are independent of the management.

In terms of Regulation 25(7) of the Regulations, the Company has adopted a familiarization programme for the Independent Directors to familiarize them with working of the Company, nature of the industry in which the Company operates, business model of the Company, their roles, rights, responsibilities and other relevant details. The details of familiarization programme during the Financial Year 2025-26 are available on the official website of the Company i.e. www.bharatgears.com under the link: https://www.bharatgears.com/pdf/details-of-familiarization-programme-for-independent-directors-fy-25-26.pdf

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT PERSONNEL

In terms of the provisions of Section 178 of the Companies Act, 2013 read with Regulation 19 of the Regulations, the Nomination and Remuneration Committee ('NRC') has formulated a policy relating to appointment and determination of the remuneration for the Directors, Key

Managerial Personnel and Senior Management Personnel which has been adopted by the Board of Directors of the Company. The NRC has also developed the criteria for determining the qualifications, competencies, positive attributes and independence of Directors and for making payments to the Executive/Non-Executive/Independent Directors of the Company.

Your Directors affirm that the remuneration paid to the Directors, Key Managerial Personnel, Senior Management Personnel and other employees is as per the Nomination and Remuneration Policy of your Company.

The salient features of the Nomination and Remuneration Policy are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director.
  - ➢ For every appointment of an Independent Director, the Nomination and Remuneration Committee evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    a. use the services of an external agencies, if required;
    b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
    c. consider the time commitments of the candidates.
- Identification of persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in the Nomination and Remuneration policy.
- Recommendation to the Board for appointment and removal of Director, KMP and Senior Management Personnel.
- Formulation of the criteria for devising a policy on diversity of Board of Directors.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Deciding that whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Recommendation to the Board, all remuneration, in whatever form, payable to senior management.

The said policy is available on the official website of the Company i.e. www.bharatgears.com under the link: https://www.bharatgears.com/pdf/nomination_and_remuneration_policy_BGL.pdf

EVALUATION PROCESS

The Nomination and Remuneration Committee has established a framework for the evaluation process of performance of the Board, its Committees and Individual Directors and the same was adopted by the Board.

During the period under review, the Board of Directors at its meeting held on 30 May, 2026 have carried out the evaluation of the performance of Independent Directors and their independence criteria and the Independent Directors in their meeting held on 10 March, 2026 have evaluated the performance of the Chairman, Non-Independent Directors and the Board as a whole and also assessed the quality, quantity and timeliness of flow of information between the Board and Company management.

KEY MANAGERIAL PERSONNEL

The following Directors/Officials of the Company have been designated as Key Managerial Personnel (KMP) of the Company by the Board of Directors in terms of the provisions of Section 203 of the Companies Act, 2013 and the Regulations:

1. Mr. Surinder Paul Kanwar, Chairman and Managing Director
2. Mr. Sameer Kanwar, Joint Managing Director (Upto 31 May, 2026)
3. Mr. Naresh Kumar Verma, Executive Director-Operations (w.e.f. 01 June, 2026)*
4. Mr. Milind Pujari, Chief Financial Officer
5. Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary

During the financial year 2025-26, Mr. Hitendra Narain Mishra resigned from the post of Chief Executive Officer with effect from 30 April, 2025.

The tenure of Mr. Sameer Kanwar as Joint Managing Director of the Company shall expire on 31 May, 2026. The Board of Directors in its meeting held on 30 May, 2026 has decided not to extend the term of Mr. Sameer Kanwar, Joint Managing Director.

*The Board of Directors in its meeting held on 30 May, 2026 considered and approved the appointment of Mr. Naresh Kumar Verma, Corporate Business Head of the Company as an Additional Director of the Company and in furtherance as Executive Director-Operations of the Company with effect from 01 June, 2026, subject to the approval of members of the Company at the ensuing Annual General Meeting.

DISCLOSURES UNDER THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as **Annexure -"A"** to this report.

PARTICULARS OF EMPLOYEES

Information regarding employees in accordance with the provisions of Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel)

Rules, 2014 containing particulars of top ten employees in terms of the remuneration drawn and employees drawing remuneration in excess of the limits set out in Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are provided as part of the Board' Report. However, in terms of provisions of Section 136 of the Companies Act, 2013, the Annual Report is being sent to all the members of the Company and others entitled thereto, excluding the said statement. Any member interested in obtaining such particulars may write at investor@bglindia.com. The said information is also available for inspection at the Registered Office of the Company during working hours till the date of Annual General Meeting.

RISK MANAGEMENT

A robust and integrated enterprise risk management framework is in existence under which the common prevailing risks in the Company are identified, the risks so identified are reviewed on periodic basis by the Audit Committee and the management's actions to mitigate the risk exposure in a timely manner are assessed.

A risk management policy under the above said enterprise risk management framework as approved by the Board has been adopted by the Company.

CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee ("CSR Committee") is in existence to monitor the Corporate Social Responsibility Policy of the Company as approved by the Board and the said policy is available on the official website of the Company i.e. www.bharatgears.com under the link: https://www.bharatgears.com/pdf/corporate-social-responsibility-policy.pdf

The CSR Committee comprises of Mr. Satya Prakash Mangal, Mr. Surinder Paul Kanwar, Mr. Sameer Kanwar and Mr. Raman Nanda.

The role of the Corporate Social Responsibility Committee includes:

(a) Formulation and recommendation to the Board, Corporate Social Responsibility Policy (CSR Policy) and Annual Action Plan in pursuance of CSR Policy consisting of list of approved projects or programs to be undertaken within the purview of Schedule VII of the Companies Act, 2013, manner of execution of such projects, modalities of fund utilization and implementation schedules, monitoring and reporting mechanism for the projects, and details of need and impact assessment, if any, for the projects to be undertaken.

(b) Monitoring the Corporate Social Responsibility Policy and Annual Action Plan of the Company from time to time.

(c) Recommendation of the amount of expenditure to be incurred on the activities referred to in clause (a) above.

(d) Instituting a transparent monitoring mechanism for implementation of the CSR projects, programs or activities undertaken by the Company.

The Company was not required to spend any money on CSR activities during the Financial Year 2025-26. However, the Board of Directors of the Company in its meeting held on 29 April, 2025 based on the recommendation of CSR Committee approved an Annual Action Plan for the Financial Year 2025-26 in pursuance of CSR policy of the Company wherein the Board approved the spending of upto Rs. 10,00,000/- (Rupees Ten Lakhs Only) (inclusive of Rs. 1,76,750/- (Rupees One Lakh Seventy Six Thousand Seven Hundred Fifty Only) surplus amount spent in previous years) as summarized below on the Corporate Social Responsibility (CSR) projects or programmes undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013.

Financial Year	Amount Required to be Spent (₹)	Cumulative Unspent Amount of Previous Years (₹)	Amount Actually Spent (₹)	Surplus Amount Set Off (₹)	Surplus Amount Spent (₹)	Cumulative Balance Amount Available for Set Off (₹)
2018-19	1,54,250.00	0.00	0.00	0.00	0.00	**0.00**
2019-20	17,97,000.00	1,54,250.00	0.00	0.00	0.00	**0.00**
2020-21	2,75,000.00	19,51,250.00	24,23,083.00	0.00	1,96,833.00	**1,96,833.00**
2021-22	0.00	0.00	0.00	0.00	0.00	**0.00**
2022-23	0.00	0.00	8,91,010.00	0.00	8,91,010.00	**10,87,843.00**
2023-24	25,87,000.00	0.00	17,00,000.00	10,87,843.00	2,00,843.00	**2,00,843.00**
2024-25	23,24,000.00	0.00	22,99,907.00	2,00,843.00	1,76,750.00	**1,76,750.00**
	71,37,250.00		**73,14,000.00**			

Therefore, in pursuance of the above, the Company had spent Rs. 8,00,000/- (Rupees Eight Lakhs Only) in the Financial Year 2025-26 voluntarily on following CSR activities in terms of the provisions of Section 135 read with Schedule VII of the Companies Act, 2013:

AMOUNT SPENT ON CSR ACTIVITIES IN THE FINANCIAL YEAR 2025-26	
Particulars	Amount (₹)
Donation to "The Association of Parents of Mentally Retarded Children ("Adhar")" which provides life time care, training, treatment & rehabilitation to the special children	2,00,000.00
Donating food grains viz. Wheat Flour, Rice, Pulses etc. to "Robin Hood Army, Faridabad" for distribution to needy people in local areas	3,00,000.00
Donation to "Vanshivat Vishwa Mangalam" for Vriksh Vandana Project by Giriraj Talhati, Goverdhan, Mathura for plantation of trees for environmental sustainability	3,00,000.00
TOTAL	**8,00,000.00**

Now therefore, the surplus amount spent on CSR activities during the Financial Year 2025-26 is as summarised below:

Financial Year	Amount Required to be Spent (₹)	Surplus Amount of Previous Years (₹)	Balance Amount required to be Spent (₹)	Actual Amount Spent (₹)	Surplus Amount Spent (₹)
2025-26	0.00	1,76,750.00	0.00	8,00,000.00	9,76,750.00
	0.00	**1,76,750.00**	**0.00**	**8,00,000.00**	**9,76,750.00**

The report on CSR activities with other details in terms of the provisions of Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 for the Financial Year 2025-26 is enclosed as **Annexure-"B"** to this report.

Further, a Certificate issued by Mr. Milind Pujari, Chief Financial Officer of the Company certifying that the funds of CSR have been utilized for the purposes and in the manner as recommended by the CSR Committee and approved by the Board is enclosed as **Annexure-"C"** to this report.

AUDIT COMMITTEE

The Audit Committee comprises of Mr. Raman Nanda, Ms. Kavita Jha, Mr. Satya Prakash Mangal and Mr. Bharat Dev Singh Kanwar.

During the year under review, Mr. Virendra Kumar Pargal and Mr. Rakesh Chopra ceased to be Member and Chairman of the Audit Committee respectively on 30 July, 2025 due to completion of their respective tenure as Non-Executive Independent Director of the Company. Further, Mr. Raman Nanda, the erstwhile member of the Audit Committee had been designated as the Chairman of the Committee and Ms. Kavita Jha, Mr. Satya Prakash Mangal and Mr. Bharat Dev Singh Kanwar had been inducted as members of the Audit Committee with effect from 31 July, 2025. Accordingly, the Audit Committee had been reconstituted.

Further, the details on the Audit Committee and its terms of reference etc. have been furnished in the Corporate Governance Report forming part of this Report. During the year under review, all recommendations of the Audit Committee were accepted by the Board of Directors of the Company unanimously.

INTERNAL COMPLAINTS COMMITTEE FOR PREVENTION OF SEXUAL HARASSMENT

Pursuant to Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has constituted Internal Complaints Committee (ICC) at all its Units (i.e. Faridabad, Mumbra and Lonand) where any grievance of sexual harassment at workplace can be reported.

The Company has also adopted a policy on Prevention of Sexual Harassment at workplace. The objective of the policy is to provide its women employees, a workplace free from harassment/discrimination and every employee is treated with dignity and respect. The said policy is available on the official website of the Company i.e. www.bharatgears.com under the link: https://www.bharatgears.com/pdf/policy-for-prevention-of-sexual-harassment.pdf

During the year under review, ICC of all units of the Company has not received any complaint pertaining to sexual harassment of women at workplace.

STATUS OF COMPLAINTS FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2026	
Number of Complaints of sexual harassment received during the Financial Year 2025-26	NIL
Number of Complaints disposed off during the Financial Year 2025-26	NOT APPLICABLE
Number of Complaints pending for more than Ninety Days	NOT APPLICABLE

COMPLIANCE OF PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961

The Company is in compliance of the Maternity Benefits Act, 1961 wherein all eligible women employees are entitled to avail the benefits as prescribed. The Company remains committed to providing the environment that upholds the rights and welfare of its women employees in accordance with applicable laws for the time being in force.

During the Financial Year 2025-26 and upto the date of this report, no female employee of the Company has availed or applied to avail benefits under the Maternity Benefits Act, 1961.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES

During the year under review, no Company has become or ceased to be subsidiary, joint venture or associate of the Company.

DEPOSITS

During the year under review, the Company did not accept any deposits.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In terms of the provisions of Section 124(5) of the Companies Act, 2013 read with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and further amendments thereto, no unclaimed dividend was required to be transferred to the Investor Education and Protection Fund (IEPF) during the Financial Year 2025-26.

The unclaimed dividend for the Financial Year 2018-19 is proposed to be transferred to the Investor Education and Protection Fund (IEPF) on 04 September, 2026 i.e. upon completion of seven years from the transfer of said dividend into unclaimed dividend account. Subsequently, the equity shares on which the dividend has not been claimed for the consecutive seven years since 2018-19 (net of the shares already transferred) shall also be transferred into IEPF.

In terms of Rule 6(3) of Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the necessary communications have been made to the respective shareholders whose shares are required to be transferred to the IEPF during the Financial Year 2026-27 so as to enable them to claim their dividend attached to such shares before such dividend and shares are transferred to IEPF and further, the necessary information in this regard is available on the website of the Company i.e. www.bharatgears.com for the convenience of the shareholders.

The Equity shares once transferred into IEPF can only be claimed by the concerned shareholder from IEPF Authority after complying with the procedure prescribed under the Rules and the Amended Rules.

In compliance with the directives of the Ministry of Corporate Affairs and the Investor Education and Protection Fund Authority (IEPFA), the Company spearheaded the 100 Days Campaign titled "Saksham Niveshak" during the Financial Year 2025-26. This 100-day outreach program was designed to mitigate the transfer of shares and dividends to the IEPF by assisting shareholders in regularizing their folios. The Company provided comprehensive guidance on updating KYC records and facilitated the timely claim of unpaid dividends for the Financial Year 2018–19. Shareholders were advised to send their requests to the Company or to MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited), Registrar and Transfer Agent of the Company.

Further, during the Financial Year 2026-27, the Ministry of Corporate Affairs and the Investor Education and Protection Fund Authority (IEPFA) has initiated the second 100 Days Campaign titled "Saksham Niveshak" for the period 01 April, 2026 to 09 July, 2026. The Company continue to actively participate in this campaign and is providing comprehensive guidance on updating KYC records and facilitating the timely claim of unpaid dividends for the Financial Year 2018–19. Shareholders have been advised to send their requests to the Company or to MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited), Registrar and Transfer Agent of the Company.

AUDITORS

STATUTORY AUDITORS

The Statutory Auditors, M/s Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Registration No. 117366W/W-100018) had been appointed as Statutory Auditors of the Company in the 50th Annual General Meeting (AGM) held on 20 September, 2022 for a period of 5 (Five) years in terms of the provisions of Section 139 of the Companies Act, 2013 to hold office from the 50th AGM to 55th AGM in the calendar year 2027.

REPORT ON FINANCIAL STATEMENTS

The report of M/s Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Registration No. 117366W/W-100018), and the Statutory Auditors of the Company on the financial statements of the Company for the year ended 31 March, 2026 is annexed to the financial statements in terms of the provisions of Section 134(2) of the Companies Act, 2013. The observations of the Auditors in their report are self-explanatory and/or explained suitably in the Notes forming part of the Financial Statements. The report of the Statutory Auditors does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

SECRETARIAL AUDITORS

The Secretarial Auditors, M/s TVA & Co. LLP, Company Secretaries, New Delhi (Limited Liability Partnership Identification Number (LLPIN) AAE-9329) had been appointed as Secretarial Auditors of the Company in the 53rd Annual General Meeting held on 30 July, 2025 for a period of consecutive 5 (Five) years with effect from Financial Year 2025-26 upto the Financial Year 2029-30 in terms of the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SECRETARIAL AUDIT

The Members of the Company had appointed M/s TVA & Co. LLP, Practicing Company Secretaries as Secretarial Auditor for the Financial Year 2025-26 in terms of the provisions of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report of the Company for the Financial Year ended 31 March, 2026 in the prescribed Form MR-3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure -"D"** to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark which needs any explanation or comment of the Board.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal financial controls which includes the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. During the year, such controls were tested and no material weakness in the design or operations were observed.

COST RECORDS AND AUDIT

During the year under review, the Company had been mandatorily required to maintain the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and accordingly such accounts and records have been made and maintained.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended, M/s M.K. Kulshrestha & Associates, Cost Accountants, Ghaziabad has conducted the audit of the cost records of all the 3 (Three) plants of the Company viz. Mumbra (Maharashtra), Lonand (Maharashtra) and Faridabad (Haryana) for the year ended 31 March, 2025 and submitted their report thereon within the prescribed time limits. Subsequently, M/s M.K. Kulshrestha & Associates, Cost Accountants, Ghaziabad shall conduct the audit of the cost records of all the 3 (Three) plants of the Company viz. Mumbra (Maharashtra), Lonand (Maharashtra) and Faridabad (Haryana) for the year ended 31 March, 2026 and shall submit their report thereon within the prescribed time limits during the Financial Year 2026-27.

Further, on recommendation of the Audit Committee, the Board of Directors of the Company in its meeting held on 30 May, 2026 has approved the appointment and remuneration of M/s M.K. Kulshrestha & Associates, Cost Accountants, Ghaziabad as Cost Auditors of the Company to conduct the audit of the cost records of all the 3 (Three) plants of the Company viz. Mumbra (Maharashtra), Lonand (Maharashtra) and Faridabad (Haryana) for the year ending 31 March, 2027 subject to ratification of Remuneration by the Shareholders in the ensuing Annual General Meeting.

CORPORATE GOVERNANCE

The Company is committed to maintain the quality standards of Corporate Governance. The Report on Corporate Governance as stipulated under Schedule V(C) of the Regulations forms part of this Report.

The requisite Certificate of Compliance from Secretarial Auditors, M/s TVA & Co. LLP, Practicing Company Secretaries confirming compliance with the conditions of Corporate Governance is attached to this Report.

VIGIL MECHANISM/WHISTLE BLOWER MECHANISM

In terms of the provisions of Section 177 of the Companies Act, 2013 and the Regulations, the Company has established an effective mechanism called Vigil Mechanism (Whistle Blower Mechanism). The mechanism under the Policy has been appropriately communicated within the organisation. The purpose of this policy is to provide a framework to promote responsible whistle blowing by employees or by any other person who avails such mechanism. It protects employees or any other person who avails such mechanism wishing to raise a concern about serious irregularities, unethical behavior, actual or suspected fraud within the Company by reporting the same to the Audit Committee.

Protected disclosure can be made by the whistle blower in a closed and secured envelope or sent through e-mail to the Compliance Officer.

During the year under review, no complaint has been received and no employee was denied access to the Audit Committee.

The functioning of the Whistle Blower Mechanism/Vigil Mechanism existing in the Company is reviewed by the Audit Committee on Annual basis.

The policy on vigil mechanism is available on the official website of the Company i.e. www.bharatgears.com under the link: https://www.bharatgears.com/pdf/policy_on_vigil_mechanism.pdf

RECONCILIATION OF SHARE CAPITAL AUDIT

In terms of Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, the Reconciliation of Share Capital Audit is undertaken by a firm of Practicing Company Secretaries on quarterly basis. The audit is aimed at reconciliation of total shares held in CDSL, NSDL and in physical form with the admitted, issued and listed capital of the Company.

The Reconciliation of Share Capital Audit Report(s) as submitted by the Auditor on quarterly basis were filed with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with BSE Limited (BSE) through BSE Listing Centre, where the original shares of the Company are listed.

LISTING OF SHARES

The Equity Shares of the Company are listed on the BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai.

DISCLOSURES UNDER SECTION 134 OF THE COMPANIES ACT, 2013

Except as disclosed elsewhere in the Annual Report, there have been no material changes and commitments, which can affect the financial position of the Company between the end of financial year and the date of this report.

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

The information in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is given in **Annexure-"E"** to this Report.

ANNUAL RETURN

In terms of the provisions of Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013 and the relevant rules made thereunder, a copy of the Annual return as prescribed under Section 92 of the Companies Act, 2013, as amended shall be made available on the official website of the Company www.bharatgears.com under the link: https://www.bharatgears.com/pdf/annual-return-for-2025-26.pdf.

COMPLIANCE OF SECRETARIAL STANDARDS

During the period under review, the Company has duly complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

COURT/TRIBUNAL ORDERS

There were no instances of any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

DETAILS OF APPLICATION/PROCEEDING UNDER THE INSOLVENCY AND BANCRUPTCY CODE, 2016

Neither any application has been made nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.

INSTANCES OF DIFFERENCE IN VALUATION

There is no such instance where there is difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

INDUSTRIAL RELATIONS

During the year under review, industrial relations in the Company continued to be cordial and peaceful.

ACKNOWLEDGEMENTS

The Board of Directors thank the shareholders for their continued support and they would like to place on record their appreciation for the dedicated services rendered by the Employees at all levels.

The Directors wish to convey their gratitude to the Financial Institutions, Banks, Customers, Suppliers and Collaborators for the assistance and confidence reposed by them in the Company.

For and on behalf of the Board of Directors

Surinder Paul Kanwar
Chairman and Managing Director
DIN: 00033524

Dated: 30 May, 2026
Place: Mumbai

Annexure-"A"

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year 2025-26:

S.No.	Name of the Director	Ratio of Remuneration of each Director/ to median remuneration of employees
1.	Mr. Surinder Paul Kanwar Chairman and Managing Director	43.49
2.	Mr. Sameer Kanwar Joint Managing Director	29.14

Other directors have been paid sitting fees only, details of which are mentioned in the Corporate Governance Report.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

S.No.	Name of the Director/KMP	% increase in Remuneration in the Financial Year 2025-26
1.	Mr. Surinder Paul Kanwar Chairman and Managing Director	0.64%
2.	Mr. Sameer Kanwar Joint Managing Director	-0.83%
3.	Mr. Milind Pujari Chief Financial Officer	0.19%
4.	Mr. Prashant Khattry Corporate Head (Legal) and Company Secretary	-7.76%

3. Percentage increase in the remuneration of the median employee is 5.83% in the Financial Year 2025-26.

4. There were 1107 permanent employees on the rolls of the Company as on 31 March, 2026.

5. The average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year 2025-26 was 4.37% whereas percentage increase in the managerial remuneration was 1.58% for the same financial year.

6. It is affirmed that the remuneration paid is as per the Remuneration policy for Directors, Key Managerial Personnel and other Employees.

Mr. Hitendra Narain Mishra resigned from the post of Chief Executive Officer w.e.f. 30th April, 2025.

For and on behalf of the Board of Directors

Surinder Paul Kanwar
Chairman and Managing Director
DIN: 00033524

Dated: 30 May, 2026
Place: Mumbai

Annexure-"B"

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

1. Brief outline on CSR policy of the Company

   A brief outline of the Company's CSR policy has been provided in the "Corporate Social Responsibility" section under the Annual Report

2. Composition of the CSR Committee:-

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Satya Prakash Mangal	Chairman/Non-Executive Independent Director	1	1
2.	Mr. Surinder Paul Kanwar	Member/Chairman and Managing Director	1	1
3.	Mr. Sameer Kanwar	Member/Joint Managing Director	1	1
4.	Mr. Raman Nanda	Member/Non-Executive Independent Director	1	1

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company

   https://www.bharatgears.com/pdf/corporate-social-responsibility-policy.pdf

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable

   NOT APPLICABLE

5. (a) Average net profit of the Company as per section 135(5) - (₹ 281.12) lakhs

   (b) Two percent of average net profit of the Company as per section 135(5) - Nil

   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - (₹ 1.77) lakhs

   (d) Amount required to be set-off for the financial year, if any - Nil

   (e) Total CSR obligation for the financial year (5b+5c-5d) – (₹ 1.77) lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects) - ₹ 8.00 lakhs

   (b) Amount spent in Administrative overheads - Nil

   (c) Amount spent on Impact Assessment - Nil

   (d) Total amount spent for the Financial Year (6a+6b+6c) - ₹ 8.00 lakhs

   (e) CSR Amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year (in ₹/Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
8.00	-	-	-	-	-

(f) Excess amount for set off, if any

Sl.No.	Particulars	Amount (₹/Lakhs)
i.	Two percentage of average net profit of the company as per section 135(5)	0.00
ii.	Total amount spent for the Financial Year	8.00
iii.	Excess amount spent for the Financial Year [i-ii]	(8.00)
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	(1.77)
v.	Amount available for set-off in succeeding Financial Years [iii+iv]	(9.77)

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

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135(6) (in ₹/Lakhs)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹/Lakhs)	Amount spent in the reporting Financial Year (in ₹/Lakhs)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹/Lakhs)	Deficiency, if any
					Name of the Fund	Amount (in ₹/Lakhs)	Date of transfer		
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

NO

If Yes, enter the number of Capital assets created/acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or assets(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-
-	TOTAL	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135

NOT APPLICABLE

Satya Prakash Mangal
Chairman of CSR Committee
DIN: 01052952

Surinder Paul Kanwar
Chairman and Managing Director
DIN:00033524

Dated: 30 May, 2026
Place: Mumbai

Annexure-"C"

CERTIFICATE AS PER RULE 4 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, AS AMENDED

This is to certify that funds of Rs. 8,00,000/- (Rupees Eight Lakhs Only) so disbursed for Corporate Social Responsibility (CSR) activity for Financial Year 2025-26 has been utilized for the purpose and in the manner as recommended by the CSR Committee in its meeting held on 28 March, 2025 and approved by the Board of Directors of the Company in its meeting held on 29 April, 2025 as per Rule 4 of the Companies (CSR) Rules, 2014, as amended and Schedule VII of the Companies Act, 2013.

Details of CSR expenditure are as follows:

Particulars	(₹)
Amount Outlay (Budgeted)	-
Amount spent on the projects	8,00,000.00
Amount unspent	-
Excess amount spent	8,00,000.00

For **Bharat Gears Limited**

Milind Pujari
Chief Financial Officer

Dated: 30 May, 2026
Place: Mumbai

Annexure-"D"

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31 MARCH, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Bharat Gears Limited
CIN: L29130HR1971PLC034365
20 K.M. Mathura Road
P.O. Amar Nagar
Faridabad - 121003
Haryana

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the financial year ended on 31 March, 2026 according to the provisions of:

(i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;

(ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

  (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act, 2013 and dealing with the client;

  (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

  (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;

  (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

  (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

(iii) Codes and Policies adopted by the Company.

We further report that during the period under review the following Act, Rules, Regulations and Guidelines were not applicable to the Company:

(i) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder with respect to the Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(iii) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

(v) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018.

We further report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except below-mentioned:

The Company has not complied with the provisions of section 152(6) of the Companies Act, 2013 relating to retirement of directors by rotation.

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

We further report that adequate notice is given to all directors to schedule the Board/Committee Meetings at least seven days in advance followed by agenda and detailed notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions carried by the Board/Committee do not have any dissenting views and hence, no relevant recordings were made in the minute book maintained for the purpose.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines.

We further report that pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had, intimated in detail to the Stock Exchanges regarding the receipt of an anonymous complaint raising certain concerns, inter alia, with respect to the citizenship status of the Chairman and Managing Director, Mr. Surinder Paul Kanwar.

Further, subsequent to the end of the financial year, Mr. Surinder Paul Kanwar, Chairman and Managing Director has recieved the communication from the Regional Passport Office thereby revoking the passport of Mr. Kanwar. Mr. Kanwar has filed an appeal with the Central Passport Office, the outcome of the said appeal is pending as on date. The Company has pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has given necessary intimation in detail to the Stock Exchange.

The Company has obtained legal opinions on both matters and took note of the said legal opinions in the duly convened Board Meeting, and the deliberations and decisions in relation thereto were duly recorded in the minutes of the Board Meeting.

For TVA & Co. LLP
Company Secretaries
LLPIN:AAE-9329

Tanuj Vohra
Partner
M.No.: F5621, C.P. No.: 5253
UDIN:F005621H000556688

Dated: 30 May, 2026 — PR No - 6544/2025
Place: Delhi — UC: L2015UP000900

Note: This report is to be read with our letter of even date which is annexed as **'Annexure A'** and forms an integral part of our report.

Annexure-A

To,
The Members
Bharat Gears Limited
CIN: L29130HR1971PLC034365
20 K.M. Mathura Road
P.O. Amar Nagar
Faridabad-121003
Haryana

1. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the various compliances but the maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion and the compliance of the provisions of Corporate and other applicable Laws, Rules and Regulations is the responsibility of the management of the Company. Our examination was limited to the verification of procedures on test basis.

3. We have not verified the correctness and appropriateness of the financial records and Books of accounts of the Company.

4. We have obtained necessary management representation about the compliance of various laws, correctness of information shared and happening of events, wherever required.

5. Compliance with respect to the filings of various Reports, Returns, Forms, Certificates and Documents under the various statutes as mentioned in our report is the responsibility of the management of the Company. Our examination was limited to checking the execution and timeliness of filing and we have not verified the contents of such Reports, Returns, Forms, Certificates etc.

6. Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Annexure-"E"

Report on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo and forming part of Board's Report for the year ended 31 March, 2026

(A) Conservation of energy:

(i) the steps taken or impact on conservation of energy:

- Replaced old HPMV Lamps with LED for energy conservation. This has not only ensured much better Lux levels, but also lead to savings in energy consumption. All transparent sheets were cleaned after monsoon which resulted in good day light & saving in power.
- Auto Power cut off/hydraulic off in idle condition implemented.
- Air blow gun pressure to be reduced up to 2 bar using regulator.
- Compressed air leakage elimination.
- Machine hydraulic clamp/declamp mechanism converted in to pneumatic (hydraulic power pack removed).
- Agitator RPM during idle condition was reduced to 50 RPM for 100 RPM thus achieving power saving.
- PLC programs modified in all GPC furnaces to run the Agitator during quenching cycle only which was running continuously earlier.
- APFC panels were organized with in-house manufacturing.
- Optimized Heat treatment cycle for Quench oil temperature from 150 to 120^0 C for certain parts.
- Heat Recovery Unit mounted in UBQ Furnace to maintain washing machine temperature by using waste heat from Vent Endo outlet flame.
- Single Common Blower use for Heating of Two UBQ Furnace.
- Auto Timer added to On and OFF for Company premises street Lights and HVAC blower.
- Chip conveyor to run with cutting oil pump only in auto cycle.
- Dust/Fume collector is now interlocked & will energize only during auto cycle.
- For the machines, where air pressure is required above 5kg/cm^2, we have provided air booster arrangements.

(ii) the steps taken by the company for utilizing alternate sources of energy:

- Solar power 385 Kwp plant is installed in roof of Faridabad Plant. Approx. 60k units per month is generated from Solar. This has indirectly reduced CO2 emission @ 85 ~ 90 ton per month.
- Planning solar green energy purchase from solar generating plants at Faridabad Plant.
- Installation and ongoing cleaning of transparent sheets on the plant roofing to use natural day light.

(iii) the capital investment on energy conservation equipment's:

NIL

Impact of the measures of above for reduction of energy consumption and consequent impact on the cost of production of goods

The result of above initiatives is reduction in the energy costs and these initiatives reflect BGL's proactive approach to energy efficiency and environmental responsibility.

(B) Technology Absorption:

<table>
<tr><td rowspan="5">1.</td><td colspan="2" rowspan="5">The efforts made towards technology absorption</td><td>1.</td><td colspan="3">2 Klingelnberg G27 Bevel Gear Grinding machines Commercial production was started on to improve gear accuracy, and enhance Gear manufacturing Capability.</td></tr>
<tr><td>2.</td><td colspan="3">Implemented advanced Traceability Technology in the Rotax Gear line to enable real-time tracking and Quality control.</td></tr>
<tr><td>3.</td><td colspan="3">New ZEISS CONTURA CMM added in the Quality department brings a major upgrade in measurement capability, accuracy and process control, provide micron-level accuracy & helps meet customer quality standards.</td></tr>
<tr><td>4.</td><td colspan="3">Introduced New Auto size correction unit for turning machine in Rotax Cell.</td></tr>
<tr><td>5.</td><td colspan="3">Hydraulic operated de-burring system is installed on shaping machines. This has resulted in elimination of manual de-burring operation after shaping & also improve throughput, reduce handling, manpower & rejection.</td></tr>
<tr><td rowspan="3">2.</td><td colspan="2" rowspan="3">The benefits derived like product improvement, cost reduction, product development or import substitution</td><td>1.</td><td colspan="3">Increase in production, improved quality, improved throughput and machine utilization. Further, it has also helped to cater to new requirements of customers by adopting latest technology.</td></tr>
<tr><td>2.</td><td colspan="3">Reduction in PPM levels and reduction in manufacturing costs.</td></tr>
<tr><td>3.</td><td colspan="3">Improvement in quality of ring gears by introducing plug quenching.</td></tr>
<tr><td rowspan="9">3.</td><td colspan="2">In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):</td><td colspan="4"></td></tr>
<tr><td rowspan="5">a)</td><td rowspan="5">The details of technology imported</td><td rowspan="5">-</td><td>❖</td><td>1-KLINGELNBERG G27 BEVEL GEAR GRINDER 1st</td><td rowspan="5">-</td></tr>
<tr><td>❖</td><td>1-KLINGELNBERG G27 BEVEL GEAR GRINDER 2nd</td></tr>
<tr><td>❖</td><td>3-ZEISS MAKE CMM (Tester)</td></tr>
<tr><td>❖</td><td>2-KLINGELNBERG P-40 Lead Profile Tester</td></tr>
<tr><td>❖</td><td>4-CREST Ultrasonic Washing Machine</td></tr>
<tr><td>b)</td><td>the year of import</td><td>2023-24</td><td colspan="2">2024-25</td><td>2025-26</td></tr>
<tr><td>c)</td><td>whether the technology been fully absorbed</td><td>N.A.</td><td colspan="2">YES</td><td>N.A.</td></tr>
<tr><td>d)</td><td>If not fully absorbed, areas where absorption has not taken place, and the reasons thereof</td><td>N.A.</td><td colspan="2">N.A.</td><td>N.A.</td></tr>
<tr><td>4.</td><td colspan="2">The expenditure incurred on Research and Development</td><td colspan="4">The Company is in the business of manufacturing and supplying automotive gears to OEMs and for aftermarket sales both for domestic and overseas markets. The nature of business activity carried on by the Company at present does not entail any Research and Development as such.</td></tr>
</table>

(C) Foreign Exchange Earnings and Outgo:

(₹ In Lakhs)

	2025-2026	2024-2025
Foreign Exchange earned	**24036.31**	19074.11
Foreign Exchange used	**190.20**	918.17
Net Foreign Exchange earnings	**23846.11**	18155.94

For and on behalf of the Board of Directors

Surinder Paul Kanwar
Chairman and Managing Director
DIN: 00033524

Dated: 30 May, 2026
Place: Mumbai

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 MARCH, 2026

[Pursuant to Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Regulations")]

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate Governance at Bharat Gears Limited takes care of overall well-being, sustainability and transparency of the system and takes into account the stakeholders' interest in every business decision. Corporate Governance is a combination of voluntary practices and compliances of laws and regulations leading to effective control and management of the Organization and its valuable resources through effective and transparent business conduct, integrating communication, integrity and accountability towards its stakeholders.

The following three pillars of Corporate Governance are followed by the Company, that are critical in successful running of a Company and forming solid professional relationships among its stakeholders' viz. the Board of Directors, employees, suppliers, creditors, and most importantly, shareholders:

The Company is committed to pursue growth by adhering to the highest national standards of Corporate Governance. Company's philosophy on Corporate Governance is based on the following principles:

- Lay solid foundations for management.
- Promote ethical and responsible decision-making.
- Structure the Board to add value.
- Encourage enhanced performance.
- Safeguard integrity in financial reporting.
- Respect the rights of the shareholders.
- Recognise the legitimate interest of shareholders.
- Remunerate fairly and responsibly.
- Recognise and manage business risks.
- Make timely and balanced disclosures.
- Legal and statutory compliances in its true spirit.

The Board of Directors ("the Board") is committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our corporate governance practices, under which we strive to maintain an effective, informed and Independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best practices.

Your Company is following transparent and fair practices of good Corporate Governance and its constant endeavor is to continually improve upon those practices. The Company recognizes communication as key element in the overall Corporate Governance framework and therefore, emphasizes on keeping abreast its stakeholders including investors, lenders, vendors and customers on continuous basis by effective and relevant communication through Annual Reports, quarterly results, corporate announcements and reflecting the same on the Company's official website i.e. www.bharatgears.com.

2. GOVERNANCE STRUCTURE

The Company's Governance comprises a two fold layer, the Board of Directors and the Committees of the Board at the apex level and the Management of the Company at an operational level. This brings about a homogenous blend in governance as the Board lays down the overall corporate objectives and provides direction and independence to the Management to achieve these objectives within a given framework. This professionally managed process results in building a conducive environment for sustainable business operations and value creation for all stakeholders.

3. BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

The Board of the Company comprises highly experienced persons of repute having expertise in their respective areas. Your Company has an optimum combination of Executive and Non-Executive Directors on the Board which includes one Woman Director in compliance of Regulation 17(1) of the Regulations. As on 31 March, 2026, the Board consists of 8 (Eight) members, the Chairman of the Board is an Executive Director and more than half of the strength of the Board consists of Non-Executive Independent Directors. The composition of the Board represents an optimal mix of professionalism, knowledge, expertise and experience that enables the Board to discharge its responsibilities efficiently and provide effective leadership to the business in line with the Company's present requirements.

There is no Nominee Director in the Company.

A brief profile of the members of the Board is also available on the Company's website i.e. www.bharatgears.com.

A. Board's definition of Independent Director

Independent Director shall mean a Non-Executive Director, other than a Nominee Director of the Company:

a. who, in the opinion of the Board of Directors, is a person of integrity and possesses relevant expertise and experience;

b. (i) who is or was not a promoter of the Company or its holding, subsidiary or associate Company or member of the promoter group of the Company;

   (ii) who is not related to Promoters or Directors in the Company, its holding, subsidiary or associate Company;

c. who, apart from receiving Director's remuneration has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their Promoters, or Directors, during the three immediately preceding financial years or during the current financial year;

d. none of whose relatives—

   (i) is holding any security of or interest in the Company, its holding, subsidiary or associate Company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two per cent of the paid-up capital of the Company, its holding, subsidiary or associate Company or such higher sum as may be prescribed;

   (ii) is indebted to the Company, its holding, subsidiary or associate Company or their Promoters or Directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;

   (iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its holding, subsidiary or associate Company or their Promoters or Directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or

   (iv) has any other pecuniary transaction or relationship with the Company, or holding, subsidiary or associate Company amounting to two per cent or more of its gross turnover or total income:

   Provided that the pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company or their promoters or directors in relation to points (i) to (iv) above shall not exceed two per cent of its gross turnover or total income or fifty lakhs rupees or such higher amount as may be specified from time to time, whichever is lower;

e. who, neither himself/herself nor whose relative(s) —

   (i) holds or has held the position of a Key Managerial Personnel or is or has been employee of the Company or its holding, subsidiary or associate Company or any Company belonging to the promoter group of the Company in any of the three financial years immediately preceding the current financial year;

Provided that in case of a relative, who is an employee other than Key Managerial Personnel, the restriction under this clause shall not apply for his/her employment.

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —

(A) a firm of Auditors or Company Secretaries in Practice or Cost Auditors of the Company or its holding, subsidiary or associate Company; or

(B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent or more of the total voting power of the Company; or

(iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts or corpus from the Company, any of its Promoters, Directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company;

(v) is a material supplier, service provider or customer or a lessor or lessee of the Company;

f. who is not less than 21 years of age.

g. who is not a Non-Independent Director of another Company on the Board of which any Non-Independent Director of the Company is an Independent Director.

It has been confirmed by all the Independent Directors of the Company that as on 31 March, 2026, they fulfill the criteria of being "Independent Director" as stipulated under Regulation 16 of the Regulations and Section 149(6) of the Companies Act, 2013 and the rules framed thereunder that they are independent of the management. Further, the Independent Director(s) have declared that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence. Based on the disclosure received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfill the conditions of Independence as specified in the Companies Act, 2013 and the Regulations. During the Financial Year ended 31 March, 2026, no Independent Director has resigned from the directorship of the Company.

During the Financial Year 2025-26, the Board of Directors of the Company, in its Meeting held on 22 May, 2025, based on the recommendation of the Nomination and Remuneration Committee, considered and approved the appointment of Mr. Satya Prakash Mangal (DIN: 01052952) and Mr. Bharat Dev Singh Kanwar (DIN: 00428180) as an Additional Director of the Company in the capacity of Non-Executive Independent Director in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 164 of the Articles of Association (AOA) of the Company. Further, Mr. Nagar Venkatraman Srinivasan, Non-Executive Director had been appointed as a Non-Executive Independent Director of the Company by the Board of Directors in its meeting held on 22 May, 2025.

In terms of the provisions of Regulation 17 of the Regulations, the approval of members, for appointment/re-appointment of Directors on the Board shall be taken either at the next General Meeting or within a time period of three months from the date of appointment, whichever is earlier. In terms of the said provisions and provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Nagar Venkatraman Srinivasan, Mr. Satya Prakash Mangal and Mr. Bharat Dev Singh Kanwar had been appointed as Non-Executive Independent Director(s) of the Company for a period of 5 (Five) years by the members of the Company, vide a special resolution passed at the Annual General Meeting held on 30 July, 2025.

During the Financial Year 2025-26, Mr. Virendra Kumar Pargal (DIN: 00076639) and Mr. Rakesh Chopra (DIN: 00032818) ceased to be Non-Executive Independent Director(s) of the Company with effect 30 July, 2025, due to completion of their respective tenure in accordance with the provisions of the Companies Act, 2013 and the Regulations.

Mr. Virendra Kumar Pargal and Mr. Rakesh Chopra had been an integral part of the Board, contributing their extensive expertise and valuable insights, particularly in the field of plant management and finance respectively during their association with the Company. The leadership of Mr. Virendra Kumar Pargal guided us through critical transformations, strengthened our operational efficiency, and instilled a culture of integrity, professionalism, and excellence. Beyond his professional contributions, his ability to mentor, support, and inspire those around him has left a lasting impression on everyone fortunate enough to work along with him. His legacy will continue to resonate across the organization for years to come. Additionally, Mr. Rakesh Chopra brought a unique combination of financial acumen and strategic foresight to the Company's Boardroom, which has driven improvements in operational efficiency and long-term growth. His legacy will endure in the culture he helped shape and the high standards he upheld.

The Board of Directors and Management of the Company place on record their sincere appreciation for the valuable contributions and guidance provided by Mr. Virendra Kumar Pargal and Mr. Rakesh Chopra throughout their tenure.

The Table-1 gives the Composition of the Board, the Attendance record of the Directors at the Board Meetings and the last Annual General Meeting (AGM); Number of their outside Directorships and their Memberships/ Chairmanships in Board Committees.

Table-1

S.No.	Name of Director(s)	Category	No. of Board Meetings held/ attended	Attendance at last AGM	No. of outside Directorships held[A]	No. of Memberships/ Chairmanships in Board Committees[B]	
						Member	Chairman
1.	[C]Mr. Surinder Paul Kanwar	Chairman and Managing Director	6/6	Present	1	2	-
2.	[C]Mr. Sameer Kanwar	Joint Managing Director	6/5	Present	1	2	-
3.	Mr. W.R. Schilha	Non-Executive Independent Director	6/5	Present	-	-	-
4.	[D]Mr. N.V. Srinivasan	Non-Executive Independent Director	6/6	Present	1	1	2
5.	Mr. Raman Nanda	Non-Executive Independent Director	6/6	Present	1	1	1
6.	Ms. Kavita Jha	Non-Executive Independent Director	6/6	Present	-	1	-
7.	[D]Mr. Satya Prakash Mangal	Non-Executive Independent Director	6/3	Present	1	1	1
8.	[D]Mr. Bharat Dev Singh Kanwar	Non-Executive Independent Director	6/4	Present	1	1	-

The Table-2 gives the details of Directorships of the aforesaid Directors in other listed Companies and the category of directorship.

Table-2

S.No.	Name of Director(s)	Category	Name of other Listed Company	Category of directorship in other Listed Company
1.	Mr. Surinder Paul Kanwar	Chairman and Managing Director	Raunaq International Limited	Chairman and Managing Director
2.	Mr. Sameer Kanwar	Joint Managing Director	NIL	N.A.
3.	Mr. W.R. Schilha	Non-Executive Independent Director	NIL	N.A.
4.	Mr. N.V. Srinivasan	Non-Executive Independent Director	Raunaq International Limited	Non-Executive Independent Director
5.	Mr. Raman Nanda	Non-Executive Independent Director	NIL	N.A.
6.	Ms. Kavita Jha	Non-Executive Independent Director	NIL	N.A.
7.	Mr. Satya Prakash Mangal	Non-Executive Independent Director	NIL	N.A.
8.	Mr. Bharat Dev Singh Kanwar	Non-Executive Independent Director	NIL	N.A.

[A]excluding directorship in Private Limited Companies, alternate directorship, Companies registered under Section 8 of the Companies Act, 2013 and Foreign Companies.

[B]For the purpose of considering the limit of the Committees on which a Director can serve, all Public Limited Companies, whether listed or not, are included and all other Companies including Private Limited Companies, Foreign Companies and the Companies under Section 8 of the Companies Act, 2013 are excluded and further, it includes Membership/Chairmanship of Audit Committee and Stakeholders' Relationship Committee only in terms of Regulation 26(1) of the Regulations. None of the Directors of your Company is a Member of more than 10 (Ten) Committees or is the Chairman of more than 5 (Five) Committees across all Public Limited Companies in which he/she is a Director. The Membership/Chairmanship also includes Membership/Chairmanship in Bharat Gears Limited.

[C]Mr. Surinder Paul Kanwar is the father of Mr. Sameer Kanwar.

The Board of Directors of the Company in its meeting held on 30 May, 2026 has decided not to extend the term of Mr. Sameer Kanwar as Joint Managing Director of the Company and his tenure will expire on 31 May, 2026.

[D]Mr. N.V. Srinivasan, Non-Executive Director appointed as a Non-Executive Independent Director of the Company with effect from 22 May, 2025. Further, Mr. Satya Prakash Mangal and Mr. Bharat Dev Singh Kanwar appointed as a Non-Executive Independent Director of the Company with effect from 22 May, 2025.

No Non-Executive Director is related to any other Director inter-se and has any material pecuniary relationships/ transactions via-a-vis the Company (other than the sitting fees for attending the Board/Committee meetings).

As on 31 March, 2026, None of the Directors of the Company is a Director in more than 7 (seven) listed Companies. Further, None of the Managing Director/Whole time Director of the Company is serving as an Independent Director in more than 3 (three) listed Companies.

The terms of appointment of the Directors appointed at the Annual General Meeting of the Company held on 30 July, 2025 are available on the official website of the Company i.e. www.bharatgears.com.

In terms of Regulation 17(1A) of the Regulations, the consent of the members has been obtained vide special resolution(s) for the appointment and continuation of Non-Executive Directors who have attained the age of Seventy Five Years, upto their respective present tenure.

The necessary compliance with the relevant clause regarding the appointment or re-appointment of Non-Executive Directors during the Financial Year 2025-26 has been ensured. Specifically, the requirement that such confirmation is obtained at the time of appointment or re-appointment or at any time prior to the Non-Executive Director reaching the age of seventy five years has been duly complied with.

In terms of Regulation 25(7) of the Regulations, the Company has adopted a familiarization programme for the Directors that covers familiarizing the Directors about the nature of the industry in which the Company operates, business model of the Company, their roles, rights, responsibilities, and other relevant details by way of:

- *Convening of meetings of the Board of Directors of the Company at regular intervals and providing therein a brief idea to the Directors of the production processes and operations of the Company.*
- *Circulation of an elaborated note on business operations with regard to the operations and financial position of the Company as at the end of each quarter with the Agenda of each Board Meeting.*
- *Updating the Directors of any amendments in laws, rules and regulations as applicable on the Company through various presentations at the Board Meeting(s) in consultation with the Statutory Auditors, Internal Auditors and the Secretarial Auditors of the Company likewise the Companies Act, SEBI Laws, Listing Regulations and such other laws and regulations as may be applicable.*
- *Various presentations are conducted at meetings of the Board/Committees of the Board periodically to familiarize the Directors with the business performance, business strategy, operations and functions of the Company. Such presentations help Directors to understand the Company's Strategy, Operations, Market Competition, Organization Structure, Risk Analysis and such other areas.*

The details of familiarization programme during the Financial Year 2025-26 are available on the official website of the Company i.e. www.bharatgears.com under the link i.e. https://www.bharatgears.com/pdf/details-of-familiarization-programme-for-independent-directors-fy-25-26.pdf

The Table-3 gives the details of core skills/expertise/ competencies identified by the Board of Directors as required in the context of Company's business(es) and sector(s) for Company to function effectively and those actually available with the Board.

Table-3

S.No.	Core skills/ expertise/ competencies	Available with the Board (YES/NO)	Name of Directors who have such Core skills/ expertise/competencies
1.	Knowledge of Core Business i.e. Automotive Gears	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. W.R. Schilha Mr. N.V. Srinivasan Mr. Raman Nanda Mr. Bharat Dev Singh Kanwar
2.	Plant Management	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. N.V. Srinivasan Mr. Raman Nanda Mr. Bharat Dev Singh Kanwar
3.	Strategic Planning	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. W.R. Schilha Mr. N.V. Srinivasan Mr. Raman Nanda Mr. Bharat Dev Singh Kanwar
4.	Product Development and Marketing	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. W.R. Schilha Mr. N.V. Srinivasan Mr. Raman Nanda Mr. Bharat Dev Singh Kanwar
5.	Knowledge of Macro Environment vis-à-vis Industry	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. W.R. Schilha Mr. N.V. Srinivasan Mr. Raman Nanda Ms. Kavita Jha Mr. Satya Prakash Mangal Mr. Bharat Dev Singh Kanwar
6.	Financial Literacy	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. N.V. Srinivasan Mr. Raman Nanda Ms. Kavita Jha Mr. Satya Prakash Mangal Mr. Bharat Dev Singh Kanwar
7.	Ability to read Financial Statements	YES	Mr. Surinder Paul Kanwar Mr. Sameer Kanwar Mr. W.R. Schilha Mr. N.V. Srinivasan Mr. Raman Nanda Ms. Kavita Jha Mr. Satya Prakash Mangal Mr. Bharat Dev Singh Kanwar

B. Board Meetings

During the Financial Year 2025-26, 6 (Six) Board Meetings were held on the following dates. The gap between any two meetings was not more than 120 (one hundred and twenty) days as mandated in Regulation 17(2) of the Regulations:-

- 29 April, 2025;
- 22 May, 2025;
- 29 July, 2025;
- 14 November, 2025;
- 23 January, 2026; and
- 10 February, 2026

The Company Secretary prepares the agenda and explanatory notes, in consultation with the Chairman and Managing Director and Chief Financial Officer and circulates the same in advance to the Directors. The Board meets at least once every quarter inter alia to review the quarterly results. Additional meetings are held, when necessary. Wherever it is not possible to convene a Board Meeting, resolutions are passed by circulation in order to meet the business exigencies. Presentations are made to the Board on the business operations and performance of the Company. The minutes of the proceedings of the meetings of the Board of Directors are noted and the draft minutes are circulated amongst the members of the Board for their perusal in terms of the Secretarial Standards issued by the Institute of Company Secretaries of India. Comments, if any received from the Directors are also incorporated in the minutes, in consultation with the Chairman and Managing Director. The Minutes are signed by Chairman of the Board at the next meeting and signed minutes are circulated amongst the members of the Board for their perusal in terms of the Secretarial Standards issued by the Institute of Company Secretaries of India. Senior management personnel are invited to provide additional inputs for the items being discussed by the Board of Directors as and when considered necessary.

Post Meeting Follow Up System: The Company has an effective post Board Meeting follow up procedure. Action Taken Report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

C. Information supplied to the Board

The Board has complete access to all information with the Company. The information is provided to the Board on regular basis and the agenda papers for the meetings are circulated in advance of each meeting. The information supplied to the Board includes the following, extent to the applicability during the year as per Regulation 17(7) read with Schedule II to the Regulations.

- Annual Operating Plans and Budgets and any updates;
- Capital budgets and any updates;
- Quarterly, Half Yearly and Yearly Results of the Company;
- Minutes of the Meetings of Audit Committee and other Committees of the Board of Directors;
- Show cause, demand, prosecution notices and penalty notices, which are materially important.

The Board periodically reviews the compliance reports of all laws applicable to the Company prepared by the Company along with the declaration made by all the respective departmental heads and by the Chairman and Managing Director regarding compliance with all applicable laws.

4. BOARD COMMITTEES

The Board Committees play a crucial role in the Governance Structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulations, which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles. The Chairperson of the respective Committee informs the Board about the summary of the discussions at the Committee Meetings. The proceedings of the Meetings of all Committees are placed before the Board for review.

A. Audit Committee

I. *Constitution and Composition*

In terms of the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Regulations, the "Audit Committee" comprises the following Independent Directors, who have financial/accounting acumen to specifically look into internal controls and audit procedures. All the members are financially literate and have accounting and financial management expertise. The Table-4 gives the composition of the Audit Committee and attendance record of members of the Committee:

Table-4

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	*Mr. Raman Nanda	Chairman	5/5
2.	#Ms. Kavita Jha	Member	5/3
3.	#Mr. Satya Prakash Mangal	Member	5/2
4.	#Mr. Bharat Dev Singh Kanwar	Member	5/3
5.	@Mr. Rakesh Chopra	Chairman	5/2
6.	@Mr. V.K. Pargal	Member	5/2

@During the year, Mr. Rakesh Chopra and Mr. V.K. Pargal ceased to be Chairman and Member of the Audit Committee respectively on 30 July, 2025 due to completion of their tenure as Non-Executive Independent Director of the Company.

*Mr. Raman Nanda, the erstwhile member of the Committee designated as the Chairman of the Committee with effect from 31 July, 2025.

#Ms. Kavita Jha, Mr. Satya Prakash Mangal and Mr. Bharat Dev Singh Kanwar inducted as members of the Committee with effect from 31 July, 2025.

Accordingly, the Audit Committee had been reconstituted on 31 July, 2025.

In addition to the Members of the Audit Committee, the Chief Financial Officer, Internal Auditors and the Statutory Auditors attended the meetings of the Committee as invitees. Members held discussions with the Statutory Auditors during the meetings of the Committee. The Audit Committee reviewed the quarterly, half-yearly and year to date un-audited and annual audited financials of the Company before submission to the Board of Directors for its consideration and approval. The Committee also reviewed and evaluated the internal control systems, Enterprise Risk Management system, internal audit reports, internal controls for prevention of insider trading and functioning of whistle blower mechanism.

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary of the Company acted as Secretary to the Audit Committee Meetings as aforesaid.

The Chairman of the Audit Committee was present at the last Annual General Meeting to answer the queries of the shareholders to their satisfaction.

II. *Audit Committee Meetings*

During the Financial Year 2025-26, 5 (Five) meetings of the Audit Committee were held on the following dates. The gap between any two meetings was not more than 120 (one hundred and twenty) days as mandated in Regulation 18(2) of the Regulations:-

- 22 May, 2025;
- 28 July, 2025;
- 18 September, 2025;
- 14 November, 2025; and
- 10 February, 2026

III. *Powers of Audit Committee*

The Audit Committee has been empowered with the adequate powers as mandated in Regulation 18 of the Regulations which includes the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

IV. *Role of Audit Committee*

The role of the Audit Committee in terms of Regulation 18 of the Regulations includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
    b. changes, if any, in accounting policies and practices and reasons for the same.
    c. major accounting entries involving estimates based on the exercise of judgment by management.
    d. significant adjustments made in the financial statements arising out of audit findings.
    e. compliance with listing and other legal requirements relating to financial statements.
    f. disclosure of any related party transactions.
    g. modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders,

shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the whistle blower mechanism;

19. Approval of appointment of Chief Financial Officer (CFO) after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

21. In case of a subsidiary Company, reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.

22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

The Audit Committee may also review such matters as may be referred to it by the Board or which may be specified as role of the Audit Committee under amendments, if any, from time to time, to the Regulations, the Companies Act, 2013 and other Statutes.

V. *Review of Information by Audit Committee*

The Audit Committee reviews the following information:

1. Management Discussion and Analysis of financial condition and results of operations;

2. Management letters/letters of internal control weaknesses issued by the Statutory Auditors;

3. Internal Audit Reports relating to internal control weaknesses;

4. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee; and

5. Statement of deviations, if required.

B. Nomination and Remuneration Committee

I. *Constitution and Composition*

In terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Regulations, the Nomination and Remuneration Committee constitutes of following 4 (Four) Directors as members. Table-5 gives the composition of the Nomination and Remuneration Committee and the attendance record of the members of the Committee.

Table-5

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	@Mr. N.V. Srinivasan	Chairman	2/1
2.	#Ms. Kavita Jha	Member	2/1
3.	#Mr. Satya Prakash Mangal	Member	2/1
4.	Mr. Surinder Paul Kanwar	Member	2/2
5.	$Mr. V.K. Pargal	Chairman	2/1
6.	$Mr. Rakesh Chopra	Member	2/1
7.	*Mr. W.R. Schilha	Member	2/1

$During the year, Mr. V.K. Pargal and Mr. Rakesh Chopra ceased to be the Chairman and the Member of the Nomination and Remuneration Committee respectively on 30 July, 2025 due to completion of their tenure as Non-Executive Independent Director of the Company.

*Mr. W.R. Schilha ceased to be a member of the Committee with effect from 30 July, 2025.

@Mr. N.V. Srinivasan, the erstwhile member of the Committee designated as Chairman of the Committee with effect from 31 July, 2025.

#Ms. Kavita Jha and Mr. Satya Prakash Mangal inducted as member of the Committee with effect from 31 July, 2025.

Accordingly, the Nomination and Remuneration Committee had been reconstituted on 31 July, 2025.

Mr. N.V. Srinivasan, Ms. Kavita Jha and Mr. Satya Prakash Mangal are Non-Executive Independent Directors and Mr. Surinder Paul Kanwar is Chairman and Managing Director of the Company.

II. *Nomination and Remuneration Committee Meetings*

In terms of Regulation 19 of the Regulations, at least 1 (One) meeting of the Nomination and Remuneration Committee is held in each Financial Year.

During the Financial Year 2025-26, 2 (Two) meetings of the Nomination and Remuneration Committee were held. Table-6 gives the details of the date and purpose of the meetings of Nomination and Remuneration Committee:-

Table-6

S.No.	Date of Meeting	Purpose
1.	22 May, 2025	Considered and recommended the appointment of Mr. Satya Prakash Mangal as an Additional Director in the capacity of Non-Executive Independent Director of the Company.
		Considered and recommended the appointment of Mr. Bharat Dev Singh Kanwar as an Additional Director in the capacity of Non-Executive Independent Director of the Company.
		Considered and recommended the appointment of Mr. Nagar Venkatraman Srinivasan, Non-Executive Director as a Non-Executive Independent Director of the Company.
		Defined "Senior Management" of the Company in terms of provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
		Considered and recommended the Remuneration of Key Managerial Personnel (KMP) and Senior Management Personnel of the Company.
		Evaluation of the performance of Nomination and Remuneration Committee of the Company.
2.	10 March, 2026	Re-appointment of Mr. Sameer Kanwar as Joint Managing Director of the Company not recommended for further tenure.
		Evaluation of the performance of Nomination and Remuneration Committee of the Company.

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary of the Company acted as Secretary to the Nomination and Remuneration Committee meetings as aforesaid.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting and replied to the queries of the shareholders to their satisfaction.

III. *Role of Nomination and Remuneration Committee*

The role of the Nomination and Remuneration Committee in terms of the Regulations includes the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;

   For every appointment of an Independent Director, the Nomination and Remuneration Committee evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director and ensures that the person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee, if required:

   a. uses the services of an external agency;

   b. considers candidates from a wide range of backgrounds, having due regard to diversity; and

   c. considers the time commitments of the candidates.

2. formulation of criteria for evaluation of performance of Independent Directors and the Board;

3. devising a policy on Board's diversity;

4. identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

5. deciding whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors.

6. recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Pursuant to Schedule V to the Companies Act, 2013, in case of no profits or inadequate profits, the Nomination and Remuneration Committee has been empowered to consider, approve and recommend the remuneration of Whole Time Director/Managing Director.

IV. *Nomination and Remuneration Policy*

Pursuant to the provisions of the Companies Act, 2013 read with Regulation 19 of the Regulations, the policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management as approved by the Board is available on the official website of the Company i.e. www.bharatgears.com.

The objectives and purpose of the said policy are:

- To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive/Non-Executive/Independent) of the Company;
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and to ensure long term sustainability of talented managerial persons and create competitive advantage;
- To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- To ensure remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the Company's operations and its goals.

While deciding the remuneration for Directors, Key Managerial Personnel and other employees, the Board and the Nomination and Remuneration Committee takes into consideration the performance of the Company, the current trends in the industry, the qualification of the appointee(s), positive attributes, their independence, expertise, past performance and other relevant factors. The Board/Committee regularly keeps track of the market trends in terms of compensation levels and practices in relevant industries. This information is used to review the Company's remuneration policy from time to time.

V. *Policy on Board Diversity*

In terms of Regulation 19 of the Regulations, the Nomination and Remuneration Committee has formed the policy on Board Diversity to provide for having a broad experience and diversity on the Board. The said policy is a part of Nomination and Remuneration Policy.

VI. *Succession Plans for Board, KMPs and Senior Management*

The Nomination and Remuneration Committee has a diligence process to determine the suitability of every person who is being considered for appointment or re-appointment as a Director, KMP or Senior Management Personnel of the Company as the case may be based on his/her educational qualifications, experience and track record.

The Committee has formed a Nomination and Remuneration Policy in accordance with the applicable provisions of the Companies Act, the Regulations and other laws as applicable to the Company to guide the Board in relation to the appointment, re-appointment or removal of the person at the Board, KMP and Senior Management level.

The Committee carries out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval.

Further, the Audit Committee under the Risk Management frame work evaluates and reviews the succession planning, skill development process and training requirements for the Senior Management Personnel and KMPs on half yearly basis.

VII. *Performance Evaluation*

In terms of Regulation 17 of the Regulations, the Board of Directors in its meeting held on 30 May, 2026 evaluated the performance of Independent Directors in terms of criteria of performance evaluation as laid down by Nomination and Remuneration Committee which covers the area relevant to their role as Independent Director in the Company, including but not limited to:

(a) Performance of the Directors; and

(b) Fulfillment of the independence criteria as specified in the Regulations and their independence from the management.

In the above evaluation, the Director(s) who were subject to evaluation did not participated respectively.

During the Financial Year 2025-26, a separate meeting of the Independent Directors of the Company was held on 10 March, 2026 in terms of Regulation 25 of the Regulations.

The Independent Directors in their separate meeting:

i. reviewed the performance of Non-Independent Directors and the Board as a whole;

ii. reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

iii. assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Committee Members evaluated performance of their respective Committees in the meeting of respective Committees.

VIII. *Remuneration of Directors for 2025-26*

Table-7

(₹ In Lakhs)

Name of Director	Sitting Fees#		Salaries and Perquisites		Total
	Board Meetings	Committee Meetings			
NON-EXECUTIVE DIRECTORS					
Mr. V.K. Pargal^	3.00	2.25	Nil		5.25
Mr. W.R. Schilha	5.00	0.50	Nil		5.50
Mr. Rakesh Chopra^	3.00	2.50	Nil		5.50
Mr. N.V. Srinivasan	6.00	1.00	Nil		7.00
Mr. Raman Nanda	6.00	4.50	Nil		10.50
Ms. Kavita Jha	6.00	2.50	Nil		8.50
Mr. Satya Prakash Mangal^^	3.00	2.00	Nil		5.00
Mr. Bharat Dev Singh Kanwar^^	4.00	2.25	Nil		6.25
				Sub-Total (A)	**53.50**
EXECUTIVE DIRECTORS					
Mr. Surinder Paul Kanwar($)			• Salary	200.00	
			• Contribution to provident and other funds (*)	24.00	
			• Monetary value of perquisites (**)	39.54	263.54
Mr. Sameer Kanwar($)			• Salary	140.00	
			• Contribution to provident and other funds (*)	16.80	
			• Monetary value of perquisites (**)	19.76	176.56
				Sub-Total (B)	**440.10**
				Grand Total	**493.60**

#GST as applicable paid directly by the Company.

^Ceased to be Director with effect from 30 July, 2025 upon completion of tenure.

^^Appointed with effect from 22 May, 2025.

*Excludes provision for gratuity which is determined on the basis of actuarial valuation done on an overall basis for the Company.

**Excludes provision for compensated absences which is made based on the actuarial valuation done on an overall basis for the Company.

There is no notice period or severance fee in respect of appointment of any of the above Managerial Personnel. Neither Mr. Surinder Paul Kanwar nor Mr. Sameer Kanwar is entitled for any performance linked incentives and the "Bharat Gears Limited - Employee Stock Option Scheme – 2021".

The Company has paid remuneration to the Non-Executive Directors by way of sitting fees at the following rate for attending each meeting of the Board and its Committees respectively:

Table-8

S.No.	Particulars of Meeting	Sitting Fees per Meeting (₹)
1.	Board Meeting	1,00,000/-
2.	Audit Committee	1,00,000/-
3.	Nomination and Remuneration Committee	25,000/-
4.	Finance Committee	25,000/-
5.	Corporate Social Responsibility Committee	25,000/-
6.	Stakeholders' Relationship Committee	25,000/-
7.	Separate Meeting of Independent Directors	25,000/-

$The remuneration payable to Mr. Surinder Paul Kanwar, Chairman and Managing Director and Mr. Sameer Kanwar, Joint Managing Director is subject to the approval of the shareholders by special resolution in general meeting, if the aggregate remuneration payable to them exceeds 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 and fresh approval of the shareholders is sought at the beginning of each tenure of their appointment.

C. Stakeholders' Relationship Committee

I. *Constitution and Composition*

In terms of the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Regulations, the "Stakeholders' Relationship Committee" constitutes of following 4 (Four) Directors as members. The Table-9 gives the composition of the Stakeholders' Relationship Committee and the attendance record of Members of the Stakeholders' Relationship Committee:

Table-9

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	@Mr. N.V. Srinivasan	Chairman	1/1
2.	Mr. Surinder Paul Kanwar	Member	1/1
3.	**Mr. Sameer Kanwar	Member	1/1
4.	#Mr. Raman Nanda	Member	1/0
5.	*Mr. Rakesh Chopra	Chairman	1/1

*During the year, Mr. Rakesh Chopra ceased to be the Chairman of the Stakeholders' Relationship Committee on 30 July, 2025 due to completion of his tenure as a Non-Executive Independent Director of the Company.

@Mr. N.V. Srinivasan, the erstwhile member of Committee designated as Chairman of the Committee with effect from 31 July, 2025.

#Mr. Raman Nanda inducted as member of the Committee with effect from 31 July, 2025.

Accordingly, the Stakeholders' Relationship Committee had been reconstituted on 31 July, 2025.

Mr. N.V. Srinivasan and Mr. Raman Nanda are Non-Executive Independent Directors, Mr. Surinder Paul Kanwar is Chairman and Managing Director and Mr. Sameer Kanwar is Joint Managing Director of the Company.

**The tenure of Mr. Sameer Kanwar as Joint Managing Director of the Company shall expire on 31 May, 2026.

II. *Role of Stakeholders' Relationship Committee*

The role of the Stakeholders' Relationship Committee in terms of the Regulations includes the following:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.

3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar to an Issue and Share Transfer Agent.

4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

III. Stakeholders' Relationship Committee Meetings

In terms of Regulation 20 of the Regulations, at least 1 (One) meeting of the Stakeholders' Relationship Committee is held in each Financial Year.

During the Financial Year 2025-26, 1 (One) meeting of the Stakeholders' Relationship Committee was held.

Table-10 gives the details of the date and purpose of the meeting of Stakeholders' Relationship Committee:-

Table-10

S.No.	Date of Meeting	Purpose
1.	22 May, 2025	Noting of status of grievances of the Shareholders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. during the Financial Year 2024-25.
		Review of measures taken for effective exercise of voting rights by shareholders.
		Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent i.e MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited).
		Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary of the Company acted as Secretary to the Stakeholders' Relationship Committee Meeting as aforesaid.

The Chairman of the Stakeholders' Relationship Committee was present at the last Annual General Meeting and replied to the queries of the shareholders to their satisfaction.

IV. *Sub-Committee*

In order to have speedy disposal of the Shareholders'/ Investors' requests for transfers and transmissions, a Sub-Committee consisting of the following Directors/ Officers of the Company is in place for effecting transfer/ transmission/split/consolidation of shares:

a. Mr. Surinder Paul Kanwar, Chairman and Managing Director

b. Mr. Sameer Kanwar, Joint Managing Director

c. Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary

Any two of the above are authorized to consider and approve the transfer/transmission/split/consolidation of shares. The Sub-Committee is attending to Share Transfer formalities as and when required.

However, the Securities and Exchange Board of India (SEBI) has prohibited the transfer of shares in physical form w.e.f. 01 April, 2019 except in case of transmission or transposition of securities. Therefore, the Sub-Committee addresses and disposes the aforesaid requests other than those prohibited by SEBI.

V. *Status of Investor Complaints/Requests*

No. of Complaints received during the Financial Year 2025-26	2
No. of Complaints resolved to the satisfaction of stakeholders during the Financial Year 2025-26	2

No. of pending requests for share transfers, transmissions (under permissible mode(s)), dematerialisations and rematerialisations as on 31 March, 2026.

Particulars	No. of Requests	No. of Securities
Transfers and Transmissions (Under Permissible Mode(s))	NIL	NIL
Dematerialisations and Rematerialisations	NIL	NIL

In terms of Regulation 13 of the Regulations, the Company has filed the status of investor complaints at the end of each quarter under the integrated filing module introduced by the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) in the NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre respectively.

D. Corporate Social Responsibility Committee ("CSR Committee")

I. *Constitution and Composition*

In terms of the provisions of Section 135 of the Companies Act, 2013, the Corporate Social Responsibility Committee ("CSR Committee") constitutes of following 4 (Four) Directors as members to monitor the Corporate Social Responsibility Policy of the Company as approved by the Board and the said policy is available on the official website of the Company i.e. www.bharatgears.com.

The Table-11 gives the composition and the attendance record of Members of the CSR Committee:

Table-11

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	@Mr. Satya Prakash Mangal	Chairman	1/1
2.	#Mr. Surinder Paul Kanwar	Member	1/1
3.	**Mr. Sameer Kanwar	Member	1/1
4.	*Mr. Raman Nanda	Member	1/1
5.	$Mr. Rakesh Chopra	Member	1/0

$During the year, Mr. Rakesh Chopra ceased to be member of the CSR Committee on 30 July, 2025 due to completion of his tenure as a Non-Executive Independent Director of the Company.

@Mr. Satya Prakash Mangal inducted as Chairman of the Committee with effect from 31 July, 2025.

#Mr. Surinder Paul Kanwar, the erstwhile Chairman of Committee designated as member of the Committee with effect from 31 July, 2025.

*Mr. Raman Nanda inducted as member of the Committee with effect from 31 July, 2025.

Accordingly, the Corporate Social Responsibility Committee had been reconstituted on 31 July, 2025.

Mr. Satya Prakash Mangal and Mr. Raman Nanda are Non-Executive Independent Directors, Mr. Surinder Paul Kanwar is Chairman and Managing Director and Mr. Sameer Kanwar is Joint Managing Director of the Company.

**The tenure of Mr. Sameer Kanwar as Joint Managing Director of the Company shall expire on 31 May, 2026.

II. *Role of Corporate Social Responsibility Committee*

The role of the Corporate Social Responsibility Committee in terms of the Companies Act, 2013 includes the following:

(a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy (CSR Policy) which shall indicate the activities to be undertaken by the Company in the area or subject, specified in Schedule VII to the Companies Act, 2013 ("the Act").

(b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above;

(c) Monitor the Corporate Social Responsibility Policy of the Company from time to time; and

(d) Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

III. *CSR Committee Meetings*

During the Financial Year 2025-26, 1 (One) meeting of CSR Committee was held. Table-12 gives the details of the date and purpose of the meeting of CSR Committee:-

Table-12

S. No.	Date of Meeting	Purpose
1.	10 February, 2026	Considered and recommended spending on Corporate Social Responsibility (CSR) activities in terms of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 during the Financial Year 2025-26 as per the Annual Action Plan approved by the Board of Directors.
		Considered and recommended the Annual Action Plan for spending on Corporate Social Responsibility (CSR) activities for the Financial Year 2026-27 to the Board of Directors.

E. Finance Committee

The "Finance Committee" of the Board of Directors of the Company is in existence which has been empowered to take care of the financing and other day to day requirements of the Company. The said Committee is authorised to borrow monies, make loans, issue shares, etc. and matters related or incidental thereto.

The Table-13 gives the composition of the Finance Committee:

Table-13

S.No.	Name of Member	Designation	No. of meetings Held/ Attended
1.	@Mr. Surinder Paul Kanwar	Chairman	1/1
2.	Mr. Sameer Kanwar	Member	1/1
3.	#Mr. N.V. Srinivasan	Member	1/1
4.	#Mr. Satya Prakash Mangal	Member	1/1
5.	*Mr. Rakesh Chopra	Chairman	1/0
6.	*Mr. V.K. Pargal	Member	1/0

*During the year, Mr. Rakesh Chopra and Mr. V.K. Pargal ceased to be Chairman and Member of the Finance Committee respectively on 30 July, 2025 due to completion of their tenure as Non-Executive Independent Director of the Company.

@Mr. Surinder Paul Kanwar, the erstwhile member of Committee designated as Chairman of the Committee with effect from 31 July, 2025.

#Mr. N.V. Srinivasan and Mr. Satya Prakash Mangal inducted as member of the Committee with effect from 31 July, 2025.

Accordingly, the Finance Committee had been reconstituted on 31 July, 2025.

Mr. Surinder Paul Kanwar is Chairman and Managing Director, Mr. Sameer Kanwar is Joint Managing Director & Mr. N.V. Srinivasan and Mr. Satya Prakash Mangal are the Non-Executive Independent Directors of the Company.

During the Financial Year 2025-26, 1 (One) meeting of Finance Committee was held on 06 October, 2025 to discharge the functions delegated to the Committee.

Each of these Committees of the Board have requisite expertise to handle the issues relevant to their field and spend considerable time and give focused attention to the various issues placed before it and guidance by these Committees lend immense values and enhances the decision making process of the Board. The Board reviews the functioning of these Committees from time to time. The Meetings of each of the Committee are convened by the respective Chairman, who also informs the Board about the summary of discussion held in the Committee Meetings. The Minutes of the Committee Meetings are sent to all the Directors individually and tabled at the respective Board/Committee Meeting.

5. SENIOR MANAGEMENT

In terms of the provisions of Section 178 of the Companies Act, 2013 and the Regulations, the "Senior Management" of the Company includes the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and specifically includes the functional heads, by whatever name called and the persons identified and designated as Key Managerial Personnel, other than the Board of Directors of the Company.

The Table-14 gives the details of persons covered under the Senior Management of the Company as on 31 March, 2026:

Table-14

S.No.	Name of Senior Management Personnel	Designation
1.	*Mr. Naresh Verma	Corporate Business Head
2.	Mr. Jagdeep Singh Sachdeva	Business Head (After Market)
3.	Mr. Milind Pujari	Chief Financial Officer (CFO)
4.	Mr. Prashant Khattry	Corporate Head (Legal) and Company Secretary (CS)
5.	Mr. Kiran Rai	Process Head-OE Marketing and Business Development

During the Financial Year 2025-26, Mr. Hitendra Narain Mishra ceased to be Chief Executive Officer (CEO) of the Company with effect from 30 April, 2025.

*Mr. Naresh Verma, Corporate Business Head of the Company has been appointed as Executive Director-Operations of the Company w.e.f. 01 June, 2026.

6. COMPLIANCE OFFICER

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary is the Compliance Officer of the Company.

7. DIRECTORS

Appointment/Re-appointment of existing Executive Director/Non-Executive Director

During the Financial Year 2025-26, the members of the Company vide their special resolution(s) passed at the Annual General Meeting held on 30 July, 2025 approved the:

- Appointment of Mr. Satya Prakash Mangal as a Non-Executive Independent Director of the Company for a period of 5 (Five) years with effect from the aforesaid Annual General Meeting i.e. 30 July, 2025 in terms of the provisions of Section 149 of the Companies Act, 2013;
- Appointment of Mr. Bharat Dev Singh Kanwar as a Non-Executive Independent Director of the Company for a period of 5 (Five) years with effect from the aforesaid Annual General Meeting i.e. 30 July, 2025 in terms of the provisions of Section 149 of the Companies Act, 2013;
- Appointment of Mr. Nagar Venkatraman Srinivasan, as a Non-Executive Independent Director of the Company for a period of 5 (Five) years with effect from the aforesaid Annual General Meeting i.e. 30 July, 2025 in terms of the provisions of Section 149 of the Companies Act, 2013;

The tenure of Mr. Sameer Kanwar as Joint Managing Director of the Company shall expire on 31 May, 2026. The Board of Directors in its meeting held on 30 May, 2026 has decided not to extend the term of Mr. Sameer Kanwar, Joint Managing Director and his tenure will expire on 31 May, 2026.

The Board of Directors in its meeting held on 30 May, 2026 considered and approved the appointment of Mr. Naresh Kumar Verma, Corporate Business Head of the Company as an Additional Director of the Company and in furtherance as Executive Director-Operations of the Company with effect from 01 June, 2026, subject to the approval of members of the Company at the ensuing Annual General Meeting.

In terms of the provisions of Section 149 of the Companies Act, 2013, Mr. W.R. Schilha had been re-appointed as a Non-Executive Independent Director at the Annual General Meeting (AGM) of the Company held on 22 September, 2021 for second consecutive term for a further period of 5 (Five) Years upto the conclusion of the 54th AGM of the Company in the Calendar year 2026.

In purview of the same, the tenure of Mr. W.R. Schilha as Non-Executive Independent Director of the Company shall conclude at the ensuing Annual General Meeting (AGM).

As required under Regulation 36 of the Regulations, the information or details pertaining to the Directors seeking appointment/re-appointment in the ensuing Annual General Meeting has been furnished in the Explanatory Statement to the Notice of the ensuing Annual General Meeting.

8. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as detailed below:

Annual General Meetings

Table-15

Financial Year	Venue	Date & Time	Special Resolution(s) Passed
2024-25	Video Conference (VC)/ Other Audio Visual Means (OAVM) ("Instameet" platform of MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited))	30 July, 2025 04:00 P.M.	Yes 1. Consideration and approval of the appointment of Mr. Satya Prakash Mangal, Additional Director of the Company as a Non-Executive Independent Director on the Board of the Company. 2. Consideration and approval of the appointment of Mr. Bharat Dev Singh Kanwar, Additional Director of the Company as a Non-Executive Independent Director on the Board of the Company. 3. Consideration and approval of the appointment of Mr. Nagar Venkatraman Srinivasan, Non-Executive Director of the Company as a Non-Executive Independent Director on the Board of the Company.
2023-24	Video Conference (VC)/ Other Audio Visual Means (OAVM) ("Instameet" platform of MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited))	12 August, 2024 11:30 A.M.	Yes 1. Consideration and approval of the re-appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director on the Board of the Company. 2. Consideration and approval of the re-appointment of Mr. Sameer Kanwar as Joint Managing Director of the Company.
2022-23	Video Conference (VC)/ Other Audio Visual Means (OAVM) ("Instameet" platform of MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited))	20 September, 2023 11:30 A.M.	Yes 1. Consideration and approval of the re-appointment of Mr. Nagar Venkatraman Srinivasan as a Non-Executive Director on the Board of the Company.

Extra-ordinary General Meetings

No Extraordinary General Meeting of the Company was held during the Financial Year ended 31 March, 2026.

Postal Ballot

There are no special resolutions passed during the Financial Year 2025-26 through postal ballot and no special resolution is proposed to be conducted through postal ballot.

9. MEANS OF COMMUNICATION

The Quarterly, Half Yearly and Annual Financial Results during the year were duly furnished to both the stock exchanges i.e. the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) and the same were published by the Company as under:

Table-16

Financial Results	Name(s) of Newspapers	Date(s) of Publication
Quarter/Year ended 31 March, 2025	Financial Express# Jansatta (Hindi)##	23 May, 2025
Quarter ended 30 June, 2025	Financial Express# Jansatta (Hindi)##	30 July, 2025
Quarter/Half Year ended 30 September, 2025	Financial Express# Jansatta (Hindi)##	15 November, 2025
Quarter/Nine Months ended 31 December, 2025	Financial Express# Jansatta (Hindi)##	11 February, 2026

#Financial Express - Delhi, Mumbai, Ahmedabad, Bengaluru, Chandigarh, Chennai, Hyderabad, Kochi, Kolkata, Lucknow, Pune Editions.

Jansatta (Hindi) - Delhi Edition.

COMPANY'S WEBSITE

Pursuant to Regulation 46 of the Regulations, the Company's official website i.e. www.bharatgears.com contains a dedicated functional segment, named 'INVESTORS' where all the information meant for the shareholders is available, including information on Directors, shareholding pattern, quarterly reports, financial results, annual reports, press releases, details of unpaid/unclaimed dividends and various policies of the Company.

NSE ELECTRONIC APPLICATION PROCESSING SYSTEM ('NEAPS')

NEAPS is a web-based application designed by the National Stock Exchange of India Limited (NSE) for corporate filings. All periodical compliance related filings, like shareholding pattern, integrated filing, media releases and corporate actions are filed electronically on NEAPS.

BSE CORPORATE COMPLIANCE AND LISTING CENTRE ('LISTING CENTRE')

The Listing Centre of BSE Limited is a web-based application designed for corporate filings. All periodical compliance filings like shareholding pattern, integrated filing, media releases and corporate actions are filed electronically on the Listing Centre.

Further, any interviews given by Company Executives/ Management during the year are also displayed on the Company's official website i.e. www.bharatgears.com.

ANNUAL REPORT

The Annual Report containing, inter-alia, the Audited Financial Statements, Board's Report, Auditors' Report, the Management Discussion and Analysis (MDA) Report and other important information is circulated to the shareholders and other stakeholders and is also available on the Company's official website i.e. www.bharatgears.com.

Green Initiative:

In support of the "Green Initiative" undertaken by the Ministry of Corporate Affairs (MCA), the Company had sent soft copy of the Annual Report for the Financial Year 2024-25 to all those shareholders whose email addresses were made available to the depositories or the Registrar and Transfer Agent (RTA). Further, physical copies were not sent to any shareholder in view of the relaxations provided by the Securities and Exchange Board of India (SEBI).

Further, the Company shall send soft copy of the Annual Report for the Financial Year 2025-26 to all those shareholders whose email addresses are registered with the depositories or the Registrar and Transfer Agent (RTA) and a letter providing the web-link, including the exact path, where complete details of the Annual Report are available to all those shareholders who have not so registered. Further, physical copy of the Annual Report shall be sent only to those Members who specifically request for the same. Accordingly, Members who wish to obtain a physical copy of the Annual Report for the Financial Year 2025-26, may write to the Company at investor@bglindia.com, requesting for the same by providing their holding details.

Besides the above, no other presentations were made to any institutional investor or to the analysts.

10. GENERAL SHAREHOLDERS' INFORMATION

A. Company Registration Details:

The Company is registered under the Registrar of Companies, NCT of Delhi and Haryana.

The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L29130HR1971PLC034365.

B. Annual General Meeting Details:

The forthcoming AGM of the Company shall be held at 04:00 P.M. on Thursday, 13 August, 2026 through Video Conference ("VC")/Other Audio Visual Means ("OAVM").

C. Financial Year:

Financial year of the Company commences on 01 April and ends on 31 March. The four Quarters of the Company ends on 30 June, 30 September, 31 December and 31 March respectively.

D. Listing on Stock Exchanges and Stock Code:

The Shares of the Company are listed on the following Stock Exchanges:

1. BSE Limited [BSE]
   [Stock Code: 505688]
   Phiroze Jeejeebhoy Towers
   Dalal Street
   Mumbai - 400 001

2. National Stock Exchange of India Limited [NSE]
   [Symbol: BHARATGEAR]
   Exchange Plaza, C-1, Block G
   Bandra Kurla Complex
   Bandra (E)
   Mumbai – 400 051

The Annual Listing Fees for the year 2026-27 has been paid in advance to the aforesaid Stock Exchanges.

E. Registrar and Transfer Agent:

MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) is the Registrar and Transfer agent for handling both the share registry work relating to shares held in physical and electronic form at single point. The Share Transfers were duly registered and returned in the normal course within stipulated period, if the documents were clear in all respects.

The Shareholders are therefore advised to send all their correspondences directly to the Registrar and Transfer Agent of the Company at the address mentioned below:

MUFG Intime India Private Limited
(Formerly known as Link Intime India Private Limited)
Noble Heights, 1st Floor,
Plot No NH-2, LSC, C-1 Block,
Near Savitri Market,
Janakpuri,
New Delhi – 110058
Tel Nos.: 011-49411000
Fax No.: 011-41410591
Email: investor.helpdesk@in.mpms.mufg.com

However, for the convenience of Shareholders, correspondence relating to Shares received by the Company are forwarded to the Registrar and Transfer Agent for action thereon.

F. Share Transfer System:

The Securities and Exchange Board of India (SEBI) has prohibited the transfer of shares in physical form w.e.f. 01 April, 2019 except in case of transmission or transposition of securities.

The requests for the transfers of Shares under the aforesaid permissible mode(s) are accepted for registration at the Registered Office of the Company in addition to the office of Registrar and Transfer Agent (RTA), MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited). MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) is fully equipped to undertake the activities of Share Transfers and redressal of Shareholders grievances.

In order to have speedy disposal of the shareholders'/ investors' requests for transfers and transmissions, a sub-committee consisting of the following directors/ officers of the Company is in place for effecting Transfer/ Transmission/Split/Consolidation of Shares.

a. Mr. Surinder Paul Kanwar, Chairman and Managing Director

b. Mr. Sameer Kanwar, Joint Managing Director

c. Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary

Any two of the above are authorized to consider and approve the Transfer/Transmission/Split/Consolidation of Shares. The Sub-Committee is attending to Share Transfer formalities as and when required.

After approved by the Sub-Committee, the Share Transfers are affected by the Registrar and Transfer Agent of the Company.

The Sub-Committee addresses and disposes the aforesaid requests other than those prohibited by SEBI within the statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects.

However, pursuant to the proviso of Regulation 40(1) of the Listing Regulations, the requests for effecting transfer of securities in physical mode shall not be processed by the Company unless the securities are held in the dematerialized form with a depository which now includes transmission or transposition of securities also. Further, in terms of the circular reference no. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022 issued by the Securities and Exchange Board of India (SEBI), the securities for the aforesaid requests are issued in dematerialized form only as per the procedure prescribed under the said circular.

Upon processing of the service request, a letter of confirmation will be issued which shall be valid for a period of 120 days, within which the shareholder shall make a request to his/her Depository Participant for dematerializing those shares. In case of failure to make such request, those shares shall be credited in the Suspense Escrow Demat account held by the Company which can subsequently be claimed as per the procedure prescribed by the Securities and Exchange Board of India (SEBI).

During the Financial Year 2025-26, in terms of the circular reference no. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 07 July, 2025 issued by the Securities and Exchange Board of India (SEBI), a special window had been opened for a period of six months from 07 July, 2025 till 06 January, 2026 ("special window period") to facilitate re-lodgement of transfer requests of physical shares for transfer deeds that were lodged prior to 01 April, 2019, but were rejected/returned/not attended to due to deficiency in the documents/process/or otherwise. The shareholders had been advised that during this period, the securities that are re-lodged for transfer (including those requests that are pending with the Company/RTA) shall be issued only in demat mode and due process shall be followed for such transfer-cum-demat requests. Eligible investors were requested to avail this opportunity by submitting the transfer requests along with all the requisite documents to the Registrar and Share Transfer Agent of the Company and were encouraged to take advantage of this special window. The Company duly facilitated the eligible investors during this special window.

Subsequently, in terms of the circular reference no. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated 30 January, 2026 issued by the Securities and Exchange Board of India (SEBI), another special window has been opened for a period of one year from 05 February, 2026 till 04 February, 2027 ("special window period") to facilitate the transfer and dematerialization ("demat") of physical shares which were sold/purchased prior to 01 April, 2019. The special window shall be available for:

- re-lodgement of transfer requests which were submitted prior to 01 April, 2019 and were rejected/ returned/not attended due to deficiency in the documents/process/or otherwise and;
- fresh lodgement of transfer requests which were not submitted prior to 01 April, 2019, provided that the original share certificate is available.

The shares transferred during this special window period shall be mandatorily credited to the transferee only in demat mode and shall be under lock-in for a period of one year from the date of registration of transfer. Such shares shall not be transferred/lien-marked/pledged during the said lock-in period. Due process as prescribed under the said Circular shall be followed for such requests.

Further, the following cases will not be considered during the special window period:

- cases involving disputes between transferor and transferee (to be settled through court/NCLT process),
- shares which have been transferred to Investor Education and Protection Fund (IEPF) and
- re-lodgement/fresh lodgement of transfer requests executed prior to 01 April, 2019 where original share certificate is not available.

Eligible investors are requested to avail this opportunity by submitting the transfer requests along with all the requisite documents as mentioned in SEBI Circular No. HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026 dated 30 January, 2026 to MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) (MIIPL), the Registrar and Share Transfer Agent (RTA) of the Company within the above stipulated time. Relevant Investors are encouraged to take advantage of this special window.

G. Shareholding pattern of the Company as per category of shareholders as on 31 March, 2026:

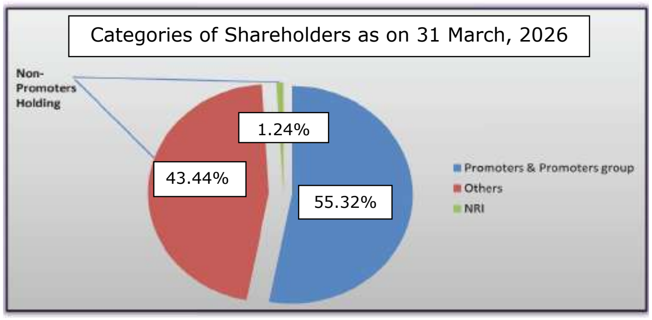


Table-17

Category				No. of Shares Held	% age of Share Holding
A.	**Promoters' holding**				
	1.	Promoters			
		-	Indian Promoters*	56,82,896*	37.00*
		-	Foreign Promoters	0	0.00
	2.	Persons acting in Concert		28,12,514	18.32
B.	**Non-Promoters' Holding**				
	3.	Institutional Investors			
		a.	Mutual Funds and Unit Trust of India	300	0.00
		b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Govt. Institutions)	4,377	0.03
		c.	Foreign Institutional Investor	2,16,392	1.41
	4.	Others			
		a.	Private Corporate Bodies	2,94,874	1.92
		b.	Indian Public	59,64,147	38.85
		c.	Non Resident Indians/Overseas	1,90,884	1.24
		d.	Any Other		
			(Investor Education and Protection Fund)	1,70,203	1.11
			(Clearing Members)	18,471	0.12
			Total	**1,53,55,058**	**100.00**

*In accordance with Regulation 31A(6)(c) of the Regulations, the name of Late Dr. Raunaq Singh, the erstwhile Promoter of the Company had been removed from the 'Promoter' category pursuant to his demise on 30 September, 2002. Further, 907 (Nine Hundred Seven) equity shares of the Company held in the name of the Late Dr. Raunaq Singh were decided to be held under the Public Category shareholding under his name as on 31 March, 2025 until they are transferred to the ultimate beneficial owner. The intimation for said change had been therefore duly furnished to the BSE Limited (BSE) and the National Stock Exchange India Limited (NSE) accordingly.

Subsequently, pursuant to the filing of Shareholding Pattern for the quarter ended March 31, 2025 with the concerned Stock Exchanges, and in light of proactive engagement and specific guidance received from the National Stock Exchange of India Limited (NSE), the Company re-evaluated and re-examined the interpretation of Regulation 31A(6)(c) of the Regulations. In a committed effort to align with the Exchange's preferred reporting standards and best corporate governance practices, the name of Late Dr. Raunaq Singh had been re-classified under the "Promoter Group Category" instead of "Public Category".

The said re-classification has therefore been reflected in all the statutory filings from the quarter ended June 30, 2025 onwards. Accordingly, 907 (Nine Hundred Seven) equity shares of the Company held in the name of Late Dr. Raunaq Singh shall continue to be reported under the "**Promoter Group Category**" till the time the said Equity Shares are transmitted in the name of the ultimate beneficial owner of the said Equity Shares.

H. Distribution of Shareholding as on 31 March, 2026:

Table-18

No. of Equity shares held	Number of Shareholders	Number of Shares	% age to total shares
Up to 500	23,367	18,61,787	12.12
501 to 1000	1,034	7,91,188	5.15
1001 to 2000	433	6,27,859	4.09
2001 to 3000	140	3,50,473	2.28
3001 to 4000	64	2,30,326	1.50
4001 to 5000	53	2,49,726	1.63
5001 to 10000	60	4,25,392	2.77
10001 and above	85	1,08,18,307	70.46
Total	**25,236**	**1,53,55,058**	**100.00**

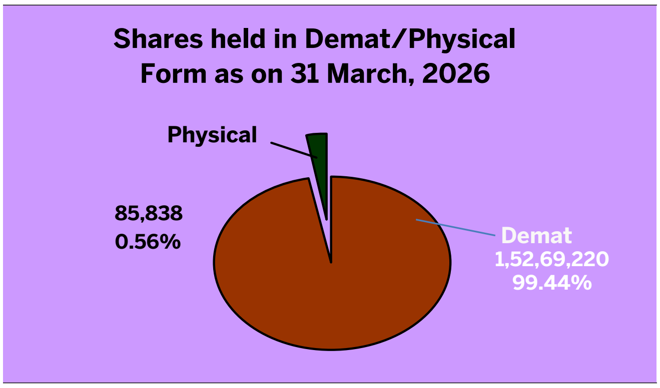
I. Share Dematerialisation System:

The requests for dematerialisation of shares are processed by the Registrar and Transfer Agent (RTA) expeditiously and the confirmation in respect of dematerialisation is entered by RTA in the depository system of the respective depositories, by way of electronic entries for dematerialisation of shares generally on weekly basis. In case of rejections, the documents are returned under objection to the Depository Participant with a copy to the shareholder and electronic entry for rejection is made by RTA in the Depository System.

In terms of Regulation 74(5) of the SEBI (Depositories and Participants) Regulations 2018, the Company has filed a compliance certificate with the National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS), with the BSE Limited (BSE) through BSE Listing Centre and the Depositories concerned duly signed by the authorized representative of the Registrar and Transfer Agent of the Company confirming that the securities received from the depository participants for dematerialization were confirmed (accepted/rejected) to the depositories by them and that securities comprised in the said certificates have been listed on the stock exchanges where the earlier issued securities are listed and further confirming that the securities certificates received for dematerialization have been mutilated and cancelled after due verification by the depository participant and the name of the depositories have been substituted in register of members as the registered owner within the prescribed timelines.

J. Dematerialization of Shares and Liquidity:

The Company's Equity Shares are compulsorily traded in the Stock Exchanges in the dematerialized mode and are available for trading under both the Depository Systems in India i.e. National Securities Depository Limited and Central Depository Services (India) Limited.



As on 31 March, 2026, a total of 1,52,69,220 equity shares of the Company of Rs. 10/- each, which form 99.44% of the paid up Equity Share Capital, stand dematerialized.

Table-19

PARTICULARS					
DEMAT				PHYSICAL	
NSDL		CDSL			
No. of shares	%	No. of shares	%	No. of shares	%
63,14,404	41.12	89,54,816	58.32	85,838	0.56

Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable

K. Transfer of Unclaimed Shares to Investor Education and Protection Fund:

In terms of the provisions of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") and further amendments thereto, the Company is required to transfer the equity shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government and a statement containing such details are required to be filed with the Ministry of Corporate Affairs (MCA).

During the Financial Year 2025-26, the Company was not required to transfer any equity share to the IEPF Account established by the Central Government in respect of which dividends have remained unclaimed for a period of seven consecutive years. Further, 2 (Two) valid request(s) covering 150 (One Hundred Fifty) Equity Shares have been received by the Company from the shareholders whose Equity Shares are held in the demat account of IEPF Authority. The verification report clear in all the aspects for the release of said Shares has been forwarded by the Nodal Officer of the Company to the IEPF Authority pursuant to the due verification of the claims(s) so received. Out of the said claims, 1 (One) claim covering 75 (Seventy Five) Equity Shares has been approved and 1 (One) claim covering 75 (Seventy Five) Equity Shares is pending for approval by the IEPF Authority.

As on 31 March, 2026, 1,70,203 (One Lakh Seventy Thousand Two Hundred Three) Equity Shares of the Company in aggregate are held in demat account of IEPF Authority.

Further, upon transfer of the unclaimed dividend for the Financial Year 2018-19 to the Investor Education and Protection Fund (IEPF) on 04 September, 2026 i.e. upon completion of seven years from the transfer of dividend into unclaimed dividend account, the equity shares relating to such dividend on which the dividend has not been claimed for the consecutive seven years since 2018-19 (net of the shares already transferred) shall also be transferred into IEPF.

In terms of the Rule 6(3) of Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the necessary communications have been made to the respective shareholders whose shares are required to be transferred to the IEPF so as to enable them to claim their dividend attached to such shares before such dividend and shares are transferred to IEPF during the Financial Year 2026-27 and further, the necessary information in this regard is available on the official website of the Company i.e. www.bharatgears.com for the convenience of the shareholders.

In compliance with the directives of the Ministry of Corporate Affairs and the Investor Education and Protection Fund Authority (IEPFA), the Company spearheaded the 100 Days Campaign titled "Saksham Niveshak" during the Financial Year 2025-26. This 100-day outreach program was designed to mitigate the transfer of shares and dividends to the IEPF by assisting shareholders in regularizing their folios. The Company provided comprehensive guidance on updating KYC records and facilitated the timely claim of unpaid dividends for the Financial Year 2018–19. Shareholders were advised to send their requests to the Company or to MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited), Registrar and Transfer Agent of the Company.

Further, during the Financial Year 2026-27, the Ministry of Corporate Affairs and the Investor Education and Protection Fund Authority (IEPFA) has initiated the second 100 Days Campaign titled "Saksham Niveshak" for the period 01 April, 2026 to 09 July, 2026. The Company continue to actively participate in this campaign and is providing comprehensive guidance on updating KYC records and facilitating the timely claim of unpaid dividends for the Financial Year 2018–19. Shareholders are advised to send their requests to the Company or to MUFG Intime India Private Limited (Formerly Known as Link Intime India Private Limited), Registrar and Transfer Agent of the Company.

Investor Education and Protection Fund claim Guidelines

With reference to Rule 7 of the Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the

Investors/Depositors whose unpaid dividends and shares have been transferred to IEPF under the Companies Act, 2013 can claim the amounts and shares from the IEPF authority as per the procedures/guidelines stated below:

a. Filing of the Form IEPF-5 webform online on the website of the IEPF Authority (http://www.iepf.gov.in) to claim for the refund of dividend/shares. Read the instructions provided on the website/instruction kit alongwith the e-form carefully before filling the form.

b. After filling the form, save it on your computer and submit the duly filled form by following the instructions given in the upload link on the IEPF website. On successful uploading, an acknowledgement challan will be generated indicating the SRN. Please note down the SRN details for future tracking of the form.

c. Take a print out of the duly filled Form IEPF-5 and the acknowledgement challan issued after uploading the form.

d. Submit an indemnity bond in original, copy of the acknowledgement and self attested copy of e-form IEPF-5 alongwith other necessary documents as mentioned in the Form IEPF-5 to the Nodal Officer (IEPF) of the Company at its Registered Office in an envelope marked "Claim for refund from IEPF Authority"/"Claim for shares from IEPF" as the case maybe. Kindly note that submission of documents to the Company is necessary to initiate the refund process.

e. Claim form completed in all respects will be verified and submitted online by the Company along with the Verification Report and other necessary documents to the IEPF Authority. Subsequently, on the basis of Company's Verification Report and other documents submitted by the Company with the IEPF Authority, refund will be released by the IEPF Authority in favour of claimants' Aadhar linked bank account through electronic transfer and/or the shares shall be credited to the demat account of the claimant, as the case may be.

In terms of the Rule 2 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the details of Nodal Officer and Deputy Nodal Officer appointed by the Company for the purposes of verification of claims and coordination with Investor Education and Protection Fund Authority (IEPF Authority) as communicated to the IEPF Authority are as follows:

Nodal Officer:

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary
Bharat Gears Limited
20 K.M. Mathura Road
Faridabad – 121003
Phone: 0129-4288888
Email: prashant.khattry@bglindia.com

Deputy Nodal Officer:

Mr. Kaushal Narula, Senior Manager (Secretarial)
Bharat Gears Limited
20 K.M. Mathura Road
Faridabad – 121003
Phone: 0129-4288888
Email: kaushal.narula@bglindia.com

Further, the necessary details of Nodal Officer and Deputy Nodal Officer are available on the official website of the Company i.e. www.bharatgears.com.

L. Corporate Benefits:

Dividend History:

Table-20

Financial Year	Rate (%)	Amount (₹ in Lakhs)
2025-26	**10%**	**153.55**
2024-25	NIL	NIL
2023-24	NIL	NIL
2022-23	NIL	NIL
2021-22	NIL	NIL

M. Plant locations:

The Company's Plants are located at the addresses mentioned below:

- 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad, Haryana, Pin–121003
- Kausa Shil, Mumbra, District Thane, Maharashtra, Pin-400612
- Lonand, Taluka Khandala, District Satara, Maharashtra, Pin-415521

N. Addresses for Correspondence:

For Share transfer/demat/remat of shares or any other query relating to shares:-

MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), Noble Heights, 1st Floor, Plot No NH-2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi – 110058, Tel Nos.: 011-49411000, Email: investor.helpdesk@in.mpms.mufg.com

For Investor Assistance:-

Mr. Prashant Khattry, Corporate Head (Legal) and Company Secretary, Bharat Gears Limited, 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad–121003, Phone: 0129-4288888, Email: prashant.khattry@bglindia.com

O. Credit Ratings:

The details of the Credit Ratings assigned to the Company for its Banking Facilities by various rating agency(ies) as on 31 March, 2026 and changes thereof during the Financial Year 2025-26 are as per following details:

Table-21

Instrument Description	Rating Agency(ies)	Rating Assigned as on 31 March, 2025	Rating Assigned as on 31 March, 2026	Changes in Rating during the Financial Year 2025-26
Banking Facilities-Long-Term	CARE	BBB-; Stable (Triple B-; Outlook: Stable)	BBB; Stable (Triple B; Outlook: Stable)	CARE BBB; Stable (Upgraded from CARE BBB-; Stable)
Banking Facilities-Short-Term	CARE	A3	A3+	CARE A3+ (Upgraded from CARE A3)

11. OTHER DISCLOSURES

A. Related Party Transactions:

During the year 2025-26, there were no material individual transactions with related parties, which are not in the normal course of business or are not on an Arm's Length basis in terms of Regulation 23 of the Regulations. The statements in summary form of transactions with Related Parties in the ordinary course of business are placed periodically before the Audit Committee for its consideration and approval. All disclosures related to financial and commercial transactions where Directors are interested are provided to the Board and the interested Directors neither participated in the discussion nor did they vote on such matters. The details of the Related Party Transactions during the year are given in the Notes forming part of the financial statements.

Further, the Company has formulated a policy on materiality of Related Party Transactions in accordance with the Regulation 23 of the Regulations and the same is available on the official website of the Company i.e. www.bharatgears.com under the link: https://www.bharatgears.com/pdf/related_party_transaction_policy.pdf

In terms of Regulation 23(9) of the Regulations, the Company has filed the disclosures of related party transactions on a consolidated basis at the end of each half year under the integrated filing module introduced by the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) in the NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre respectively.

B. Disclosure of Accounting Treatment in preparation of Financial Statements:

Bharat Gears Limited has followed the guidelines of Accounting Standards as mandated by the Central Government in preparation of its financial statements.

C. Risk Management Framework:

In pursuance to the Companies Act, 2013 and Regulation 17(9) of the Regulations, the Board of Directors of the Company has adopted a comprehensive Enterprise Risk Management Framework wherein the risks faced by the Company have been identified and assessed and on the basis of the same, the various risks have been prioritized and further the procedures have been devised upon to mitigate such risks. The progress checks on all the risks are done at the Senior Management level and the summary of the same is placed before the Board on a half yearly basis.

The process of risk identification, assessment, prioritization and the devising of the procedures for mitigation of risks is repeated on an annual basis to make the risk management framework inline with the changing requirements of the Industry vis-à-vis the operations of the Company.

A detailed note on Risk Management is given in the Management Discussion and Analysis section forming part of the Board's Report.

D. Management:

Management Discussion and Analysis forms part of the Annual Report to the Shareholders for the Financial Year 2025-26.

E. Compliance by the Company:

During the year 2024-25, Ms. Hiroo Suresh Advani ceased to be a Non-Executive Independent Director (Woman) of the Company with effect from 12 August, 2024 and Ms. Kavita Jha was appointed as a Non-Executive Independent Director (Woman) of the Company with effect from 24 September, 2024, resulting in a delay of 42 days for maintaining appropriate Board composition (having atleast one woman director) in terms of the provisions of Regulation 17(1E) of the Regulations. The Company had made a provision of Rs. 2,10,000/- (Rupees Two Lakhs Ten Thousand Only) i.e. Rs. 5,000/- (Rupees Five Thousand Only) per day as fine to be paid in terms of master circular issued by the Securities and Exchange Board of India for compliance with the provisions by listed entities. However, no demand for payment of said fine has been received by the Company from BSE Limited (BSE)/ National Stock Exchange of India Limited (NSE) till date. The Company will pay the said fine as and when any such demand is received by the Company from BSE/NSE.

F. Whistle Blower Policy/Vigil Mechanism:

The Whistle Blower Policy/Vigil Mechanism of the Company has been formulated as per Regulation 22 of the Regulations and Section 177 of the Companies Act, 2013. The policy provides a channel to the employees, Directors and any other person who avails such mechanism to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or Policy. The mechanism of policy provides for adequate safeguards against victimization of employees, Directors and any other person who avails such mechanism and also provide for direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. The said policy has been communicated to all the personnel of the Company and is available on the official website of the Company i.e. www.bharatgears.com. Protected disclosure can be made by the whistle blower in a closed and secured envelope or sent through e-mail to the Compliance Officer.

During the year under review, no complaint has been received and no unethical behavior has been reported. Further, the Company has not denied any personnel access to the Audit Committee and it will provide protection to Whistle Blower, if any, from adverse personnel action.

Further, the Audit Committee, in its meeting held on 10 February, 2026 reviewed the functioning of the Whistle Blower Mechanism/Vigil Mechanism existing in the Company and found the same satisfactory.

G. Policy on Preservation of Documents/Archival Policy on Website Disclosure:

The Policy on Preservation of Documents/Archival Policy on Website Disclosure in accordance with Regulation 9 and Regulation 30(8) of the Regulations is in existence which provides the framework for preservation of documents and records of the Company for a specified period and the records of the Company which are no longer needed or are of no value are discarded after following the due process for discarding the same. This Policy aids the employees of the Company in understanding their obligations in retaining and preserving the documents and records which are required to be maintained as per the applicable statutory and regulatory requirements. The said policy is available on the official website of the Company i.e. www.bharatgears.com

H. Policy on criteria for Determining Materiality of Events:

The Policy on criteria for determining Materiality of Events has been framed in accordance with Regulation 30 of the Regulations which defines the criteria for determining the materiality of events or information related to the Company, provides that such information should be adequately disseminated in pursuance with the Regulations and further provides for the overall governance framework for such determination of materiality. The said policy is available on the official website of the Company i.e. www.bharatgears.com

I. CEO/CFO certification:

Certificate from Mr. Surinder Paul Kanwar, Chairman and Managing Director and Mr. Milind Pujari, Chief Financial Officer in terms of Regulation 17(8) of the Regulations for the Financial Year ended 31 March, 2026 was placed before the Board of Directors of the Company in its meeting held on 30 May, 2026.

J. Code of Conduct and Corporate Ethics:

Code of Business Conduct and Ethics

Bharat Gears Limited believes that Good Corporate Governance is the key to the Conduct of the Company's Business in a transparent, reliable and vibrant manner. It is of paramount importance for any Company to create an atmosphere of faith, integrity, accountability, responsibility and financial stability by adhering to commitment, ethical business conduct, a high degree of transparency thereby unlocking the individual intellectual capabilities and enabling its Board of Directors to conduct its duties under a moral authority, which ultimately leads to enhance legitimate needs and value of the stakeholders. A copy of this code formulated in terms of Regulation 17 of the Regulations has been posted on the official website of the Company i.e. www.bharatgears.com

Code of Conduct for Prevention of Insider Trading

The Company has a comprehensive Code of Conduct for its Management, Staff and Directors for prevention of Insider Trading in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The code lays down the guidelines and procedures to be followed and disclosures to be made while dealing with the Shares of the Company and cautioning them on the consequences of non–compliances. The pieces of the price sensitive information are disseminated to the Stock Exchanges timely, adequately and promptly on a continuous basis for prevention of Insider Trading. The Company Secretary has been appointed as Compliance Officer and is responsible for adherence to Code for prevention of Insider Trading.

A copy of same has been posted on the official website of the Company i.e. www.bharatgears.com

Further, in terms of the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements as stipulated in the said regulations. During the year under review, the Audit Committee, in its meeting held on 10 February, 2026 reviewed the same and verified that the systems for internal control for prevention of Insider Trading are adequate and are operating effectively.

K. Legal Compliance Reporting:

The Board of Directors reviews in detail, on a quarterly basis, the reports of compliance to all applicable laws and regulations in terms of Regulation 17 of the Regulations. The Company has developed a very comprehensive Legal compliance manual, which drills down from the Senior Management Personnel to the executive-level person (who is primarily responsible for compliance) within the Company. The process of compliance reporting is fully automated, using the legal compliance software. System based alerts are generated till the user submits the compliance report, with provision for escalation to the higher-ups in the hierarchy. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

L. Certificate on Non-disqualification of Directors:

Certificate from a Company Secretary in practice to the effect that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to this report.

M. Fees paid to Statutory Auditors:

The details of fees paid by the Company to the Statutory Auditors of the Company and all entities in the network firm/network entity of which the statutory auditors are a part for the Financial Year 2025-26 are as follows:

Table-22

(₹ In lakhs)

Particulars	For the year ended 31 March, 2026
Fees for audit and related services paid to Deloitte Haskins & Sells LLP	44.71
Other fees paid to the network firm of which the statutory auditor is a part	-
Total	**44.71**

N. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Pursuant to Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013, the Company has constituted Internal Complaints Committee (ICC) at all its Units (i.e. Faridabad, Mumbra and Lonand) where any grievance of sexual harassment at workplace can be reported.

The Company has also adopted a policy on Prevention of Sexual Harassment at workplace. The objective of the policy is to provide its women employees, a workplace free from harassment/discrimination and every employee is treated with dignity and respect. The said policy is available on the official website of the Company i.e. www.bharatgears.com under the link https://www.bharatgears.com/pdf/policy-for-prevention-of-sexual-harassment.pdf

During the Financial Year 2025-26, ICC of all units of the Company has not received any complaint pertaining to sexual harassment of women at workplace.

Status of Complaints as on 31 March, 2026:

Table-23

No. of Complaints filed during Financial Year 2025-26	NIL
No. of Complaints disposed of during Financial Year 2025-26	NOT APPLICABLE
No. of Complaints pending as on 31 March, 2026	NOT APPLICABLE

O. Mandatory Requirements:

The Company has complied with all the mandatory requirements of Regulation 17 to 27 and Clause (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Regulations. Details of compliances are given below:

Table-24

I. Disclosure on website in terms of Listing Regulations	Compliance status (Yes/No/NA)
Item	
Details of business	Yes
Memorandum of Association and Articles of Association	Yes
Brief profile of board of directors including directorship and full-time positions in body corporates	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	NA
Details of familiarization programmes imparted to independent directors	Yes
E-mail address for grievance redressal and other relevant details	Yes
Contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	NA
Schedule of analyst or institutional investor meet	NA
Presentations prepared by the Company for analysts or institutional investors meet, post earnings or quarterly calls prior to beginning of such events	NA
Audio recordings, video recordings, if any and transcripts of post earnings or quarterly calls, by whatever name called, conducted physically or through digital means	NA
New name and the old name of the listed entity	NA
Advertisements as per regulation 47(1)	Yes
Credit rating or revision in credit rating obtained	Yes
Separate audited financial statements of each subsidiary of the Company in respect of a relevant financial year	NA
Secretarial Compliance Report	Yes
Materiality Policy as per Regulation 30(4)	Yes
Disclosure of contact details of KMP who are authorized for the purpose of determining materiality as required under regulation 30(5)	Yes
Disclosures under regulation 30(8)	Yes
Statement of deviation(s) or variation(s) as specified in regulation 32	NA
Dividend Distribution policy as per Regulation 43A(1)	NA
Annual return as provided under section 92 of the Companies Act, 2013	Yes

Employee Benefit Scheme Documents framed in terms of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	Yes
Confirmation that the above disclosures are in a separate section as specified in regulation 46(2)	Yes
Compliance with regulation 46(3) with respect to accuracy of disclosures on the website and timely updating	Yes

II. Annual Affirmations

Particulars	Regulation Number	Compliance status (Yes/No/NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b)	Yes
Board composition	17(1), 17(1A) & 17(1C), 17(1D) & 17(1E) (refer point E of clause 11 of this report, titled **"Other Disclosures")**	Yes
Meeting of Board of directors	17(2)	Yes
Quorum of Board meeting	17(2A)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Recommendation of Board	17(11)	Yes
Maximum number of Directorships	17A	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Role of Audit Committee and information to be reviewed by the Audit Committee	18(3)	Yes
Composition of Nomination and Remuneration Committee	19(1) & (2)	Yes
Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes
Meeting of Nomination and Remuneration Committee	19(3A)	Yes
Role of Nomination and Remuneration Committee	19(4)	Yes
Composition of Stakeholders' Relationship Committee	20(1), 20(2) & 20(2A)	Yes
Meeting of Stakeholders' Relationship Committee	20(3A)	Yes
Role of Stakeholders' Relationship Committee	20(4)	Yes
Composition and role of Risk Management Committee	21(1), (2), (3), (4)	NA
Meeting of Risk Management Committee	21(3A)	NA
Quorum of Risk Management Committee Meeting	21(3B)	NA
Gap between the meetings of the Risk Management Committee	21(3C)	NA
Vigil Mechanism	22	Yes
Policy for Related Party Transaction	23(1),(1A),(5),(6) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all Related Party Transactions	23(2), (3)	Yes
Approval for material Related Party transactions	23(4)	NA
Disclosure of related party transactions on consolidated basis	23(9)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA

Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2), (3), (4), (5) & (6)	NA
Alternate Director to Independent Director	25(1)	NA
Maximum Tenure	25(2)	Yes
Appointment, Re-appointment or removal of an Independent Director through special resolution or the alternate mechanism	25(2A)	Yes
Meeting of Independent Directors	25(3) & (4)	Yes
Familiarization of Independent Directors	25(7)	Yes
Declaration from Independent Director	25(8) & (9)	Yes
Directors and Officers insurance	25(10)	Yes
Confirmation with respect to appointment of Independent Directors who resigned from the Company	25(11)	NA
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management	26(3)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
Approval of Board and shareholders for compensation or profit sharing in connection with dealing in securities of the Company	26(6)	NA
Vacancies in respect Key Managerial Personnel	26A(1) & 26A(2), 26A(3)	NA

P. Non-Mandatory Requirements:

The Company has set up a Finance Committee, details whereof are given in the Board Committee section of this report.

Further, the internal Auditors of the Company report directly to the Audit Committee.

Q. Investor Relations:

The growing requirements of disclosure, transparency and corporate governance have made it imperative for companies to manage information flow and communicate more effectively with shareholders. Investor Relations at Bharat Gears Limited aim at seamless two way communication with the Investor Community. It is based on the tenets of transparency, accuracy and timeliness of disclosures. There is a conscious effort towards the effective dissemination of information to the shareholders to communicate the Company's long term vision and goals.

R. Email for investors:

The Company has designated investor@bglindia.com as e-mail address especially for investors' grievances. Alternatively, the investors can send their complaints/requests at secretarial@bglindia.com

SEBI has commenced processing of investor complaints in a centralised web based complaints redressal system i.e. SCORES. The Company has supported SCORES by using it as a platform for communication between SEBI and the Company.

Further, Online Dispute Resolution (ODR) in Indian Securities Market has been introduced by SEBI vide its circular dated 31 July, 2023 read with corrigendum-cum-amendment circular dated 04 August, 2023. As per SEBI Circulars issued from time to time, in case of any grievances, the Shareholders are advised to first approach the Company or its RTA. If the response is not received/not satisfactory, Shareholders can raise a complaint on SCORES/ with Stock Exchanges, and after exhausting all the above available options for resolution of the grievance, if the Shareholder is still not satisfied with the outcome, they can initiate dispute resolution through the ODR Portal at https://smartodr.in/login

As mentioned above, for effective use of the ODR process, shareholders are requested to initiate the Smart ODR process as the last resort after exhausting all available options for grievance redressal. The ODR serves as a platform for resolution of long pending disputes, which are otherwise difficult to be taken to a logical end.

Consequently, in addition to SCORES, Investors/clients and Market Participants (MPs) now have an additional mechanism available for dispute resolution with an objective of time bound online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. The Company has registered itself on the ODR Portal.

S. Reminder to Investors:

Periodical reminders for unclaimed shares and unpaid dividends are sent to shareholders as per records of the

Company. These details are also uploaded on the official website of the Company at www.bharatgears.com

KYC Updation of investors:

The relevant formats for Nomination and Updation of KYC details viz; Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 have been sent to the respective shareholders and are also available on the Company's official Website i.e. www.bharatgears.com

Those holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail the nomination facility or further change in nominations.

T. Circulars/notifications issued by SEBI in the interest of shareholders:

Members are requested to note that the following circulars/notifications were issued by SEBI during the Financial Year 2025-26 to enhance ease of dealing in securities markets and with a view to make the processes and procedures more efficient and investor friendly.

Table-25

S.No.	Date & Reference No.	Brief Particulars	Link
1.	02 July, 2025 SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97	Ease of Doing Investment–Special Window for Re-lodgement of Transfer Requests of Physical Shares	https://www.sebi.gov.in/legal/circulars/jul-2025/ease-of-doing-investment-special-window-for-re-lodgement-of-transfer-requests-of-physical-shares_94973.html
2.	19 September, 2025 SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/130	Ease of Doing Investment -Smooth transmission of securities from Nominee to Legal Heir	https://www.sebi.gov.in/legal/circulars/sep-2025/ease-of-doing-investment-smooth-transmission-of-securities-from-nominee-to-legal-heir_96711.html
3.	24 December, 2025 HO/38/13/11(3)2025-MIRSD-POD/I/1102/2025	Ease of doing Investment -Review of simplification of procedure and standardization of formats of documents for issuance of duplicate certificates	https://www.sebi.gov.in/legal/circulars/dec-2025/ease-of-doing-investment-review-of-simplification-of-procedure-and-standardization-of-formats-of-documents-for-issuance-of-duplicate-certificates_98668.html
4.	30 January, 2026 HO/38/13/11(2)2026-MIRSD-POD/I/3750/2026	Ease of Doing Investment – Special Window for Transfer and Dematerialisation of Physical Securities	https://www.sebi.gov.in/legal/circulars/jan-2026/ease-of-doing-investment-special-window-for-transfer-and-dematerialisation-of-physical-securities_99411.html
5.	30 January, 2026 HO/38/13/(3)2026-MIRSD-POD/I/3763/2026	Ease of Doing Investment and Ease of Doing Business – Doing away with requirement of issuance of Letter of Confirmation ("LOC") and to effect direct credit of securities in dematerialisation account of the investor	https://www.sebi.gov.in/legal/circulars/jan-2026/ease-of-doing-investment-and-ease-of-doing-business-doing-away-with-requirement-of-issuance-of-letter-of-confirmation-loc-and-to-effect-direct-credit-of-securities-in-dematerialisation-account-o-99421.html

Note: Please note that the above-mentioned list is not exhaustive and members may refer to SEBI's website for further & more details.

U. Disclosures with respect to demat suspense account/unclaimed suspense account:

(i) Demat Suspense Account/Unclaimed Suspense Account:

There are no unclaimed shares in the Company. However, 3200 (Three Thousand Two Hundred) Equity Shares attached to undelivered Share Certificates in possession of the Company still remaining unclaimed have been transferred into the "Unclaimed Suspense Account" opened with Central Depository Services (India) Limited (CDSL) in compliance with Regulation 39(4) of the Regulations. The details of shares are as follows:

Table-26

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	50 (Fifty) Shareholders	3,200 Equity Shares
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL	
Number of shareholders to whom shares were transferred from suspense account during the year	NIL	
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	50 (Fifty) Shareholders	3,200 Equity Shares

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

(ii) <u>Suspense Escrow Demat Account:</u>

In terms of the recent circular issued by the Securities and Exchange Board of India on "Ease of Doing Investment – Doing away with requirement of issuance of Letter of Confirmation (LoC) and enabling direct credit of securities to demat accounts of investors", effective from 02 April, 2026, the requirement of issuing LoC has been dispensed with.

Accordingly, MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), the Registrar and Transfer Agent (RTA) of the Company and the Company shall, after carrying out necessary due diligence, directly credit securities to the demat account of the investor, thereby reducing the timeline for credit of securities and mitigating risks associated with loss or misuse of LoC.

In cases where securities cannot be credited to the investor's demat account due to discrepancies, including incomplete KYC details, such securities shall be credited to a Suspense Escrow Demat Account maintained by the Company. Investors may subsequently claim such securities by submitting the necessary documentation and completing the required formalities.

The details of shares are as follows:

Table-27

Aggregate number of shareholders and the outstanding shares in the suspense escrow demat account lying at the beginning of the year	0	0
Aggregate number of shareholders and the outstanding shares credited in the suspense escrow demat account during the year	5 (Five) Shareholders	1,777 Equity Shares
Number of shareholders who approached the Company for transfer of shares from suspense escrow demat account during the year	NIL	
Number of shareholders to whom shares were transferred from suspense escrow demat account during the year;	NIL	
Aggregate number of shareholders and the outstanding shares in the suspense escrow demat account lying at the end of the year	5 (Five) Shareholders	1,777 Equity Shares

Any corporate benefits in terms of securities accruing on the securities transferred to Suspense Escrow Demat Account viz. bonus, split etc., shall be credited to such Suspense Escrow Demat Account. Also, the security holders shall be entitled to vote, to receive dividend and notices of meetings, annual reports on the underlying said securities lying in Suspense Escrow Demat Account.

V. Agreements binding the Company:

During the year under review, there are no Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the Company.

For and on behalf of the Board of Directors

Surinder Paul Kanwar
Chairman and Managing Director
DIN: 00033524

Dated: 30 May, 2026
Place: Mumbai

COMPLIANCE CERTIFICATE AS PER REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We have reviewed financial statements and the cash flow statement for the year 2025-26 and that to the best of our knowledge and belief:

1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
3) No transaction has been entered into by the Company during the above said period, which is fraudulent, illegal or violative of the Company's Code of Conduct.

Further, we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial statements and we have disclosed to the Auditors and the Audit Committee, wherever applicable:

1) Deficiencies in the design or operation of internal controls, if any, which came to our notice and the steps we have taken or propose to take to rectify these deficiencies;
2) Significant changes in internal control over financial reporting during the year 2025-26;
3) Significant changes in accounting policies during the year 2025-26 and that the same have been disclosed in the notes to the financial statements; and
4) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Bharat Gears Limited

Surinder Paul Kanwar
Chairman and Managing Director

Milind Pujari
Chief Financial Officer

Dated: 30 May, 2026
Place: Mumbai

COMPLIANCE WITH CODE OF CONDUCT

The Company has adopted "Code of Business Conduct and Ethics" pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations"). This code deals with the Good Governance and ethical Practices, which the Company, the Board members and the Senior Management of the Company are expected to follow.

In terms of the Regulations, it is hereby affirmed that during the year 2025-26, all the Directors and Senior Managerial personnel have complied with the Code of Conduct and have given a confirmation in this regard.

For Bharat Gears Limited

Prashant Khattry
Corporate Head (Legal) and
Company Secretary

Surinder Paul Kanwar
Chairman and Managing
Director

Dated: 30 May, 2026
Place: Mumbai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Bharat Gears Limited
CIN: L29130HR1971PLC034365
20 K.M. Mathura Road
P.O. Amar Nagar
Faridabad - 121003
Haryana

We have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of **Bharat Gears Limited** having CIN L29130HR1971PLC034365 and having Registered Office at 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad-121003, Haryana (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para C, clause (10)(i) of the Listing Regulations.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, the representation given by the Management and declarations received from respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below, for the Financial Year ended on 31 March, 2026, have been debarred or disqualified from being appointed or continuing as Director of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr.No.	Name of Director	DIN	Date of appointment
1.	Mr. Surinder Paul Kanwar	00033524	29/09/1982
2.	Mr. Sameer Kanwar	00033622	01/02/2002
3.	Mr. Virendrakumar Pargal*	00076639	24/01/2002
4.	Mr. Rakesh Chopra*	00032818	25/01/2007
5.	Mr. Wolfgang Rudolf Schilha	00374415	26/07/2007
6.	Mr. Nagar Venkatraman Srinivasan	00879414	03/11/2017
7.	Mr. Raman Nanda	00078198	29/12/2021
8.	Ms. Kavita Jha	10780777	24/09/2024
9.	Mr. Satya Prakash Mangal	01052952	22/05/2025
10.	Mr. Bharat Dev Singh Kanwar	00428180	22/05/2025

* expiry of term w.e.f. 30/07/2025

It is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions. Further, ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company and our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For TVA & Co. LLP
Company Secretaries
LLPIN: AAE-9329

Tanuj Vohra
Partner
M.No.: F5621, C.P. No.: 5253
UDIN: F005621H000556809
PR No - 6544/2025
UC: L2015UP000900

Date: 30 May, 2026
Place: Delhi

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

To,
The Members of
Bharat Gears Limited
CIN: L29130HR1971PLC034365
20 K.M. Mathura Road
P.O. Amar Nagar
Faridabad - 121003
Haryana

1. We have examined the compliance of the conditions of Corporate Governance by Bharat Gears Limited ('the Company') for the Financial Year ended on 31 March, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations.

2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

3. In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the directors and the management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated under Listing Regulations for the financial year ended 31 March, 2026.

4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For TVA & Co. LLP
Company Secretaries
LLPIN: AAE-9329

Tanuj Vohra
Partner
M. No.: F5621, C.P. No.: 5253
UDIN: F005621H000556853
PR No - 6544/2025
UC: L2015UP000900

Date: 30 May, 2026
Place: Delhi

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BHARAT GEARS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Bharat Gears Limited** (the "Company"), which comprise the Balance Sheet as at 31 March, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows and for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to Board Report, Report on Corporate Governance, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except of matter stated in (i)(vi) below.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31 March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

    f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

    g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

    h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended.

        In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of Section 197 of the Act. Refer note 47 to the financial statements for the year ended 31 March, 2026.

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

        i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer note 31.1 (i) to the financial statements.

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

        iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 45 to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

            (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 45 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in note 15(B) to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act.

vi. Based on our examination, which included test checks, the Company has used accounting software system for maintaining its books of account for the financial year ended 31 March, 2026, which has the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software system, except that audit trail was not enabled at the database level to log any direct data changes.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

Additionally, the audit trail that was enabled and operated for the year ended 31 March, 2024 has been preserved by the Company as per the statutory requirements for record retention.

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sampada S Narvankar
Partner
(Membership No. 102911)
UDIN: 26102911VORVFT9496

Place: Mumbai
Date: 30 May, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to financial statements of **Bharat Gears Limited** (the "Company") as at 31 March, 2026 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sampada S Narvankar
Partner
(Membership No. 102911)
UDIN: 26102911VORVFT9496

Place: Mumbai
Date: 30 May, 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharat Gears Limited of even date)

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment, capital work-in-progress and right-of-use assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant and equipment), according to the information and explanations given to us and based on the examination of the registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

Description of property	Gross carrying value (₹ in lakhs)	Held in Name of	Whether promoter, director or their relative or employee	Property held since which date	Reason for not being held in name of the Company
Land at Mumbra	124.34	Bharat Gears Limited*	Not Applicable	28 September, 1972	Not applicable *(Refer note below)
Land at Lonand	234.73	Bharat Gears Limited*	Not Applicable	07 February, 2011	
Land at Lonand	297.95	Bharat Gears Limited*	Not Applicable	23 December, 2011	

Note:

The name mentioned in the records of the Government (i.e. 7/12 extract in respect of certain part of Company's Land at Mumbra and Lonand, on account of certain mutation entries) do not match with the indenture of the conveyance available with the Company. The Company has initiated necessary legal actions which are pending with concerned statutory authorities.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/written confirmations obtained as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns comprising stock statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of Sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In respect of statutory dues:

Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, Value Added Tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, Value Added Tax, cess and other material statutory dues in arrears as at 31 March, 2026 for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March, 2026.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any new term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) and (f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under Sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year. Refer note 47 to the financial statements for the year ended 31 March, 2026 relating a letter recieved from a fictitious person and a complaint from an investor and shareholder raising concerns regarding the citizenship status of Mr. Surinder Paul Kanwar, Chairman and Managing Director of the Company.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2025 and the final of the internal audit reports issued after the balance sheet date covering the period till March 2026 for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

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

(b) There are no other Companies forming part of the Group, accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sampada S Narvankar
Partner
(Membership No. 102911)
UDIN: 26102911VORVFT9496

Place: Mumbai
Date: 30 May, 2026

BALANCE SHEET

as at 31 March, 2026

(₹ in Lakhs)

Particulars	Notes	As at 31 March, 2026	As at 31 March, 2025
A. ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	5(A)	10122.93	10976.74
(b) Capital work-in-progress	5(D)	386.11	233.77
(c) Intangible assets	5(B)	125.93	117.16
(d) Right-of-use assets	5(C)	1338.96	1752.88
(e) Financial assets			
(i) Investments	6	137.79	129.73
(ii) Loans	7(A)	119.90	117.33
(iii) Others	8(A)	254.87	300.23
(f) Deferred tax assets (net)	32(C)	945.03	1034.74
(g) Other non-current assets	9	676.93	528.97
Total non-current assets		**14108.45**	**15191.55**
2. Current assets			
(a) Inventories	10	10119.74	9320.50
(b) Financial assets			
(i) Trade receivables	11	11375.87	9687.07
(ii) Cash and cash equivalents	12(A)	6.07	6.48
(iii) Bank balances other than (ii) above	12(B)	767.77	927.77
(iv) Loans	7(B)	64.08	55.50
(v) Others	8(B)	159.26	107.04
(c) Current tax assets	13	31.02	108.80
(d) Other current assets	14	3446.06	1036.05
Total current assets		**25969.87**	**21249.21**
Total assets		**40078.32**	**36440.76**
B. EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity share capital	15(A)	1535.51	1535.51
(b) Other equity	15(B)	11583.40	9753.39
Total equity		**13118.91**	**11288.90**
LIABILITIES			
2. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	1721.73	3338.44
(ia) Lease liabilities	17(A)	1092.98	1433.59
(b) Provisions	19(A)	2491.16	2514.39
(c) Other non-current liabilities	20	615.06	376.76
Total non-current liabilities		**5920.93**	**7663.18**
3. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	4094.17	2795.06
(ia) Lease liabilities	17(B)	380.43	399.16
(ii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises	22	2797.24	808.17
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	22	12126.02	11903.37
(iii) Other financial liabilities	18	527.42	439.20
(b) Other current liabilities	23	393.32	667.29
(c) Provisions	19(B)	522.69	476.43
(d) Current tax liabilities (net)	19(C)	197.19	-
Total current liabilities		**21038.48**	**17488.68**
Total equity and liabilities		**40078.32**	**36440.76**

See accompanying notes to the Financial Statements

In terms of our report attached.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

For and on behalf of the Board of Directors of Bharat Gears Limited

Sampada S. Narvankar
Partner
Membership No: 102911

Surinder Paul Kanwar
Chairman and Managing Director
(DIN : 00033524)

Sameer Kanwar
Joint Managing Director
(DIN : 00033622)

Wolfgang Rudolf Schilha (DIN : 00374415)
N.V. Srinivasan (DIN : 00879414)
Raman Nanda (DIN : 00078198)
Kavita Jha (DIN : 10780777)
Satya Prakash Mangal (DIN : 01052952)
Bharat Dev Singh Kanwar (DIN : 00428180)
Directors

Milind Pujari
Chief Financial Officer
(PAN : AAAPP3554C)

Prashant Khattry
Corporate Head (Legal) & Company Secretary
(PAN : AOQPK8734B)

Place : Mumbai
Date : 30 May, 2026

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March, 2026

(₹ in Lakhs)

Particulars			Notes	For the year ended 31 March, 2026	For the year ended 31 March, 2025
1.	Revenue from operations		24	78417.48	64753.19
2.	Other income		25	632.75	251.33
3.	**Total income (1+2)**			**79050.23**	**65004.52**
4.	**Expenses**				
	(a)	Cost of materials and components consumed	26(A)	41230.35	35447.91
	(b)	Changes in inventories of finished goods and work-in-progress	26(B)	132.14	(1136.76)
	(c)	Employee benefits expense	27	13154.19	11939.31
	(d)	Finance costs	28	1400.41	1708.07
	(e)	Depreciation and amortisation expense	29	2257.03	2363.14
	(f)	Other expenses	30	18674.23	15973.22
	Total expenses			**76848.35**	**66294.89**
5.	**Profit/(Loss) before exceptional items and tax (3-4)**			2201.88	(1290.37)
6.	**Exceptional items**		48	-	1683.77
7.	**Profit/(Loss) before tax (5+6)**			2201.88	393.40
8.	**Tax expense**		32		
	(a)	Current tax expense/(credit)		522.17	-
	(b)	Deferred tax charge/(credit)		29.30	74.59
9.	**Profit/(Loss) for the year (7-8)**			**1650.41**	**318.81**
10.	**Other comprehensive income/(loss)**				
	Items that will not be reclassified to profit or loss				
	-	Re-measurement gain/(loss) on defined benefit obligations		240.01	(120.06)
	-	Income tax effect	32(C)	(60.41)	30.22
	Other comprehensive income/(loss) for the year (net of tax)			**179.60**	**(89.84)**
11.	**Total comprehensive income/(loss) for the year (9+10)**			**1830.01**	**228.97**
12.	**Earnings per share (Face value of ₹ 10/- each):**				
	Basic and Diluted - in ₹		36	10.75	2.08

See accompanying notes to the Financial Statements

In terms of our report attached.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration Number:- 117366W/W-100018

For and on behalf of the Board of Directors of Bharat Gears Limited

Sampada S. Narvankar
Partner
Membership No: 102911

Surinder Paul Kanwar
Chairman and Managing Director
(DIN : 00033524)

Sameer Kanwar
Joint Managing Director
(DIN : 00033622)

Wolfgang Rudolf Schilha (DIN : 00374415)
N.V. Srinivasan (DIN : 00879414)
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Place : Mumbai
Date : 30 May, 2026

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Chief Financial Officer
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Prashant Khattry
Corporate Head (Legal) & Company Secretary
(PAN : AOQPK8734B)

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 March, 2026

(A) Equity share capital

Particulars	(₹ In lakhs)
Balance as at 01 April, 2024	1535.51
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	1535.51
Change in equity during the year:	-
Balance as at 31 March, 2025	1535.51
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	1535.51
Change in equity during the year:	-
Balance as at 31 March, 2026	**1535.51**

(B) Other equity

(₹ in Lakhs)

Particulars	Reserve and Surplus				Other comprehensive income/loss	Total
	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Remeasurements of the defined benefit obligations	
Balance as at 01 April, 2024	76.66	3284.69	1756.45	4655.46	(248.84)	9524.42
Profit/(Loss) for the year	-	-	-	318.81	-	318.81
Other comprehensive income/(loss) (net of tax)	-	-	-	-	(89.84)	(89.84)
Balance as at 31 March, 2025	**76.66**	**3284.69**	**1756.45**	**4974.27**	**(338.68)**	**9753.39**
Profit/(Loss) for the year	-	-	-	1650.41	-	1650.41
Other comprehensive income/(loss) (net of tax)	-	-	-	-	179.60	179.60
Balance as at 31 March, 2026	**76.66**	**3284.69**	**1756.45**	**6624.68**	**(159.08)**	**11583.40**

See accompanying notes to the Financial Statements

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STATEMENT OF CASH FLOWS

for the year ended 31 March, 2026

(₹ in Lakhs)

Particulars		For the year ended 31 March, 2026	For the year ended 31 March, 2025
A.	**Cash flows from operating activities:**		
	Net profit/(loss) before tax	2201.88	393.40
	Adjustments to reconcile profit/(loss) before tax to net cash flows:		
	Depreciation and amortisation expense	2257.03	2363.14
	(Gain)/Loss on disposal of property, plant and equipment (net)	(3.97)	(17.75)
	Exceptional items (Refer Note 48)	-	(1683.77)
	Finance costs	1400.41	1708.07
	Interest income	(91.46)	(105.86)
	Rent expenses	(2.44)	2.24
	Employee benefits expense	(0.54)	6.44
	Liabilities/provisions no longer required written back	(90.44)	(32.08)
	Other amounts written off	37.32	44.88
	Gain on valuation of mutual funds measured at fair value through profit or loss	(8.06)	(9.68)
	Unrealised exchange (gain)/loss (net)	(131.50)	(15.74)
	Operating profit before working capital changes	**5568.23**	**2653.29**
	Changes in working capital		
	Adjustments for (increase)/decrease in operating assets:		
	Inventories	(828.74)	(1163.05)
	Trade receivables	(1536.88)	1953.27
	Financial assets - loans	(17.35)	24.11
	Financial assets - others	(15.95)	286.27
	Other assets	(2514.06)	230.13
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade payables	2303.79	616.12
	Other financial liabilities	13.22	92.48
	Other current and non-current liabilities	(35.67)	75.82
	Provisions	263.04	18.63
	Cash generated from operations	**3199.63**	**4787.07**
	Income tax (paid)/refund (net)	(255.02)	110.28
	Net cash flows from operating activities (A)	**2944.61**	**4897.35**
B.	**Cash flows from investing activities:**		
	Purchase of property, plant and equipment and intangible assets (including capital work-in-progress, capital advances)	(1095.52)	(1394.80)
	Proceeds from sale of property, plant and equipment	25.08	39.84
	Proceeds from sale of land (net of sales related expenses) (Refer Note 48)	-	1693.00
	Bank balances not considered as cash and cash equivalents (net)	160.00	(225.51)
	Interest received	106.75	117.41
	Net cash flows from/(used in) investing activities (B)	**(803.69)**	**229.94**

STATEMENT OF CASH FLOWS

for the year ended 31 March, 2026 ... Contd.

(₹ in Lakhs)

Particulars		For the year ended 31 March, 2026	For the year ended 31 March, 2025
C.	**Cash flows from financing activities:**		
	Repayment of long-term borrowings	(1331.78)	(3052.20)
	Interest paid	(1138.84)	(1434.26)
	Dividend paid	(0.15)	(0.01)
	Payment of lease liabilities	(620.14)	(603.95)
	Transaction cost for lease liabilities	-	(13.96)
	Net cash flows from/(used in) financing activities (C)	**(3090.91)**	**(5104.38)**
	Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(949.99)**	**22.91**
	Cash and cash equivalents at the beginning of the year	(2032.78)	(2047.17)
	Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(22.05)	(8.52)
	Cash and cash equivalents at the end of the year (Refer Note 12(C))	**(3004.82)**	**(2032.78)**

See accompanying notes to the Financial Statements

In terms of our report attached.
For **Deloitte Haskins & Sells LLP**
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For and on behalf of the Board of Directors of Bharat Gears Limited

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Chief Financial Officer
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Notes to the Financial Statements

for the year ended 31 March, 2026

Note 1 : Corporate information

Bharat Gears Limited (CIN - L29130HR1971PLC034365) is a public limited Company domiciled in India and is incorporated under the provisions of Companies Act, 1956 on 23 December, 1971. The registered office of the Company is located at 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad, Haryana-121003. The Company has three manufacturing locations; two in the state of Maharashtra at Mumbra, Thane and Lonand, Satara and one in the state of Haryana at Faridabad. Its shares are listed on two recognised stock exchanges in India. The Company is primarily engaged in the Automotive Gears business and all other activities revolving around the same.

The financial statements were approved by the Board of Directors and authorised for issue on 30 May, 2026.

Note 2 : Material accounting policies

2.1 Basis of preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a historical cost basis. Certain financial assets and liabilities are measured at fair value as explained in accounting policy of fair value measurement and financial instruments below.

The accounting policies adopted for preparation and presentation of financial statement have been consistently applied.

The financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency. All values are rounded to nearest lakhs with two decimals except when otherwise indicated. Amounts below rounding off are not disclosed by the Company.

2.2 Current versus non-current classification:

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

2.3 Foreign currencies:

Transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

2.4 Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value for measurement and/or disclosure in these financial statements is determined on such a basis.

Note 2 : Material accounting policies .... contd.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, which are described as follows:

Level 1 inputs:

Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available, with limited exceptions. If an entity holds a position in a single asset or liability and the asset or liability is traded in an active market, the fair value of the asset or liability is measured within Level 1 as the product of the quoted price for the individual asset or liability and the quantity held by the entity, even if the market's normal daily trading volume is not sufficient to absorb the quantity held and placing orders to sell the position in a single transaction might affect the quoted price.

Level 2 inputs:

Level 2 inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2 inputs include:

- quoted prices for similar assets or liabilities in active markets
- quoted prices for identical or similar assets or liabilities in markets that are not active
- inputs other than quoted prices that are observable for the asset or liability, for example-interest rates and yield curves observable at commonly quoted interval
- implied volatilities
- credit spreads
- inputs that are derived principally from or corroborated by observable market data by correlation or other means ('market-corroborated inputs')

Level 3 inputs:

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

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.

2.5 Property, plant and equipment:

Property, plant and equipment is stated at cost of acquisition or construction, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets upto the date the assets are ready for use.

Capital work in progress is stated at cost of acquisition or construction, net of accumulated impairment losses, if any.

When an item of property, plant and equipment is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant gain or loss, if any, is reflected in the Statement of Profit and Loss.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Estimated useful lives of the assets are as follows:

Buildings	:	3 - 60 years
Plant and equipment (owned/on lease)	:	10 - 15 years
Office equipment	:	3 - 6 years
Furniture and fixtures	:	8 -10 years
Vehicles	:	8 years

Land - Freehold is not depreciated

Note 2 : Material accounting policies .... contd.

The residual values, estimated useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.6 Intangible assets:

Intangible assets (i.e. computer software) are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Computer software are amortised on straight line basis over the estimated useful life of 6 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The residual values, estimated useful lives and methods of amortisation of intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.7 Inventories:

Inventories are valued at the lower of cost and net realisable value, except for scrap which is valued at net realisable value.

Cost comprises material cost and expenditure incurred in normal course of business in bringing inventories to its location and includes, where applicable, appropriate overheads.

Material cost is arrived at on weighted average basis.

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

2.8 Impairment of non-financial assets:

At the end of each reporting period, the Company assesses whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the recoverable amount of the asset or cash generating unit is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

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

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

2.9 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes 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.

2.10 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 and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Note 2 : Material accounting policies .... contd.

Financial assets mainly consist of (a) Investment in Mutual funds (b) trade receivables (c) cash and bank balances (d) fixed deposits with bank, etc.

(i) Initial recognition and measurement:

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

(ii) Subsequent measurement of financial assets:

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

(iii) Derecognition of financial assets:

The Company derecognises a financial asset when and only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

(iv) Impairment of financial assets:

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

(v) Subsequent measurement of financial liabilities:

All the financial liabilities are subsequently measured at amortised cost using the effective interest rate method or at fair value through profit or loss. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process.

(vi) Derecognition of financial liabilities:

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

2.11 Provisions and contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are based

Note 2 : Material accounting policies .... contd.

on best estimate of the expenditure required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.12 Revenue recognition:

(i) Revenue from contracts with customers:

The Company derives revenues primarily from sale of automotive gears, automotive components, construction of industrial furnaces and tooling development.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services (i.e., transaction price).

(a) Sale of goods and rendering of services:

Revenue from sale of goods and rendering of services are recognised at the point in time when control of the goods or services are transferred to the customer, in accordance with terms of contract (i.e., on delivery/dispatch of goods, as applicable) or rendering of services.

(b) Construction contracts:

Revenue from contracts for construction of furnaces, where performance obligation is satisfied over a period of time, is recognised on the percentage of completion method based on the stage of completion determined with reference to the contract costs incurred up to the year end and the estimated total costs of the contracts. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

(c) Tooling development income:

Net income, if any, from development of tools is recognised at the point of time when performance obligation i.e. development of tool, is complete.

(d) Export incentives:

Export incentives receivable are accrued for, when the right to receive the credit is established and there is no significant uncertainty regarding the realisability of the incentive.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any.

The Company disaggregates revenues from contracts with customers based on the type of goods or services provided to customers, the geographical region and the timing of transfer of goods and services.

(ii) Contract balances:

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as contract asset. Revenues in excess of invoicing are classified as contract assets while invoicing in excess of revenue are classified as contract liabilities. A receivable is a right to consideration that is unconditional upon passage of time.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer

Note 2 : Material accounting policies .... contd.

pays consideration or before payment is due, a contract asset is recognised. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised.

Trade receivables and contract assets are presented net of impairment.

(iii) Interest income:

I nterest income is recorded on time proportion basis using EIR.

2.13 Retirement and other employee benefits:

(i) Retirement benefit costs and long term compensated absences:

Payment to defined contribution retirement benefit plans i.e. recognised provident fund and superannuation fund are recognised as an expense when employees have rendered service entitling them to the contributions.

Company's liability towards gratuity, compensated absences and terminal ex-gratia is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income (OCI) in the period in which they occur. Remeasurement recognised in the other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item "Employee benefits expense". Curtailment gains and losses are accounted for as past service cost.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Provision for compensated expenses which are expected to be utilised within the next twelve months are treated as current compensated absences and beyond next twelve months as non-current compensated absences. For the purpose of presentation, the allocation between current & non-current provision has been disclosed as determined in actuary report.

(ii) Other employee benefits:

A liability is recognized for benefits accruing to the employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange of that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange of related service.

Voluntary retirement scheme payouts are recognised as an expense in the period in which they are incurred.

2.14 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

Note 2 : Material accounting policies .... contd.

Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.15 Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee:

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 remeasurement 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.

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.8 Impairment of non-financial assets.

(ii) Lease Liabilities:

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

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

(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 property, plant & equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be of 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.

Note 2 : Material accounting policies .... contd.

2.16 Taxes on income:

Income tax expense represents the sum of the tax currently payable and deferred tax.

(a) Current income tax:

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the tax laws that have been enacted or substantively enacted by the balance sheet date. Current income tax relating to items recognised outside the Statement of Profit or Loss are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant taxpaying units intend to settle the asset and liability on a net basis.

(b) Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit and loss (either in other comprehensive income or in equity).

2.17 Earnings per share:

Basic earnings per share is calculated by dividing the net profit/(loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of shares outstanding during the year is adjusted for events such as bonus issue that have changed the number of shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit/(loss) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Note 3 : Use of estimates and judgements

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which results are known/materialised.

Note 3 : Use of estimates and judgements .... contd.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

(i) Property, plant and equipment - Refer Notes 2.5 & 5(A)

(ii) Intangible assets - Refer Notes 2.6 & 5(B)

(iii) Other equity - Refer Note 15(B)

(iv) Non-current borrowings - Refer Note 16

(v) Revenue from contracts with customers - Refer Notes 2.12 & 24

(vi) Retirement and other employee benefits - Refer Notes 2.13 & 34

(vii) Taxes on income - Refer Notes 2.16 & 32

(viii) Leases - Refer Notes 2.15 & 33

Note 4 : Changes in accounting policies and disclosure

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, during the financial year ended 31 March, 2026, which are effective from 01 April, 2026, wherein changes have been made to the following Indian Accounting Standards (Ind AS):

Ind AS 1 - Presentation of Financial Statements:

The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.

Ind AS 7 - Statement of Cash Flows:

The amendments requires to inform users of the Standalone Financial Statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates.

Ind AS 107 - Financial Instruments Disclosures:

The amendments to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

Ind AS 12 - Income Taxes:

The amendments to the Pillar Two Model Rules introduce a temporary mandatory exemption from deferred tax accounting for top-up taxes and require companies to disclose their use of this exemption. This relief takes effect immediately and applies retrospectively. In addition, the amendments mandate new disclosures to compensate for any potential loss of information resulting from the exemption.

Ind AS 21 - The Effects of Changes in Foreign Exchange Rates:

The amendments provide guidance on determining exchangeability between currencies and estimating spot rates when a currency is not exchangeable.

The Company does not expect these amendments to have a material impact on its financial statements.

Note 5(A) : Property, plant and equipment

(₹ in Lakhs)

	Description of assets	Land - freehold @	Buildings **	Plant and equipment - owned	Plant and equipment - on lease $	Office equipment $$	Furniture and fixtures	Vehicles	Total
I.	**At Cost:**								
	Balance as at 01 April, 2024	659.81	4001.15	20525.34	176.18	561.77	495.04	0.86	26420.15
	Additions	-	6.69	1656.99	-	23.91	4.27	-	1691.86
	Disposals	(7.47)	-	(47.83)	-	(2.14)	-	-	(57.44)
	Adjustments	4.68	-	-	-	-	-	-	4.68
	Balance as at 31 March, 2025	**657.02**	**4007.84**	**22134.50**	**176.18**	**583.54**	**499.31**	**0.86**	**28059.25**
	Additions	-	18.06	837.73	-	38.18	22.23	16.99	933.19
	Disposals	-	(0.34)	(41.27)	-	(5.62)	(2.33)	-	(49.56)
	Adjustments	-	-	-	-	-	-	-	-
	Balance as at 31 March, 2026	**657.02**	**4025.56**	**22930.96**	**176.18**	**616.10**	**519.21**	**17.85**	**28942.88**
II.	**Depreciation/impairment**								
	Balance as at 01 April, 2024	-	1117.89	13225.05	167.97	390.63	326.84	0.75	15229.13
	Depreciation charge for the year	-	138.07	1667.89	-	47.65	25.89	-	1879.50
	Eliminated on disposal of assets	-	-	(24.16)	-	(1.96)	-	-	(26.12)
	Balance as at 31 March, 2025	**-**	**1255.96**	**14868.78**	**167.97**	**436.32**	**352.73**	**0.75**	**17082.51**
	Depreciation charge for the year	-	139.68	1559.39	-	43.16	22.89	0.77	1765.89
	Eliminated on disposal of assets	-	(0.22)	(22.35)	-	(3.74)	(2.14)	-	(28.45)
	Balance as at 31 March, 2026	**-**	**1395.42**	**16405.82**	**167.97**	**475.74**	**373.48**	**1.52**	**18819.95**
	Net book value (I-II)								
	Balance as at 31 March, 2026	**657.02**	**2630.14**	**6525.14**	**8.21**	**140.36**	**145.73**	**16.33**	**10122.93**
	Balance as at 31 March, 2025	657.02	2751.88	7265.72	8.21	147.22	146.58	0.11	10976.74

(@) (1) For information regarding title deeds of immovable property Refer Note 42.
(@) (2) Excludes cost of certain portion of Company's land at Mumbra plant acquired by Thane Municipal Corporation (TMC) for proposed road widening project(s). The exact area of such acquisition shall be determined after actual survey of land; which is still pending. The said acquisition does not impact the operations of the Company adversely. Meanwhile, the Company has taken up the matter with TMC for suitable compensation in lieu of such acquisition.
** Buildings include 10 shares of ₹ 50/- each in Venkatesh Premises Co-operative Society Ltd. - Total ₹ 500/- (As at 31 March, 2025: ₹ 500/-).
($) Includes items of Plant and equipment having Net book value of ₹ 8.21 lakhs (As at 31 March, 2025: ₹ 8.21 lakhs) in respect of which lease periods have expired, the transfer in the name of the Company is under process.
($$) Includes Computers and miscellaneous equipment.

Note 5(B) : Intangible Assets

(₹ in Lakhs)

	Description of assets	Computer software
I.	**At Cost:**	
	Balance as on 01 April, 2024	327.37
	Additions	67.94
	Disposals	-
	Balance as at 31 March, 2025	**395.31**
	Additions	29.57
	Disposals	-
	Balance as at 31 March, 2026	**424.88**
II.	**Amortisation:**	
	Balance as on 01 April, 2024	261.30
	Amortisation expense for the year	16.85
	Eliminated on disposal of assets	-
	Balance as at 31 March, 2025	**278.15**
	Amortisation expense for the year	20.80
	Eliminated on disposal of assets	-
	Balance as at 31 March, 2026	**298.95**
	Net book value (I-II)	
	Balance as at 31 March, 2026	**125.93**
	Balance as at 31 March, 2025	117.16

Note 5(C) : Right-of-use assets

(₹ in Lakhs)

	Description of assets	Land	Buildings	Plant and equipment	Office equipment	Vehicles	Total
I.	Gross carrying value						
	Balance as at 01 April, 2024	2.91	781.86	1016.27	7.47	705.56	2514.07
	Additions	-	103.00	118.62	-	-	221.62
	Termination	-	-	-	-	-	-
	Eliminated due to expiry of lease tenure	-	(93.41)	-	-	-	(93.41)
	Balance as at 31 March, 2025	**2.91**	**791.45**	**1134.89**	**7.47**	**705.56**	**2642.28**
	Additions	-	56.42	-	-	-	56.42
	Termination	-	-	-	-	-	-
	Eliminated due to expiry of lease tenure	-	(56.42)	-	-	-	(56.42)
	Balance as at 31 March, 2026	**2.91**	**791.45**	**1134.89**	**7.47**	**705.56**	**2642.28**
II.	Depreciation						
	Balance as at 01 April, 2024	0.30	313.34	12.10	2.59	187.69	516.02
	Depreciation charge for the year	0.06	165.42	158.48	1.72	141.11	466.79
	Eliminated due to expiry of lease tenure	-	(93.41)	-	-	-	(93.41)
	Balance as at 31 March, 2025	**0.36**	**385.35**	**170.58**	**4.31**	**328.80**	**889.40**
	Depreciation charge for the year	0.06	165.32	162.13	1.72	141.11	470.34
	Eliminated due to expiry of lease tenure	-	(56.42)	-	-	-	(56.42)
	Balance as at 31 March, 2026	**0.42**	**494.25**	**332.71**	**6.03**	**469.91**	**1303.32**
	Net book value (I-II)						
	Balance as at 31 March, 2026	**2.49**	**297.20**	**802.18**	**1.44**	**235.65**	**1338.96**
	Balance as at 31 March, 2025	2.55	406.10	964.31	3.16	376.76	1752.88

Footnotes:

(i) For details of Property, plant and equipment & Intangible assets charged as security for borrowings Refer Note 16 & Note 21.

(ii) For details of Right-of-use assets Refer Note 33.

(iii) None of the Company's Property, plant and equipment, Intangible asset & Right-of-use asset was revalued during the year.

Note 5(D) : Capital work-in-progress

(i) Ageing:

As at 31 March, 2025: (₹ in Lakhs)

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	233.77	-	-	-	233.77
Projects temporarily suspended	-	-	-	-	-

As at 31 March, 2026: (₹ in Lakhs)

Particulars	Amount in Capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	227.62	158.49	-	-	**386.11**
Projects temporarily suspended	-	-	-	-	-

(ii) Completion schedule in respect of projects where completion is overdue or has exceeded its cost compared to its original plan:

(a) Projects where completion is overdue:

As at 31 March, 2025: (₹ in Lakhs)

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Plant and equipment	136.51	-	-	-	136.51

As at 31 March, 2026: (₹ in Lakhs)

Particulars	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Plant and equipment	351.16	-	-	-	**351.16**

(b) Projects where cost has exceeded as compared to its original plan: Nil

Note 6 : Investments

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Investment carried at fair value through profit or loss		
In mutual funds		
Quoted:		
2,20,518 units (As at 31 March, 2025: 2,20,518) of ICICI Prudential Short Term Fund - Growth Option (Refer Footnote below)	137.79	129.73
Total	**137.79**	**129.73**

Footnote:

Lien has been marked towards Debt Service Reserve Account (DSRA) for availing term loan facility from Tata Capital Limited (Refer Footnote (ii)(B) of Note 16).

Note 7 : Financial assets - Loans

(A) Non-current

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Loans and advances to employees Unsecured, considered good	119.90	117.33
Total	**119.90**	**117.33**

Footnote:

Loans and advances to Key Managerial Personnel have specific terms and period of repayment.

(B) Current

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Loans and advances to employees Unsecured, considered good	64.08	55.50
Total	**64.08**	**55.50**

Footnote:

Loans and advances to Key Managerial Personnel have specific terms and period of repayment.

Note 8 : Financial assets - Others

(A) Non-current

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Unsecured, considered good		
Security deposits (Refer Footnotes below)	254.87	300.23
Total	**254.87**	**300.23**

Footnotes:

(i) Security deposits include ₹ 4.04 lakhs (As at 31 March, 2025: ₹ Nil) due from a private limited company, in which a director of the Company is a director.

(ii) Security deposits include ₹ Nil (As at 31 March, 2025: ₹ 52.01 lakhs) due from directors.

Note 8 : Financial assets - Others .... Contd.

(B) Current

(₹ in Lakhs)

Particulars		As at 31 March, 2026	As at 31 March, 2025
Unsecured, considered good			
(a)	Security deposits (Refer Footnote (i) below)	69.42	14.36
(b)	Interest accrued on deposits	6.23	9.20
(c)	Contract assets (Refer Note 37(A))	13.13	55.18
(d)	Others (Refer Footnote (ii) below)	70.48	28.30
	Total	**159.26**	**107.04**

Footnotes:

(i) Security deposits include ₹ 57.83 lakhs (As at 31 March, 2025: ₹ Nil) due from directors and ₹ Nil (As at 31 March, 2025: ₹ 5.00 lakhs) due from a private limited company, in which a director of the Company is a director.

(ii) Others include ₹ Nil (As at 31 March 2025: ₹ 0.07 lakh) due from a related party (Refer Note 35(C)(ii)(b)).

Note 9 : Other non-current assets

(₹ in Lakhs)

Particulars		As at 31 March, 2026	As at 31 March, 2025
Unsecured, considered good			
(a)	Capital advances	173.63	132.70
(b)	Prepaid expenses	59.57	65.25
(c)	Contract assets - Prepaid tooling expenses (Refer Note 37(A))	390.55	278.46
(d)	Others	53.18	52.56
	Total	**676.93**	**528.97**

Note 10 : Inventories

(₹ in Lakhs)

Particulars		As at 31 March, 2026	As at 31 March, 2025
(a)	Raw materials and components:		
	- Automotive gears	2192.04	1074.44
	- Automotive components	127.06	178.52
		2319.10	**1252.96**
(b)	Work-in-progress:		
	- Automotive gears	2985.36	2093.71
(c)	Finished goods:		
	- Automotive gears	2844.18	3993.57
	- Automotive components	283.94	158.34
		3128.12	**4151.91**
(d)	Stores and spares	594.74	553.61
(e)	Loose tools	1065.09	1238.36
(f)	Scrap	27.33	29.95
	Total	**10119.74**	**9320.50**

Footnotes:

(i) The cost of inventories recognized as an expense is net of ₹ 138.30 lakhs (Year ended 31 March, 2025: includes ₹ 107.75 lakhs) in respect of write-down (net) of inventory to net realisable value and provision for slow and non moving inventory.

(ii) The mode of valuation of inventories has been stated in Note 2.7.

(iii) For details of inventories provided as security for borrowings, refer footnote (i) and (ii) of Note 16 and Note 21.

Note 11 : Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Unsecured, considered good	11376.19	9688.78
Less: Allowance for impairment of receivables	0.32	1.71
Total	**11375.87**	**9687.07**

Footnotes:

(i) The Company is primarily engaged in manufacturing and selling of Automotive Gears and Components. Credit period varies from customer to customer. Average credit period is 30 - 90 days in respect of export customers and 30 - 60 days in respect of domestic customers. No interest has been recovered on trade receivables for payments received after due date.

(ii) As at 31 March, 2026, the Company had 7 customers that owed the Company more than ₹ 500 lakhs each and accounted for approximately 44.27% of all the receivables outstanding (As at 31 March, 2025: 36.62% comprising of 5 customers).

(iii) The Company maintains an allowance for impairment of receivables accounts based on ageing of customer receivables, overdues and historical experience of collections from customer(s).

Movement of impairment of trade receivable (including allowance for impairment of receivables):

Particulars	(₹ in Lakhs)
Balance as at 31 March, 2024	**5.12**
Add: Created during the year	0.22
Less: Released during the year	3.63
Balance as at 31 March, 2025	**1.71**
Add: Created during the year	-
Less: Released during the year	1.39
Balance as at 31 March, 2026	**0.32**

(iv) Trade receivables ageing:

As at 31 March, 2025: (₹ in Lakhs)

Particulars		Outstanding for following periods from due date of payment						
		Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	7841.72	1825.25	21.81	-	-	-	9688.78
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**7841.72**	**1825.25**	**21.81**	**-**	**-**	**-**	**9688.78**

Note 11 : Trade receivables .... Contd.

As at 31 March, 2026:

(₹ in Lakhs)

	Particulars	Outstanding for following periods from due date of payment						
		Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	9386.51	1971.67	17.38	0.63	-	-	11376.19
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
	Total	**9386.51**	**1971.67**	**17.38**	**0.63**	**-**	**-**	**11376.19**

Note 12 : Cash and cash equivalents and other bank balances

(A) Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(a) Cash on hand	5.32	5.73
(b) Balances with banks:		
- In current accounts	0.75	0.75
Total	**6.07**	**6.48**

(B) Other bank balances

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(a) In earmarked accounts (Refer Footnote (i) below)		
- Unpaid dividend accounts	0.69	0.84
- Unpaid fraction shares account	0.26	0.26
(b) Balances held as margin money or security against borrowings, guarantees and other commitments (Refer Footnote (ii) below)	766.82	926.67
Total	**767.77**	**927.77**

Footnotes:

(i) Balances with banks which have restrictions on utilisation.

(ii) Includes deposits of ₹ 69.20 lakhs (As at 31 March, 2025: ₹ 65.13 lakhs), on which lien has been marked by IDBI Bank Limited, towards Debt Service Reserve Account (DSRA) for availing term loan facility from Aditya Birla Capital Limited (Refer Footnote (ii)(A) of Note 16).

Note 12 : Cash and cash equivalents and other bank balances .... Contd.

(C) For the purpose of Statement of Cash flows, cash and cash equivalents comprise the following:

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Cash and cash equivalents as above	6.07	6.48
Loans repayable on demand - from banks (Refer Note 21(a))	(3010.89)	(2039.26)
Total	**(3004.82)**	**(2032.78)**

(D) Changes in liabilities arising from financing activities:

(₹ in Lakhs)

Particulars	Lease liabilities (Refer Note 17)	Borrowing - Non-current (Refer Note 16)
Balance as at 01 April, 2024	1992.51	7090.89
Acquisition	204.43	-
Cash Flow (net)	(603.95)	(3052.20)
Others	239.76	55.55
Balance as at 31 March, 2025	**1832.75**	**4094.24**
Acquisition	56.42	-
Cash Flow (net)	(620.14)	(1331.78)
Others	204.38	42.55
Balance as at 31 March, 2026	**1473.41**	**2805.01**

Note 13 : Current tax assets

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Unsecured, considered good Advance income tax	31.02	108.80
Total	**31.02**	**108.80**

Note 14 : Other current assets

(₹ in Lakhs)

Particulars		As at 31 March, 2026	As at 31 March, 2025
Unsecured, considered good			
(a)	Prepaid expenses	134.23	153.27
(b)	Advances to suppliers	100.70	160.29
(c)	Balances with government authorities:		
	- Goods and Services Tax receivable	2922.72	428.54
(d)	Export incentives receivable	247.43	268.27
(e)	Others	40.98	25.68
	Total	**3446.06**	**1036.05**

Note 15(A) : Equity share capital

(₹ in Lakhs)

Particulars		As at 31 March, 2026		As at 31 March, 2025	
		Number of shares	₹ lakhs	Number of shares	₹ lakhs
(a)	**Authorised**				
	Equity shares of ₹ 10 each	20000000	2000.00	20000000	2000.00
	Cumulative redeemable convertible or non convertible preference shares of ₹ 100 each	1500000	1500.00	1500000	1500.00
	Total	**21500000**	**3500.00**	**21500000**	**3500.00**

Note 15 (A) : Equity share capital .... Contd.

(₹ in Lakhs)

	Particulars	As at 31 March, 2026		As at 31 March, 2025	
		Number of shares	₹ lakhs	Number of shares	₹ lakhs
(b)	**Issued, Subscribed and paid up**				
	Equity shares of ₹ 10 each, fully paid up, outstanding at the end of the year	15355058	1535.51	15355058	1535.51
	Total	**15355058**	**1535.51**	**15355058**	**1535.51**
(c)	**Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:**				
	Opening balance	15355058	1535.51	15355058	1535.51
	Add/(Less): Change in equity during the year	-	-	-	-
	Closing balance	**15355058**	**1535.51**	**15355058**	**1535.51**

Footnotes:

(i) The Company has only one class of Equity shares having a face value of ₹ 10/- each. Every member shall be entitled to be present, and to speak and vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. The Company in General Meeting may declare dividends to be paid to members according to their respective rights. While no dividends shall exceed the amount recommended by the Board, the Company in General Meeting may declare a smaller dividend.

(ii) 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.

(iii) The Company had allotted 51,18,353 equity shares of Rs. 10 each as fully paid bonus equity shares to the eligible shareholders on 03 October, 2022 by way of capitalization of reserves.

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

Class of Shares/Name of Shareholder	As at 31 March, 2026		As at 31 March, 2025	
	Number of shares	Percentage of shares held	Number of shares	Percentage of shares held
Equity shares				
Surinder Paul Kanwar	5680989	37.00	5680989	37.00
Ultra Consultants Private Limited	2163193	14.09	2163193	14.09

(v) Details of shares held by Promoters:

Shares held by promoters as at 31 March, 2025:

Promoter name	Number of shares held at the beginning of the year	Change during the year	Number of shares held at the end of the year	Percentage of shares held	% Change during the year
Surinder Paul Kanwar	5680989	-	5680989	37.00	-
Late Dr. Raunaq Singh (*)	907	-	907	-	-
Ultra Consultants Private Limited	2163193	-	2163193	14.09	-
Raunaq International Limited	259206	-	259206	1.69	-
Vibrant Reality Infra Private Limited	221800	-	221800	1.44	-
Clip-Lok Simpak (India) Private Limited	168315	-	168315	1.10	-
Total	**8494410**	**-**	**8494410**	**55.32**	**-**

Shares held by promoters as at 31 March, 2026:

Promoter name	Number of shares held at the beginning of the year	Change during the year	Number of shares held at the end of the year	Percentage of shares held	% Change during the year
Surinder Paul Kanwar	5680989	-	5680989	37.00	-
Sachit Kanwar	-	1000	1000	0.01	0.01
Late Dr. Raunaq Singh (*)	907	-	907	-	-
Ultra Consultants Private Limited	2163193	-	2163193	14.09	-
Raunaq International Limited	259206	-	259206	1.69	-
Vibrant Reality Infra Private Limited	221800	-	221800	1.44	-
Clip-Lok Simpak (India) Private Limited	168315	-	168315	1.10	-
Total	**8494410**	**-**	**8495410**	**55.33**	**0.01**

(*) Considered as "Promoter", pursuant to the communication received from the National Stock Exchange of India Limited, subsequent to the financial year ended 31 March, 2025.

Note 15(B) : Other equity

(₹ in Lakhs)

	Particulars	As at 31 March, 2026	As at 31 March, 2025
(a)	Capital redemption reserve	76.66	76.66
(b)	Securities premium	3284.69	3284.69
(c)	General reserve	1756.45	1756.45
(d)	Retained earnings	6624.68	4974.27
(e)	Other comprehensive income/(loss)	(159.08)	(338.68)
	Total	**11583.40**	**9753.39**

Footnotes:

(i) Description of nature and purpose of reserve

(a) Capital redemption reserve:

Capital redemption reserve was created pursuant to the redemption of preference shares issued in earlier years. The capital redemption reserve may be applied by the Company, in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares.

(b) Securities premium:

Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities premium". The Company may issue fully paid-up bonus shares to its members out of balance lying in securities premium and the Company can also use this reserve for buy-back of shares. Further, the balance in securities premium can be used for writing off the preliminary expenses, expenses incurred in relation to any issue of shares or debentures of the Company and in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.

(c) General reserve:

General reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up shares.

(ii) The disaggregation of changes in each type of reserve, retained earnings and other comprehensive income are disclosed in Statement of Changes in Equity.

(iii) The details of dividend proposed are as under:

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Proposed dividend on equity shares*		
Proposed Dividend @ ₹1.00 per share (31 March, 2025: ₹ Nil per share)	153.55	-
Total	**153.55**	**-**

* Under Ind AS, dividend is recognised as liability in the period in which it is declared by the Company in Annual General Meeting. Accordingly, the above dividend has not been recognised in the financial statements as at 31 March, 2026.

Note 16 : Non-current borrowings

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Term loans - Secured		
From banks (Refer Footnote (i) and (iii) below)	44.49	176.27
Less: Current maturities of long-term debts (Refer Note 21(b))	44.49	131.68
	-	**44.59**
From others (Refer Footnote (ii) below)	2760.52	3917.97
Less: Current maturities of long-term debts (Refer Note 21(b))	1038.79	624.12
	1721.73	**3293.85**
Total	**1721.73**	**3338.44**

Footnotes:

(i)	**Term loans from banks:** **A. Rupee loan from State Bank of India:** ₹ 37.99 lakhs (As at 31 March, 2025: ₹ 130.77 lakhs): Emergency credit line guarantee scheme (ECLGS 2.0) - Secured by second pari passu charge created on fixed assets of the Company located at Mumbra plant, Faridabad plant and Satara plant (ranking pari passu with charges created in respect of loans referred in Footnote (i)(B) and Note 21(a)), which shall rank second subject and subservient to charges created in respect of loans referred to in Footnote (ii), and by second pari passu charge over the current assets of the Company (ranking pari passu with charges created in respect of loans referred in Footnote (i)(B) and (ii)), which shall rank second subject and subservient to charges created in favour of borrowings referred to in Footnote of Note 21(a). Repayable in monthly installments commencing from 31 October, 2022 and carries an interest rate of 8.95% p.a. **B. Rupee loan from IDBI Bank Limited:** ₹ 6.50 lakhs (As at 31 March, 2025: ₹ 45.50 lakhs): ECLGS 2.0 - Secured by second pari passu charge created on fixed assets of the Company located at Mumbra plant, Faridabad plant and Satara plant (ranking pari passu with charges created in respect of loans referred in Footnote (i)(A) and Note 21(a)), which shall rank second subject and subservient to charges created in respect of loans referred to in Footnote (ii), and by second pari passu charge over the current assets of the Company (ranking pari passu with charges created in respect of loans referred in Footnote (i)(A) and (ii)), which shall rank second subject and subservient to charges created in favour of borrowings referred to in Footnote of Note 21(a). Repayable in monthly installments commencing from 30 June, 2022 and carries an interest rate of 9.25% p.a.
(ii)	**Term loans from others:** **A. Rupee loan from Aditya Birla Capital Limited:** ₹ 1316.40 lakhs (As at 31 March, 2025: ₹ 1897.14 lakhs): Secured by first pari passu charge over movable and immovable fixed assets of the Company located at Mumbra plant, Faridabad plant and Satara plant (ranking pari passu with charge created in respect of loan referred to in Footnote (ii)(B)), and by second pari passu charge over current assets of the Company (ranking pari passu with charges created in respect of loan referred to in Footnote (i) and (ii)(B)), which shall rank second subject and subservient to charges created in favour of borrowings referred to in Footnote of Note 21(a). Repayable in monthly installments commencing from 01 April, 2022 and carries an interest rate of 10.50% p.a. For details of Debt Service Reserve Account (DSRA) refer Footnote (ii) to Note 12(B). **B. Rupee loan from Tata Capital Limited:** ₹ 1444.12 lakhs (As at 31 March, 2025: ₹ 2020.83 lakhs): Secured by first pari passu charge over movable and immovable fixed assets of the Company located at Mumbra plant, Faridabad plant and Satara plant (ranking pari passu with charge created in respect of loan referred to in Footnote (ii)(A)), and by second pari passu charge over current assets of the Company (ranking pari passu with charges created in respect of loan referred to in Footnote (i) and (ii)(A)), which shall rank second subject and subservient to charges created in favour of borrowings referred to in Footnote of Note 21(a). Repayable in monthly installments commencing from 10 June, 2022 and carries an interest rate of 10.50% p.a. For details of Debt Service Reserve Account (DSRA) refer Footnote to Note 6.
(iii)	ECLGS 2.0 rupee loan(s) referred in footnote (i) above, are also guaranteed by National Credit Guarantee Trustee Company as per guidelines issued by Ministry of Finance for ECLGS 2.0 scheme.

Note 17 : Lease liabilities

(A) Non-current

(₹ in Lakhs)

	Particulars	As at 31 March, 2026	As at 31 March, 2025
(a)	Land	2.90	2.90
(b)	Buildings	338.35	396.02
(c)	Plant and equipment	631.71	749.76
(d)	Office equipment	-	1.75
(e)	Vehicles	120.02	283.16
	Total	**1092.98**	**1433.59**

Note 17 : Lease liabilities .... Contd.

(B) Current

(₹ in Lakhs)

	Particulars	As at 31 March, 2026	As at 31 March, 2025
(a)	Land	-	-
(b)	Buildings	97.48	147.74
(c)	Plant and equipment	118.06	104.77
(d)	Office equipment	1.75	1.88
(e)	Vehicles	163.14	144.77
	Total	**380.43**	**399.16**

Footnote:

For details on lease agreements Refer Note 33.

Note 18 : Other current financial liabilities

(₹ in Lakhs)

	Particulars	As at 31 March, 2026	As at 31 March, 2025
(a)	Interest accrued but not due on borrowings	30.68	41.98
(b)	Unpaid dividends (Refer Footnote below)	0.69	0.84
(c)	Unpaid fraction shares (Refer Footnote below)	0.26	0.26
(d)	Other payables:		
	(i) Payables on purchase of property, plant and equipment (Includes ₹ 164.77 lakhs (As at 31 March, 2025: ₹ 55.63 lakhs) payable to micro enterprises and small enterprises (MSE)) (Refer Note 31.2)	286.71	226.20
	(ii) Others	209.08	169.92
	Total	**527.42**	**439.20**

Footnote:

The figures reflect the position as at the year end. The actual amount to be transferred to the Investor Education and Protection Fund in this respect shall be determined on the due date.

Note 19 : Provisions

(A) Non-current

(₹ in Lakhs)

	Particulars	As at 31 March, 2026	As at 31 March, 2025
Employee benefits:			
(i)	Gratuity (net) (Refer Note 34(B)(b))	2021.23	2027.14
(ii)	Compensated absences	457.72	471.45
(iii)	Other employee benefits (Terminal Ex-gratia) (Refer Note 34(B)(b))	12.21	15.80
	Total	**2491.16**	**2514.39**

(B) Current

(₹ in Lakhs)

	Particulars	As at 31 March, 2026	As at 31 March, 2025
(a)	Employee benefits:		
	(i) Gratuity (net) (Refer Note 34(B)(b))	365.96	340.23
	(ii) Compensated absences	114.90	105.26
	(iii) Other employee benefits (Terminal Ex-gratia) (Refer Note 34(B)(b))	6.52	5.45
		487.38	**450.94**
(b)	Provision for warranty (Refer Note 37(B))	35.31	25.49
		35.31	**25.49**
	Total	**522.69**	**476.43**

Note 19 : Provisions .... Contd.

(C) Current tax liabilities (net)

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Provision for tax (net of advance tax ₹ 323.82 lakhs (As at 31 March, 2025: ₹ Nil))	197.19	-
Total	**197.19**	**-**

Note 20 : Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Contract liabilities (Refer Note 37(A))	615.06	376.76
Total	**615.06**	**376.76**

Note 21 : Current borrowings

(₹ in Lakhs)

	Particulars	As at 31 March, 2026	As at 31 March, 2025
(a)	Loans repayable on demand:		
	From banks - Secured (Refer Footnote below)	3010.89	2039.26
(b)	Current maturities of long-term debts (Refer Note 16):		
	From banks - Secured	44.49	131.68
	From others - Secured	1038.79	624.12
	Total	**4094.17**	**2795.06**

Footnote:

Loans repayable on demand from banks are secured by hypothecation of stocks of raw materials, stock in process, semi finished and finished goods, loose tools, general stores and book debts and all other moveables, both present and future, and by joint mortgage created for all immoveable properties of the Company located at Mumbra, Faridabad and Satara plants together with all buildings, plant and machinery thereon which shall rank second subject and subservient to charges created in favour of loans referred to in Footnote (ii) of Note 16 and shall rank pari passu with loans referred to in Footnote (i) of Note 16.

Note 22 : Trade payables

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Total outstanding dues of micro enterprises and small enterprises (MSE) (including acceptances) (Refer Note 31.2)	2797.24	808.17
Total outstanding dues of trade payables other than micro enterprises and small enterprises (MSE) (including acceptances):		
Others (Refer Footnote (ii) below)	12126.02	11903.37
Total	**14923.26**	**12711.54**

Footnotes:

(i)	Trade payables are non-interest bearing and generally have a payment terms of 30 to 120 days.
(ii)	Others include ₹ 20.09 lakhs (As at 31 March 2025: ₹ 27.42 lakh) due to related parties.

Note 22 : Trade payables .... Contd.

(iii) Trade payables ageing:

As at 31 March, 2025:

(₹ in Lakhs)

	Particulars	Outstanding for following periods from due date of payment						Total
		Not due	Unbilled (accrued expenses)	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSE	652.34	-	155.83	-	-	-	808.17
(ii)	Others	7185.50	1765.60	2944.05	8.22	-	-	11903.37
(iii)	Disputed dues - MSE	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
	Total	**7837.84**	**1765.60**	**3099.88**	**8.22**	**-**	**-**	**12711.54**

As at 31 March, 2026:

(₹ in Lakhs)

	Particulars	Outstanding for following periods from due date of payment						Total
		Not due	Unbilled (accrued expenses)	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)	MSE	2797.24	-	-	-	-	-	2797.24
(ii)	Others	7509.84	2326.73	2289.45	-	-	-	12126.02
(iii)	Disputed dues - MSE	-	-	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-	-	-
	Total	**10307.08**	**2326.73**	**2289.45**	**-**	**-**	**-**	**14923.26**

Note 23 : Other current liabilities

(₹ in Lakhs)

	Particulars	As at 31 March, 2026	As at 31 March, 2025
(a)	Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Goods and Services Tax, etc.)	221.61	211.12
(b)	Contract liabilities (Refer Note 37(A)) (Refer Footnote (i) below)	168.27	452.73
(c)	Trade/security deposits (Refer Footnote (ii) below)	3.44	3.44
	Total	**393.32**	**667.29**

Footnotes:

(i) Contract liabilities includes ₹ Nil (As at 31 March, 2025: ₹ 2.49 lakhs) due to a company, in which a director of the Company is a director (Refer Note 35(C)(ii)(c)).

(ii) Trade/security deposits includes ₹ 0.19 lakh (As at 31 March, 2025: ₹ 0.19 lakh) received from a company, in which a director of the Company is a director (Refer Note 35(C)(ii)(b)).

Note 24 : Revenue from operations

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
I.	**Revenue from contracts with customers:**		
	(a) Sale of products (Refer Footnotes (i)(a), (ii)(a) & (v) below)	75899.80	63206.38
	(b) Services rendered (Refer Footnotes (i)(b) & (ii)(b) & (v) below)	951.93	100.95
	Total - Revenue from contracts with customers	**76851.73**	**63307.33**
II.	Other operating revenues (Refer Footnote (iii) below)	**1565.75**	**1445.86**
	Revenue from operations (I+II)	**78417.48**	**64753.19**

Note 24 : Revenue from operations .... Contd.

Footnotes:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(i) Goods and services transferred at a point in time		
(a) Sale of products comprises:		
Manufactured goods:		
- Automotive gears (Includes processing charges ₹ 608.64 lakhs (Year ended 31 March, 2025: ₹ 927.21 lakhs))	72198.66	58305.62
- Automotive components	2835.63	2649.02
- Tooling development	545.67	1118.86
(b) Services rendered	3.50	34.00
(ii) Goods and services transferred over time (Refer Footnote (iv) below)		
(a) Sale of products comprises:		
- Industrial furnaces	319.84	1132.88
(b) Services rendered	948.43	66.95
Total - Revenue from contracts with customers	**76851.73**	**63307.33**
(iii) Other operating revenues comprises:		
- Sale of scrap	675.19	712.30
- Export incentives	587.66	515.86
- Liabilities/provisions no longer required written back	91.83	35.49
- Miscellaneous income	211.07	182.21
Total - Other operating revenues	**1565.75**	**1445.86**

(iv) Revenue from construction contracts is recognized as stated in Note 2.12(i)(b)

(v) For disaggregation of revenue by geography Refer Note 38(b) - Segment information

(vi) Reconciliation of revenue recognised with contracted price:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Revenue as per contracted price	78466.30	64340.41
Adjustments for:		
Sales return, volume discount, price incentive, price variation, others	1614.57	1033.08
Revenue from contracts with customers	**76851.73**	**63307.33**

Note 25 : Other income

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(a) Interest income (Refer Footnote (i) below)	91.46	105.86
(b) Net gain on foreign currency transactions and translation	523.89	114.30
(c) Other non-operating income (Refer Footnote (ii) below)	17.40	31.17
Total	**632.75**	**251.33**

Note 25 : Other income .... Contd.

Footnotes:

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(i)	Interest income comprises:		
	Interest on financial assets at amortised cost:		
	- On bank deposits	-	34.02
	- On margin money with banks	50.67	39.23
	- On security deposits and loans to employees	24.56	22.11
	Interest on income tax refund	6.17	10.50
	Others	10.06	-
	Total - Interest income	**91.46**	**105.86**
(ii)	Other non-operating income comprises:		
	Rent	2.03	2.03
	Gain on disposal of property, plant and equipment	7.31	19.46
	Gain on valuation of mutual funds measured at FVTPL	8.06	9.68
	Total - Other non-operating income	**17.40**	**31.17**

Note 26(A) : Cost of material and components consumed

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Opening stock	1252.96	1093.97
Add: Purchases	42296.49	35606.90
	43549.45	**36700.87**
Less: Closing stock	2319.10	1252.96
Cost of materials and components consumed	**41230.35**	**35447.91**
Material and components consumed comprises:		
Forgings	38264.89	32653.73
Automotive components	2195.58	1913.20
Others	769.88	880.98
Total	**41230.35**	**35447.91**

Note 26(B) : Changes in inventories of finished goods and work-in-progress

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Inventories at the end of the year:		
Finished goods	3128.12	4151.91
Work-in-progress	2985.36	2093.71
	6113.48	**6245.62**
Inventories at the beginning of the year:		
Finished goods	4151.91	3184.52
Work-in-progress	2093.71	1924.34
	6245.62	**5108.86**
Net decrease/(increase)	**132.14**	**(1136.76)**

Note 27 : Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Salaries and wages	11094.82	10087.77
Contributions to provident and other funds	543.56	581.06
Gratuity expenses (Refer Note 34(B)(a)(i))	512.72	303.34
Staff welfare expenses	1003.09	967.14
Total	**13154.19**	**11939.31**

Footnote:

The Government of India notified the four Labour Codes which are effective from 21 November, 2025. The Company has assessed the incremental impact of the changes on the basis of best information available, consistent with the guidance provided by Institute of Chartered Accountants of India. The incremental impact of these changes is not material and have been recognized during the year ended 31 March, 2026.

Note 28 : Finance costs

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(a) Interest expense on:		
(i) Borrowings	821.12	1137.82
(ii) Others		
- Discounting charges	102.60	74.56
- Lease liabilities	204.38	239.76
- Interest on delayed/deferred payment of income tax	25.94	-
(b) Other borrowing costs (Bank and other financing charges)	246.37	255.93
Total	**1400.41**	**1708.07**

Note 29 : Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Depreciation on Property, plant and equipment assets	1765.89	1879.50
Amortisation of Intangible assets	20.80	16.85
Depreciation on Right-of-use assets	470.34	466.79
Total	**2257.03**	**2363.14**

Note 30 : Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Consumption of stores and spare parts	1755.42	1612.92
Consumption of loose tools	2143.94	1819.33
Consumption of packing materials	1242.53	1032.31
Processing charges	2834.40	1976.80
Power and fuel	5346.28	4768.76
Rent (Refer Note 33(C))	240.87	233.59
Repairs and maintenance:		
- Buildings	150.08	74.69
- Machinery	541.73	481.21
- Others	1297.18	1118.28
Travelling, conveyance and car expenses	500.23	535.25
Freight, forwarding and other charges	1111.65	1000.64

Note 30 : Other expenses .... Contd.

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Auditors' remuneration (Refer Footnote (i) below)	44.21	42.58
Loss on disposal of property, plant and equipment	3.34	1.71
Miscellaneous expenses (Refer Footnote (ii) below)	1462.37	1275.15
Total	**18674.23**	**15973.22**

Footnotes:

(i) Auditors' remuneration (net of GST):

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
As auditors:		
- Statutory audit	27.25	25.75
- Limited review	13.75	12.50
- Corporate governance	-	1.75
In other capacity:		
- For certification	0.50	0.50
Reimbursement of expenses	2.71	2.08
Total	**44.21**	**42.58**

(ii) Includes ₹ 8.00 lakhs (for the year ended 31 March, 2025: ₹ 23.00 lakhs) incurred on Corporate Social Responsibility expenditure (Refer Note 41).

Note 31 : Additional information to the financial statements

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
31.1 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities:		
Claims against the Company not acknowledged as debt:		
1. In respect of Employees:		
(i) The Company has filed an appeal in the Bombay High Court against the order passed by Third Labour Court on issue of back wages and reinstatement of 11 employees.	40.26	40.26
(ii) In respect of claim of permanency of services and/or back wages (less subsistence allowance paid, if any) filed by set of temporary/permanent workmen before the Industrial Court/Labour Court/Bombay High Court.	Not ascertainable	Not ascertainable
2. Others:		
(i) The Company's appeal is pending before the Bombay High Court against the order passed by Central Government Industrial Tribunal, on issue of provident fund dues on subsistence allowance.	1.27	1.27
(ii) The Company's appeal is pending before Central Government Industrial Tribunal against the order passed by Regional Provident Fund Commissioner, on issue of provident fund dues on difference of wages of certain employees.	0.86	0.86

Note 31 : Additional information to the financial statements .... Contd.

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(iii) The Company has filed a civil suit in Faridabad Civil Court for recovery of damages.	4.91	4.91
Future ultimate outflow of resources embodying economic benefits in respect of these matters is uncertain as it depends on financial outcome of judgements/decisions on the matters involved.		
(ii) Commitments:		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances):		
Property, plant and equipment	632.73	273.86
Intangible assets	16.14	4.47
	648.87	**278.33**

31.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2962.01	863.80
(ii) Principal amount remaining unpaid beyond 45 days to any supplier as at the end of the accounting year	-	38.46
(iii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iv) The amount of principal paid beyond the appointed day	95.89	832.49
(v) The amount of interest due and payable for the year	-	-
(vi) The amount of interest accrued and remaining unpaid at the end of the accounting year	2.37	2.37
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The information disclosed above in respect of principal and/or interest due to Micro and Small Enterprises has been determined on the basis of information available with the Company and confirmations/informations received from the suppliers for registration under the Micro, Small and Medium Enterprises Development Act, 2006. This has been relied upon by the auditors.

Note 32 : Income Tax

(A) Major components of income tax expense:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(a) Statement of Profit and Loss:		
(i) Current tax expense/(credit):		
- In respect of current year	522.17	-
- In respect of prior years	-	-
(ii) Deferred tax charge/(credit):		
Relating to origination and reversal of temporary differences:		
- In respect of current year	29.30	74.59
- In respect of prior years	-	-
Total tax expense recognised in Statement of Profit and Loss	**551.47**	**74.59**
(b) Other comprehensive income (OCI):		
Deferred tax - Remeasurement of the defined benefits obligations	60.41	(30.22)
Total tax expense recognised in other comprehensive income	**60.41**	**(30.22)**

Note 32 : Income Tax .... Contd.

(B) Reconciliation of income tax expense and the accounting profit/loss multiplied by Company's domestic tax rate:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Profit/(Loss) before tax	2201.88	393.40
Applicable tax rate (Refer footnote (i) below)	25.168%	25.168%
Computed tax expense	554.17	99.01
Effect of expenses that is non-deductible in determining taxable profit	8.51	6.32
On account of difference between fair market value as per books & Income Tax	(11.21)	(36.65)
Others	-	5.91
Income tax expense recognised in Statement of Profit or Loss	**551.47**	**74.59**
Effective tax rate (Refer footnote (ii) below)	**25.045%**	**18.961%**

Footnotes:

(i) The Company has elected to exercise option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

(ii) Effective tax rate for the year ended 31 March, 2025 is lower on account of adjustment of unabsorbed depreciation against long-term capital gain from sale of land.

(C) Deferred tax

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026			
	Balance as at 31 March, 2025	Recognised in Profit and Loss	Recognised in OCI	Balance as at 31 March, 2026
Tax effect of items constituting deferred tax liabilities:				
Others	20.95	(10.71)	-	10.24
(A)	**20.95**	**(10.71)**	**-**	**10.24**
Tax effect of items constituting deferred tax assets:				
Property, plant and equipment & intangible assets	3.25	56.75	-	60.00
Provision for compensated absences, gratuity and other employee benefits	632.64	63.74	-	696.38
Other disallowances under Section 43B of the Income-tax Act, 1961	71.87	(11.03)	-	60.84
Unabsorbed depreciation	139.20	(139.20)	-	-
Payments made under Voluntary Retirement Scheme	49.36	(17.40)	-	31.96
Remeasurement of defined benefits obligations	113.67	-	(60.41)	53.26
Lease	32.30	13.72	-	46.02
Others	13.40	(6.59)	-	6.81
(B)	**1055.69**	**(40.01)**	**(60.41)**	**955.27**
Deferred tax assets (net)	**(1034.74)**	**29.30**	**60.41**	**(945.03)**

Particulars	For the year ended 31 March, 2025			
	Balance as at 31 March, 2024	Recognised in Profit and Loss	Recognised in OCI	Balance as at 31 March, 2025
Tax effect of items constituting deferred tax liabilities:				
Property, plant and equipment & intangible assets	52.36	(55.61)	-	(3.25)
Others	34.93	(13.98)	-	20.95
(A)	**87.29**	**(69.59)**	**-**	**17.70**

Note 32 : Income Tax .... Contd.

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2025			
	Balance as at 31 March, 2024	Recognised in		Balance as at 31 March, 2025
		Profit and Loss	OCI	
Tax effect of items constituting deferred tax assets:				
Provision for compensated absences, gratuity and other employee benefits	634.29	(1.65)	-	632.64
Other disallowances under Section 43B of the Income-tax Act, 1961	76.82	(4.95)	-	71.87
Unabsorbed depreciation	284.14	(144.94)	-	139.20
Payments made under Voluntary Retirement Scheme	67.83	(18.47)	-	49.36
Remeasurement of defined benefits obligations	83.45	-	30.22	113.67
Lease	6.47	25.83	-	32.30
Others	13.40	-	-	13.40
(B)	**1166.40**	**(144.18)**	**30.22**	**1052.44**
Deferred tax assets (net)	**(1079.11)**	**74.59**	**(30.22)**	**(1034.74)**

Footnote:

Recognition of deferred tax assets is based on the Company's present estimates and business plans as per which the future taxable profits will be generated against which deferred tax will be realized.

Note 33 : Leases

A. Following are the carrying amounts of right-of-use assets recognised and the movements during the year:

		Description of assets	(₹ in Lakhs)
	I.	**Right-of-use assets**	
		Balance as at 01 April, 2024	2514.07
		Additions	221.62
		Termination	-
		Eliminated due to expiry of lease tenure	(93.41)
		Balance as at 31 March, 2025	**2642.28**
		Additions	56.42
		Termination	-
		Eliminated due to expiry of lease tenure	(56.42)
		Balance as at 31 March, 2026	**2642.28**
	II.	**Depreciation/impairment**	
		Balance as at 01 April, 2024	516.02
		Depreciation charge for the year	466.79
		Eliminated due to expiry of lease tenure	(93.41)
		Balance as at 31 March, 2025	**889.40**
		Depreciation charge for the year	470.34
		Eliminated due to expiry of lease tenure	(56.42)
		Balance as at 31 March, 2026	**1303.32**
		Net book value (I-II)	
		Balance as at 31 March, 2026	**1338.96**
		Balance as at 31 March, 2025	1752.88

Note 33 : Leases .... Contd.

B. Following are the carrying amounts of lease liabilities recognised and the movements during the year:

		Description of liabilities	(₹ in Lakhs)
	I.	**Lease liabilities**	
		Balance as at 01 April, 2024	2348.39
		Additions	204.43
		Termination	-
		Eliminated due to expiry of lease tenure	(93.41)
		Balance as at 31 March, 2025	**2459.41**
		Additions	56.42
		Termination	-
		Eliminated due to expiry of lease tenure	(56.42)
		Balance as at 31 March, 2026	**2459.41**
	II.	**Accretion of interest & lease payments**	
		Balance as at 01 April, 2024	(355.88)
		Accretion of interest for the year	239.76
		Lease payments for the year	(603.95)
		Eliminated due to expiry of lease tenure	93.41
		Balance as at 31 March, 2025	**(626.66)**
		Accretion of interest for the year	204.38
		Lease payments for the year	(620.14)
		Eliminated due to expiry of lease tenure	56.42
		Balance as at 31 March, 2026	**(986.00)**
		Net book value (I-II)	
		Balance as at 31 March, 2026	**1473.41**
		Current	**380.43**
		Non-Current	**1092.98**
		Balance as at 31 March, 2025	1832.75
		Current	399.16
		Non-Current	1433.59

C. Following are the amounts recognised in Statement of Profit & Loss:

	Particulars	(₹ in Lakhs)
	For the year ended 31 March, 2025:	
	Depreciation expense of right-of-use assets	466.79
	Interest expense on lease liabilities	239.76
	Lease payments of short-term leases and low-value assets (included in other expenses) (Refer Note 30)	233.59
	Total amount recognised in Statement of Profit and Loss	**940.14**
	For the year ended 31 March, 2026:	
	Depreciation expense of right-of-use assets	470.34
	Interest expense on lease liabilities	204.38
	Lease payments of short-term leases and low-value assets (included in other expenses) (Refer Note 30)	240.87
	Total amount recognised in Statement of Profit and Loss	**915.59**

D. Total cash outflow for leases

	Particulars	(₹ in Lakhs)
	Cash outflow for the year ended 31 March, 2025	603.95
	Cash outflow for the year ended 31 March, 2026	**620.14**

E. The maturity analysis of lease liabilities is disclosed in Note 39.

Note 33 : Leases .... Contd.

F.	General description of the agreements:
	(i) The agreements pertain to Land, Buildings, Plant and equipment, Office equipment & Vehicles.
	(ii) The lease term ranges from three to ninety-nine years.
	(iii) The agreements does not provide for transfer of assets to the Company on expiry of lease term, except in case of Plant and equipment & Office equipment.
	(iv) There are no restrictions such as those concerning dividends, additional debt and further leasing imposed by the lease agreements entered into by the Company.
	(v) Some of the agreements contain renewal clause. Some of the agreements provide for escalation of rent during the tenure of the agreement.

Note 34 : Employee benefits

(A) Defined Contribution Plans

The Company has recognised the following amounts in the Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
- Employers' contribution to Provident Fund and Family Pension Fund	450.08	441.42
- Employers' contribution to Superannuation Fund	64.66	108.09

The above amounts are included in Contributions to provident and other funds under Note 27 Employee benefits expense.

(B) Defined Benefit Plans

A general description of the Employee Benefit Plans:

(i) Gratuity (Funded)

The Company operates a defined benefit final salary gratuity plan which covers qualifying employees. The benefit payable is the amount calculated as per the Code on Social Security, 2020 or maximum gratuity payable under the said Act, whichever is lower. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits is met by the Company.

The Company has set up an income tax approved irrevocable trust fund to finance the plan liability. The trustees of the trust fund are responsible for the overall governance of the plan. The plan is funded under Group Gratuity Scheme which is administered by Life Insurance Corporation of India (LIC). The Company makes annual contribution to the plan. There are no minimum funding requirements. The trustees of the gratuity fund have a fiduciary responsibility to act according to the provisions of the trust deed and rules. Since the fund is income tax approved, the Company and the trustees have to ensure that they are at all times fully compliant with the relevant provisions of the Income Tax Act and Rules.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

(ii) Terminal Ex-gratia (Unfunded)

The Company has an obligation towards Terminal Ex-gratia, an unfunded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment which varies depending upon the number of completed years of service to vested employees on completion of employment. Vesting occurs upon the completion of 15 years of service. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet:

(a) Expense recognised in the Statement of Profit and Loss:

(₹ in Lakhs)

	Particulars	Year ended 31 March, 2026		Year ended 31 March, 2025	
		Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
(i)	**Under Statement of Profit and Loss**				
	Current service cost	146.77	1.23	142.59	1.20
	Interest on net defined benefit liability/(asset)	161.07	1.44	160.75	1.71
	Past service cost	204.88	-	-	-
	Total expense recognised in the Statement of Profit and Loss	***512.72**	****2.67**	***303.34**	****2.91**
(ii)	**Under other comprehensive income**				
	Actuarial (gains)/losses				
	Due to change in demographic assumptions	-	-	-	-
	Due to change in financial assumptions	(159.24)	(0.56)	76.48	0.34
	Due to change in experience adjustments	(97.44)	(0.83)	44.05	(0.81)
	Actual return on plan assets	18.06	-	-	-
	Sub-total - Included in Other comprehensive income	**(238.62)**	**(1.39)**	**120.53**	**(0.47)**
	Total expense	**274.10**	**1.28**	**423.87**	**2.44**

(* Represented by Gratuity expenses under Employee benefits expense in Note 27).

(** Included in 'Salaries and wages' under Employee benefits expense in Note 27).

(₹ in Lakhs)

	Particulars	As at 31 March, 2026		As at 31 March, 2025	
		Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
(b)	**Net liability recognised in the Balance Sheet:**				
	Present value of defined benefit obligation	2464.88	18.73	2424.36	21.25
	Fair value of plan assets	77.69	-	56.99	-
	Funded status (deficit)	(2387.19)	(18.73)	(2367.37)	(21.25)
	Net liability recognised in the Balance Sheet accounted as below:	(2387.19)	(18.73)	(2367.37)	(21.25)
	- Provisions non-current (Refer Note 19(A)(i))	(2021.23)	-	(2027.14)	-
	- Provisions current (Refer Note 19(B)(a)(i))	(365.96)	-	(340.23)	-
	- Provisions non-current (Refer Note 19(A)(iii))	-	(12.21)	-	(15.80)
	- Provisions current (Refer Note 19(B)(a)(iii))	-	(6.52)	-	(5.45)
(c)	**Present value of defined benefit obligation:**				
	Present value of defined benefit obligation at beginning of the year	2424.36	21.25	2314.90	23.91
	Current service cost	146.77	1.23	142.59	1.20
	Interest on defined benefit obligation	164.92	1.44	165.40	1.71
	Remeasurements due to:				
	Actuarial loss/(gain) arising from change in demographic assumptions	-	-	-	-
	Actuarial loss/ (gain) arising from change in financial assumptions	(159.24)	(0.56)	76.48	0.34
	Actuarial loss/(gain) arising on account of experience changes	(97.44)	(0.83)	44.05	(0.81)
	Past service cost	204.88	-	-	-
	Benefits paid	(219.37)	(3.80)	(319.06)	(5.10)
	Present value of defined benefit obligation at the end of the year	2464.88	18.73	2424.36	21.25

Note 34 : Employee benefits .... Contd.

(₹ in Lakhs)

	Particulars	As at 31 March, 2026		As at 31 March, 2025	
		Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
(d)	**Fair value of plan assets:**				
	Opening fair value of plan assets	56.99	-	65.02	-
	Employer contributions	254.28	-	306.38	-
	Interest on plan assets	3.85	-	4.65	-
	Actual return on plan assets	(18.06)	-	-	-
	Benefits paid	(219.37)	-	(319.06)	-
	Closing fair value of plan assets	77.69	-	56.99	-
(e)	**Movement of net liability recognised in the Balance Sheet:**				
	Opening net defined benefit liability/(asset)	2367.37	21.25	2249.88	23.91
	Expense charged to Statement of Profit and Loss	512.72	2.67	303.34	2.91
	Amount recognised in other comprehensive income	(238.62)	(1.39)	120.53	(0.47)
	Employer contributions	(254.28)	(3.80)	(306.38)	(5.10)
	Closing net defined benefit liability/(asset)	2387.19	18.73	2367.37	21.25

		As at 31 March, 2026		As at 31 March, 2025	
(f)	**The major categories of plan assets as a percentage of the fair value of total plan assets:**	Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
	Insurer managed funds	100%	-	100%	-

The plan does not invest directly in any property occupied by the Company nor in any financial securities issued by the Company.

		As at 31 March, 2026		As at 31 March, 2025	
(g)	**The principal assumptions used in determining defined benefit obligations:**	Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
	(i) Financial assumptions:				
	Discount rate	7.50%	7.50%	6.80%	6.80%
	Salary escalation	7.00%		7.00%	
	(ii) Demographic assumptions:				
	Retirement age:				
	For Mumbra employees	60 years		60 years	
	For Faridabad and Lonand employees	58 years		58 years	
	Attrition rate:				
	Age Banks - 21 - 44	2.00%		2.00%	
	Age Banks - 44 & above	1.00%		1.00%	
	Mortality tables	Indian Assured Lives Mortality (2012-14) Ult table		Indian Assured Lives Mortality (2012-14) Ult table	

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

(h) Sensitivity analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Note 34 : Employee benefits .... Contd.

	As at 31 March, 2026		As at 31 March, 2025	
	Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
Discount rate				
Impact of increase in 50 bps on defined benefits obligations	-4.34%	-1.99%	-4.45%	-3.88%
Impact of decrease in 50 bps on defined benefits obligations	4.72%	2.13%	4.86%	0.76%
Salary escalation				
Impact of increase in 50 bps on defined benefits obligations	4.33%	-	4.59%	-
Impact of decrease in 50 bps on defined benefits obligations	-4.06%	-	-4.28%	-

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

(i) Funding arrangements & policy:

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested. The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of under funding of the plan.

The expected contribution payable to the plan next year is ₹ 365.96 lakhs.

(j) Maturity profile (₹ in Lakhs)

	As at 31 March, 2026		As at 31 March, 2025	
	Gratuity	Terminal Ex-gratia	Gratuity	Terminal Ex-gratia
Expected benefits for year 1	443.65	6.52	397.23	5.45
Expected benefits for year 2	166.17	2.40	259.50	5.01
Expected benefits for year 3	250.94	3.74	156.75	2.29
Expected benefits for year 4	250.23	3.16	244.00	3.80
Expected benefits for year 5	148.06	1.04	224.38	2.88
Expected benefits for year 6	91.02	0.46	129.62	0.99
Expected benefits for year 7	203.05	1.09	78.79	0.43
Expected benefits for year 8	150.52	0.69	172.72	1.03
Expected benefits for year 9	157.85	0.42	126.75	0.65
Expected benefits for year 10 and above	4241.31	10.46	3805.11	10.16
The weighted average duration to the payment (years)	9.21	4.23	9.42	4.43

Note 35 : Related party transactions

Note	Particulars

(A) As per Ind AS 24, the disclosures of transactions with the Related Parties are given below:

Description of relationship		Names of related parties
Key Management Personnel (KMP)	(i)	Mr. Surinder Paul Kanwar - Chairman and Managing Director (who also has ability to exercise 'significant influence' over the Company)
	(ii)	Mr. Sameer Kanwar – Joint Managing Director (Son of Chairman and Managing Director of the Company)
	(iii)	Mr. Rakesh Chopra - Non Executive Independent Director (upto 30 July, 2025)
	(iv)	Mr. Virendra Kumar Pargal - Non Executive Independent Director (upto 30 July, 2025)
	(v)	Mr. Wolfgang Rudolf Schilha - Non Executive Independent Director
	(vi)	Mrs. Hiroo Suresh Advani - Non Executive Independent Director (upto 12 August, 2024)
	(vii)	Mr. N.V. Srinivasan - Non Executive Independent Director
	(viii)	Mr. Raman Nanda - Non Executive Independent Director
	(ix)	Ms. Kavita Jha - Non Executive Independent Director (w.e.f. 24 September, 2024)
	(x)	Mr. Satya Prakash Mangal - Non Executive Independent Director (w.e.f. 22 May, 2025)
	(xi)	Mr. Bharat Dev Singh Kanwar - Non Executive Independent Director (w.e.f. 22 May, 2025)
Enterprises over which KMP is able to exercise significant influence	(i)	Clip-Lok Simpak (India) Private Limited (CSIPL)
	(ii)	Raunaq International Limited (RIL)
	(iii)	Vibrant Reality Infra Private Limited (VRIPL)
	(iv)	Xlerate Driveline India Limited (XDIL)

(B) Details of related party transactions during the year ended 31 March, 2026:

(i) Key Management Personnel (KMP):

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(a)	**Mr. Surinder Paul Kanwar**		
	- Compensation - Short term employee benefits (Refer Note 47)	263.54	261.86
	- Rent paid for premises taken on lease	60.00	60.00
	- Reimbursement of maintenance charges paid for premises taken on lease	3.34	3.11
(b)	**Mr. Sameer Kanwar**		
	- Compensation - Short term employee benefits	176.56	178.03
	- Rent paid for premises taken on lease	36.00	36.00
	- Reimbursement of maintenance charges paid for premises taken on lease	5.00	5.02
(c)	**Mr. N.V. Srinivasan**		
	- Director's sitting fees	7.00	5.15
(d)	**Mr. Rakesh Chopra**		
	- Director's sitting fees	5.50	10.90
(e)	**Mr. Virendra Kumar Pargal**		
	- Director's sitting fees	5.25	8.50

Note 35 : Related party transactions .... Contd.

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(f)	**Mr. Wolfgang Rudolf Schilha**		
	- Director's sitting fees	5.50	6.50
(g)	**Mrs. Hiroo Suresh Advani**		
	- Director's sitting fees	-	5.00
(h)	**Mr. Raman Nanda**		
	- Director's sitting fees	10.50	7.25
(i)	**Ms. Kavita Jha**		
	- Director's sitting fees	8.50	2.25
(j)	**Mr. Satya Prakash Mangal**		
	- Director's sitting fees	5.00	-
(k)	**Mr. Bharat Dev Singh Kanwar**		
	- Director's sitting fees	6.25	-

(ii) Enterprises over which KMP is able to exercise significant influence:

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(a)	**Clip-Lok Simpak (India) Private Limited**		
	- Purchase of packing material	18.69	30.40
	- Rent income	0.63	0.63
(b)	**Vibrant Reality Infra Private Limited**		
	- Rent expense	22.49	22.49
(c)	**Raunaq International Limited**		
	- Rent income	1.40	1.40
(d)	**Xlerate Driveline India Limited**		
	- Reimbursement of buisness promotion expenses	5.99	1.43

(C) Outstanding balances (excluding Ind AS fair value adjustments):

(i) Key Management Personnel (KMP): (₹ in Lakhs)

	Particulars	As at 31 March, 2026	As at 31 March, 2025
(a)	**Mr. Surinder Paul Kanwar**		
	Receivable	50.00	50.00
	Payable	17.06	21.36
(b)	**Mr. Sameer Kanwar**		
	Receivable	10.00	10.00
	Payable	2.86	4.75
(c)	**Mr. Rakesh Chopra**		
	Payable	-	0.45
(d)	**Mr. Virendra Kumar Pargal**		
	Payable	-	0.23
(e)	**Mr. Wolfgang Rudolf Schilha**		
	Payable	0.17	0.17
(f)	**Mr. Raman Nanda**		
	Payable	-	0.23
(g)	**Ms. Kavita Jha**		
	Payable	-	0.23

Note 35 : Related party transactions .... Contd.

(ii) Enterprises over which KMP is able to exercise significant influence: (₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
(a) Vibrant Reality Infra Private Limited		
Receivable	5.00	5.00
(b) Raunaq International Limited		
Receivable	-	0.07
Payable	0.19	0.19
(c) Xlerate Driveline India Limited		
Payable	-	2.49

(D) Note:

Key Management Personnel compensation does not include provision for gratuity and leave encashment, which is determined for the Company as a whole.

Note 36 : Earnings per share

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Basic and diluted:		
Net profit/(loss) after tax for the year attributable to the equity shareholders	1650.41	318.81
Weighted average number of equity shares (Nos.)	15355058	15355058
Face value per share (In ₹)	10.00	10.00
Earnings per share-Basic and diluted (In ₹)	10.75	2.08

Note 37(A) : Disclosure under Ind AS 115 "Revenue from Contracts with Customers"

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Contract Balances:		
Contract assets balance at the beginning of the year	333.64	565.14
Revenue recognised during the year	13.13	55.18
Invoices raised during the year	(55.18)	(257.52)
Created/(consumed) during the year	112.09	(29.16)
Contract assets balance at the end of the year (Refer Note 8(B)(c) and Note 9(c))	**403.68**	**333.64**

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Contract liabilities balance at the beginning of the year	829.49	752.80
Billed in advance in terms of contract	168.27	66.82
Advance received during the year	575.05	847.56
Adjusted against invoices during the year	(789.48)	(837.69)
Contract liabilities balance at the end of the year (Refer Note 20 and Note 23(b))	**783.33**	**829.49**

Note 37(B) : Disclosures in pursuance of the Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets":

(₹ in Lakhs)

Provision for Warranties	As at 31 March, 2026	As at 31 March, 2025
Opening balance	25.49	4.93
Additional provision	9.82	20.56
Amount utilized	-	-
Unutilized amount reversed	-	-
Closing balance (Refer Note 19(B)(b))	**35.31**	**25.49**

Provision for warranty is made for the estimated amount of expenditure, which may be incurred during the warranty period after successful commissioning of the furnace.

Note 38 : Segment information

Particulars

(a) The Company is primarily engaged in the Automotive Gears business and all other activities revolving around the same. Information reported to and evaluated regularly by the Chief Operational Decision Maker (CODM) i.e. Chairman and Managing Director for the purpose of resource allocation and assessing performance focuses on the business as a whole. Accordingly, there is no other separate reportable segment as defined by Ind AS 108 “Operating Segments”.

(b) Disaggregation of revenue by geography:

The revenue of the Company from the external customers are attributed to (i) the Company’s country of domicile i.e. India and (ii) all foreign countries in total from which the Company derives revenue. Details are as follows:

(i) Revenue from contracts with customers:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
India	53339.31	44346.08
Outside India:		
USA	8182.69	10034.03
Mexico	4154.10	1578.32
Spain	4416.43	3709.97
Other countries	6759.20	3638.93
Total	**76851.73**	**63307.33**

(ii) Other operating revenue:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
India	1565.75	1445.86
Total	**1565.75**	**1445.86**

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

(d) Information about major customers having revenue amounting to 10% or more of the Company's revenue from contracts with customers:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Customer A	**21273.02**	**17541.42**

No other customer individually contributed 10% or more to the Company's revenue from contracts with customers for the current year ended 31 March, 2026 and previous year ended 31 March, 2025.

Note 39 : Financial instruments

I. Capital management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to shareholders through the optimisation of the debt and equity.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financials covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The capital structure is monitored on the basis of net debt to equity and maturity profile of the overall debt portfolio of the Company.

(₹ in Lakhs)

Particulars		31 March, 2026	31 March, 2025
Short term borrowing and current portion of long term borrowing		4094.17	2795.06
Long term borrowing		1721.73	3338.44
Total borrowing		**5815.90**	**6133.50**
Less:- Cash and cash equivalents including other bank balances and earmarked investments		910.68	1062.88
Net debt	**A**	**4905.22**	**5070.62**
Total shareholders' equity as reported in Balance Sheet	**B**	13118.91	11288.90
Total capital and debt	**(A+B)**	**18024.13**	**16359.52**

In order to achieve the overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies and processes for managing capital during the year(s) ended 31 March, 2026 and 31 March, 2025.

II. Financial Risk Management Framework

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

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on payment performance over the period of time and wherever required a detailed financial analysis. Outstanding customer receivables are regularly monitored. As at 31 March, 2026, the Company had 7 customers that owed the Company more than ₹ 500 lakhs each and accounted for approximately 44.27% of all the receivables outstanding (As at 31 March, 2025: 36.62% comprising of 5 customers).

An impairment analysis is performed at each reporting date. The Company does not hold collateral as security.

(ii) Financial instruments and cash deposits

Investment in mutual funds is carried at FVTPL. Carrying value of investment as at 31 March, 2026 is ₹ 137.79 lakhs (As at 31 March, 2025: ₹ 129.73 lakhs). The carrying value represents the Company's maximum exposure to credit risk for investment in mutual funds.

Note 39 : Financial instruments .... Contd.

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. The credit risk is limited because counter parties are banks/institutions with high credit ratings.

(B) Liquidity risk

(i) Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities/borrowings and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(ii) Maturities of financial liabilities

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

(₹ in Lakhs)

Particulars	Less than 1 Year	1-3 Years	3-5 Years	5 Years and above	Total	Carrying amount
Non-derivative financial liabilities						
31 March, 2026						
Variable interest rate instruments	6949.97	1733.33	-	-	8683.30	8643.82
Lease liabilities	535.46	745.88	520.84	131.20	1933.38	1473.41
Non-interest bearing	12622.76	-	-	-	12622.76	12622.76
Total	**20108.19**	**2479.21**	**520.84**	**131.20**	**23239.44**	**22739.99**
31 March, 2025						
Variable interest rate instruments	3687.76	3244.59	133.33	-	7065.68	6983.64
Lease liabilities	597.68	930.82	612.29	345.29	2486.08	1832.75
Non-interest bearing	12300.59	-	-	-	12300.59	12300.59
Total	**16586.03**	**4175.41**	**745.62**	**345.29**	**21852.35**	**21116.98**

Interest rate sensitivity:

The sensitivity analysis below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating variable 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. A 100 basis point increase or decrease is used for the purpose of sensitivity analysis.

If interest rates had been 100 basis points higher/lower and all other variables held constant, the Company's profit for the year ended 31 March, 2026 would decrease/increase by ₹ 86.44 lakhs (profit for the year ended 31 March, 2025: decrease/increase by ₹ 69.84 lakhs). This is mainly attributable to the Company's exposure to interest rate on its variable rate borrowings.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Note 39 : Financial instruments .... Contd.

(iii) Financing arrangements

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

(₹ in Lakhs)

Particulars	As at 31 March, 2026	As at 31 March, 2025
From banks:		
Fund based:		
Cash credit/packing credit	1489.11	2460.74
- Expiring within one year	1489.11	2460.74
- Expiring beyond one year	-	-
Non-fund based - letter of credit/bank guarantees:	3344.93	1936.95
- Expiring within one year	3344.93	1936.95
- Expiring beyond one year	-	-

(C) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's operating activities and borrowings when transactions are denominated in a different currency from the Company's functional currency.

The Company manages its foreign currency risk by effective monitoring movement in foreign currency rates and seeks to minimize the effect of currency risk by using non derivative financing instrument to hedge risk exposures.

The carrying amounts of the Company’s unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Currency	In foreign currency		₹ lakhs	
		As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
Receivable	USD	37,24,111.55	35,83,828.45	3,483.91	3,063.10
	EURO	15,94,262.90	11,93,618.77	1,697.09	1,098.64
Payables	USD	4,11,323.16	5,92,340.10	390.96	506.33
	EURO	5,549.32	33,680.40	6.10	31.04
	CHF	-	598.00	-	0.58

Foreign currency sensitivity

The following table demonstrates the sensitivity in the USD, Euro and other currencies to the functional currency of the Company, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of the monetary assets and liabilities including currency derivatives.

(₹ in Lakhs)

Particulars	Change in currency exchange rate	Effect on profit before tax		Effect on equity	
		For the year ended 31 March, 2026	For the year ended 31 March, 2025	For the year ended 31 March, 2026	For the year ended 31 March, 2025
USD	+ 5%	154.65	127.84	115.73	95.67
	- 5%	(154.65)	(127.84)	(115.73)	(95.67)
EURO	+ 5%	84.55	53.38	63.27	39.95
	- 5%	(84.55)	(53.38)	(63.27)	(39.95)
CHF	+ 5%	-	(0.03)	-	(0.02)
	- 5%	-	0.03	-	0.02

Note 39 : Financial instruments .... Contd.

(ii) Interest rate risk

Refer comment given above in maturities of financial liabilities under liquidity risk.

(iii) Raw material price risk

The Company does not have significant risk in raw material price variations. In case of any variation in price, the same is passed on to customers through appropriate adjustment to selling prices.

Note 40 : Fair value

Particulars

A. Fair value measurement:

All the financial assets (other than investments) and financial liabilities of the Company are carried at amortised cost. Investments are carried at fair value through profit or loss.

The management assessed that the fair value of financial instruments such as trade receivables, cash and cash equivalents, other bank balances, other financial assets (except security deposits and loans and advances to employees), trade payables and other current financial liabilities (except current maturities of long term debts) approximate their carrying value largely due to the short-term maturities of these instruments.

B. Fair value hierarchy:

Quantitative disclosure fair value measurement hierarchy:

(₹ in Lakhs)

Particulars	As at 31 March, 2026		As at 31 March, 2025		Fair value hierarchy
	Carrying value	Fair value	Carrying value	Fair value	
Assets for which fair values are disclosed:					
Investments	137.79	137.79	129.73	129.73	Level 1
Loans and advances to employees	183.98	183.98	172.83	172.83	Level 2
Security deposits	324.29	324.29	314.59	314.59	Level 2
Liabilities for which fair values are disclosed:					
Borrowings	2805.01	2805.01	4094.24	4094.24	Level 2

Fair value of loans and advances to employees, security deposits and borrowings are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and maturities.

Note 41 : Corporate social responsibility

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
(i)	Amount required to be spent during the year	-	23.24
(ii)	Amount of expenditure incurred (Refer Footnote (i) below)	8.00	23.00
(iii)	Shortfall/(surplus) at the end of the year	(8.00)	0.24
(iv)	Total of previous years shortfall/(surplus)	(1.77)	(2.01)
(v)	Total shortfall/(surplus) at the end of current year carried forward (iii + iv) (Refer Footnote (iii) below)	(9.77)	(1.77)
(vi)	Reason for shortfall	Not applicable	Not applicable
(vii)	Nature of CSR activities	Refer Footnote (ii) below	Refer Footnote (ii) below
(viii)	Details of Related Party Transactions	Not applicable	Not applicable
(ix)	Provision made in respect of liability incurred	-	-

Footnotes:

(i) Details of amount of expenditure incurred:

(₹ in Lakhs)

	Particulars	For the year ended 31 March, 2026			For the year ended 31 March, 2025		
		In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-	-	-	-
(ii)	On purposes other than (i) above	8.00	-	8.00	23.00	-	23.00

(ii) Nature of CSR activities include promoting education (including special education), distribution of food and food grains, health and rural development and environmental sustainability.

(iii) In accordance with rule 7(3) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, amount spent in excess of requirement provided under sub-section (5) of section 135 of the Companies Act, 2013, may be set off against the amount required to be spent in immediately succeeding three financial years. Accordingly, this surplus amount spent is eligible for set off.

Note 42 : Title deeds of Immovable Properties

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Land at Mumbra	124.34	Bharat Gears Limited (Refer Footnote below)	Not applicable	28 September, 1972	Not applicable (Refer Footnote below)
	Land at Lonand	234.73			07 February, 2011	
		297.95			23 December, 2011	

Footnotes:

The name mentioned in the records of the Government (i.e. 7/12 extract in respect of certain part of Company's Land at Mumbra and Lonand, on account of certain mutation entries) does not match with the indenture of the conveyance available with the Company. The Company has initiated necessary legal actions which are pending with concerned statutory authorities.

Note 43 : Ratios

Sr.no.	Particulars	Numerator	Denominator	Unit	31 March, 2026	31 March, 2025	% Change	Reason for variance
(i)	Current ratio	Current assets	Current liabilities	Times	1.23	1.22	0.82%	
(ii)	Debt-equity ratio	Non-current borrowings + Current borrowings	Total equity	Times	0.44	0.54	18.52%	
(iii)	Debt service coverage ratio	Profit/(Loss) for the year + Finance costs + Depreciation and amortisation expense + Loss on disposal of property, plant and equipment - Gain on disposal of property, plant and equipment - Exceptional items	Finance costs + Current maturities of long-term debts + Current lease liabilities	Times	1.85	0.94	96.81%	Increase because of profit during the current year and decrease in current maturities of long-term debts.
(iv)	Return on equity ratio	Profit/(Loss) for the year	Average total equity	%	14.00%	3.00%	366.67%	Increase because of profit during the current year.

Note 43 : Ratios .... Contd.

Sr.no.	Particulars	Numerator	Denominator	Unit	31 March, 2026	31 March, 2025	% Change	Reason for variance
(v)	Inventory turnover ratio	Revenue from operations	Average inventory	Times	8.07	7.39	9.20%	
(vi)	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	Times	7.45	6.08	22.53%	
(vii)	Trade payables turnover ratio	Purchases + Consumption of stores and spare parts + Consumption of loose tools + Consumption of packing materials + Processing charges	Average trade payables	Times	3.64	3.39	7.37%	
(viii)	Net capital turnover ratio	Revenue from operations	Current assets - Current liabilities	Times	16.00	17.00	5.88%	
(ix)	Net profit ratio	Profit/(Loss) for the year	Revenue from operations	%	3.00%	1.00%	200.00%	Increase because of profit during the current year.
(x)	Return on capital employed	Profit/(Loss) before exceptional items and tax + Finance costs	Non-current borrowings + Current borrowings + Total Equity	%	19.00%	12.00%	58.33%	Increase because of profit during the current year.
(xi)	Return on investment	Gain on valuation of mutual funds measured at FVTPL	Cost of investment	%	7.61%	9.14%	16.74%	

Note 44 : Relationship with struck off companies

(₹ in Lakhs)

Name of struck off company	Nature of transaction	Transaction during the year ended 31 March, 2026	Balance outstanding as at ended 31 March, 2026	Relationship with the struck off company
New Age Aqua Private Limited	**Trade payable**	**6.85**	**-**	**Vendor**

(₹ in Lakhs)

Name of struck off company	Nature of transaction	Transaction during the year ended 31 March, 2025	Balance outstanding as at ended 31 March, 2025	Relationship with the struck off company
New Age Aqua Private Limited	**Trade payable**	**23.95**	**4.10**	**Vendor**

Note 45 : Other statutory information

Particulars

(i) The Company does not have any Benami property. No proceedings have been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Note 45 : Other statutory information .... Contd.

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(vii) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013, read with Companies (restriction on number of layers) Rules, 2017.

(viii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

Note 46 : Audit trail

The Company uses accounting software for maintenance of its books of account for which audit trail (edit log) facility has been enabled at the application level and for masters at database level, and was operating throughout the year. The audit trail was also enabled for the transaction data at database level subsequent to the balance sheet date. The IT environment of the Company is appropriately governed by well-defined standard operating procedures. The database of the software is under the control of the Company and only designated persons have the access to the underlying database after obtaining requisite approval.

Note 47 : Other information

During the year, the Company received a letter from a fictitious person and a complaint from an investor and shareholder raising concerns regarding the citizenship status of Mr. Surinder Paul Kanwar, Chairman and Managing Director (CMD) of the Company. The Board of Directors, at its meeting held on 23 January, 2026, based on a comprehensive independent legal opinion obtained by the Company, concluded that pending any final direction, order, or outcome issued by the Central Government, the citizenship status of Mr. Surinder Paul Kanwar continues to remain unchanged, and he shall continue to discharge his responsibilities as Chairman and Managing Director of the Company.

Subsequent to the year ended 31 March, 2026, CMD has received a communication from the Regional Passport Office regarding the revocation of his passport, against which he has filed an appeal with the competent authority. The outcome of the said appeal is pending as on date.

Note 48 : Sale of land

During the year ended 31 March, 2025, the Company sold a part of land situated at Mumbra Plant for a consideration of ₹ 1,710 lakhs resulting in a net gain of ₹ 1,683.77 lakhs, after adjusting cost of acquisition and sales related expenses, which was disclosed as an exceptional item.

For and on behalf of the Board of Directors of Bharat Gears Limited

Surinder Paul Kanwar
Chairman and Managing Director
(DIN : 00033524)

Sameer Kanwar
Joint Managing Director
(DIN : 00033622)

Wolfgang Rudolf Schilha (DIN : 00374415)
N.V. Srinivasan (DIN : 00879414)
Raman Nanda (DIN : 00078198)
Kavita Jha (DIN : 10780777)
Satya Prakash Mangal (DIN : 01052952)
Bharat Dev Singh Kanwar (DIN : 00428180)
Directors

Place : Mumbai
Date : 30 May, 2026

Milind Pujari
Chief Financial Officer
(PAN : AAAPP3554C)

Prashant Khattry
Corporate Head (Legal) & Company Secretary
(PAN : AOQPK8734B)

NOTES

BHARAT GEARS LIMITED
Geared for Life

Form ISR – 1

(see SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

REQUEST FOR REGISTERING PAN, KYC DETAILS OR CHANGES/UPDATION THEREOF

[For Securities (Shares/Debentures/Bonds, etc.) of the Company held in physical form]

Date: ______/______ / ______

A. I/We request you to Register/Change/Update the following (Tick ✓ relevant box)

☐ PAN	☐ Bank details	☐ Signature
☐ Mobile number	☐ E-mail ID	☐ Address

B. Security Details:

Name of the Issuer Company	BHARAT GEARS LIMITED	Folio No.:
Name(s) of the Security holder(s) as per the Certificate(s)	1. 2. 3.	
Number & Face value of securities		
Distinctive number of securities		From To

C. I/We are submitting documents as per Table below (tick ✓as relevant, refer to the instructions):

	✓	**Document/Information/ Details**	**Instruction/Remark**
1.	PAN of (all) the (joint) holder(s)		
		PAN Whether it is Valid (linked to Aadhaar): ☐ Yes ☐ No	☐☐☐☐☐☐☐☐☐☐, ☐☐☐☐☐☐☐☐☐☐ ☐☐☐☐☐☐☐☐☐☐ PAN shall be valid only if it is linked to Aadhaar by March 31, 2023* For Exemptions/Clarifications on PAN, please refer to Objection Memo in **Page 6 & 7**
2.		Demat Account Number (Optional)	☐☐☐☐☐☐☐☐☐ ☐☐☐☐☐☐☐☐ Also provide Client Master List (**CML**) of your Demat Account, provided by the Depository Participant.
3.		Proof of Address of the first holder	Any one of the documents, only if there is change in the address; ☐ Unique Identification Number (UID) (Aadhaar) ☐ Valid Passport/ Registered Lease or Sale Agreement of Residence / Driving License ☐ Flat Maintenance bill accompanied with additional self-attested copy of Identity Proof of the holder/claimant. ☐ Utility bills like Telephone Bill (only land line)/ Electricity bill / Gas bill - Not more than 3 months old. ☐ Identity card / document with address, issued by any of the following: Central/State Government and its Departments, Statutory / Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions duly attested by the employer with date and organisation stamp ☐ For FII / sub account, Power of Attorney given by FII / sub-account to the Custodians (which are duly notarized and / or apostilled or consularised) that gives the registered address should be taken. ☐ Proof of address in the name of the spouse accompanied with self- attested copy of Identity Proof of the spouse. ☐ Client Master List (CML) of the Demat Account of the holder / claimant, provided by the Depository Participant.

4.		Bank details *(to be updated for first holder in case of joint holding)*	Account Number: ______________________________ # Bank Name: ______________________________ Branch Name: ______________________________ IFS Code: ______________________________ Provide the following: ☐ Original cancelled cheque bearing the name of the security holder; **OR** ☐ Bank passbook/statement attested by the Bank;
5.		E-mail address	______________________________ #
6.		Mobile	______________________________ #

* or any date as may be specified by the CBDT *(DP: Depository Participant)*

In case it is not provided, the details available in the CML will be updated in the folio

Authorization: I/ We authorise you (RTA) to update the above PAN and KYC details in following additional folio(s) held in my / our name (use Separate Annexure if extra space is required):

S. No.	Name of the Issuer Company	Folio No.	Quantity of securities	Face value of securities	Distinctive number of securities (Optional)

in which I / We are the holder(s) (strike off what is not applicable).

Declaration: All the above facts stated are true and correct.

	Holder 1	Holder 2	Holder 3
Signature	✓		
Name	✓		
Full address	✓		
PIN	☐☐☐☐☐☐	☐☐☐☐☐☐	☐☐☐☐☐☐

Mode of submission of documents to the RTA

Please use any one of the following mode:

1. **Through 'In Person Verification' (IPV):** The authorized person of the RTA shall verify the original documents furnished by the investor and retain copy (ies) with IPV stamping with date and initials.
2. **Through Post:** Hard copies of the documents which are self-attested.
3. **Through electronic mode with e-sign:** The holder(s)/ claimant(s) may furnish the documents to RTAs electronically including by way of email or through service portal of the RTA provided the documents furnished shall have e-sign* of the holder(s)/ claimant(s).

   *E-Sign is an integrated service which facilitates issuing a Digital Signature Certificate and performing signing of requested data by e-Sign user. The holder/claimant may approach any of the empanelled e-Sign Service Providers, details of which are available on the website of Controller of Certifying Authorities (CCA), Ministry of Communications and Information Technology (https://cca.gov.in/) for the purpose of obtaining an e-sign.

Note

<table>
<tr><td>•</td><td colspan="2">Holders of physical securities in listed company are mandatorily required to furnish PAN, KYC details (Contact details, Bank Account Details, Signature) and Nomination (for all the eligible folios) to enable RTA to process any service request or complaints received from the security holder(s)/ Claimants.</td></tr>
<tr><td>•</td><td colspan="2">Upon receipt or up-dation of bank details, the RTA shall, suo-moto, generate request to the company's bankers to pay electronically all the moneys of / payments to the holder that were previous unclaimed / unsuccessful.</td></tr>
<tr><td>•</td><td colspan="2">RTA shall update the folio with PAN, KYC details and Nominee, within timelines as mentioned in the circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/670 dated November 26, 2021. However, cancellation of nomination, shall take effect from the date on which this intimation is received by the company / RTA.</td></tr>
<tr><td>•</td><td colspan="2">RTA shall not insist on Affidavits or Attestation / Notarization or indemnity for registering / up-dating / changing PAN, KYC details and Nomination.</td></tr>
<tr><td>•</td><td>Specimen Signature</td><td>Option A
i Security holder shall provide the following documents:
(a) Original cancelled cheque with name of the security holder printed on it; or
(b) Self-attested copy of Bank Passbook/ Bank Statement;
and
ii Banker's attestation of the signature of the same bank account as mentioned in (i) above as per Form ISR - 2.
OR
Option B
• The investor may get his or her signature changed or updated by visiting the Office of the RTA in person. In such a case, the investor shall sign before the authorized personnel of the RTA, along with PAN card and any one additional document mentioned at Serial Nos. 1-4 of Annexure – E of SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, in original for verification by the RTA, and submit self- attested copies of the same.</td></tr>
<tr><td>•</td><td>Nomination**</td><td>• Providing Nomination: Please submit the duly filled up Nomination Form (SH-13) or 'Declaration to Opt out of Nomination' as per Form ISR–3, in SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023
• Variation in Existing Nomination: Please use Form SH-14
• Cancellation of Existing Nomination and opting out: use Form SH- 14 & Form ISR – 3</td></tr>
</table>

** Nomination **(Form SH-13 or SH-14)** / 'Declaration to Opt-Out of nomination' **(Form ISR – 3)**, has to be furnished by the holder(s) separately for each listed company.

BHARAT GEARS LIMITED
Geared for Life

Form ISR – 2

(see circular No. SEBI/HO/MIRSD/MIRSD-POD-1/P/CIR/2023/37 dated March 16, 2023 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

Confirmation of Signature of securities holder by the Banker

1.	Bank Name and Branch	
2.	Bank contact details	
	Postal Address	
	Phone number	
	E-mail address	
3.	Bank Account number	
4.	Account opening date	
5.	Account holder(s) name(s)	1) 2) 3)
6.	Latest photograph of the account holder(s)	

1st Holder | 2nd Holder | 3rd Holder

7.	Account holder(s) details as per Bank Records	
	a) Address	
	b) Phone number	
	c) Email address	
	d) Signature(s)	

1) 2) 3)

Seal of the Bank

Signature verified as recorded with the Bank

(Signature)

Place:	Name of the Bank Manager:
	Employee Code:
Date:	E-mail address:

Form No. SH-13 Nomination Form

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To
Name of the company: **BHARAT GEARS LIMITED**
Address of the company: 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad - 121003

I/We ………………………………………………………………………. the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE/S —

(a) Name:
(b) Date of Birth:
(c) Father's/Mother's/Spouse's name:
(d) Occupation:
(e) Nationality:
(f) Address:
(g) E-mail id:
(h) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR--

(a) Date of birth:
(b) Date of attaining majority
(c) Name of guardian:
(d) Address of guardian:

Name(s) and Address of Security holders(s) Signature(s)

Sole / First Holder Name: ___________________________________

Address:____

____ ______________________

Second Holder Name: _____________________________________

Address:____

____ ______________________

Third Holder Name: _______________________________________

Address:____

____ ______________________

Name and Address of Witness	Signature

BHARAT GEARS LIMITED
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Form No. SH-14 Cancellation or Variation of Nomination

[Pursuant to sub-section (3) of section 72 of the Companies Act, 2013 and rule 19(9) of the Companies (Share Capital and Debentures) Rules 2014]

Name of the company: **BHARAT GEARS LIMITED**

I/We hereby cancel the nomination(s) made by me/us in favor of (name and address of the nominee) in respect of the below mentioned securities.

or

I/We hereby nominate the following person in place of ……..………. as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being cancelled / varied)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2) (a) PARTICULARS OF THE NEW NOMINEE::

i. Name:
ii. Date of Birth:
iii. Father's/Mother's/Spouse's name:
iv. Nationality:
v. Address:
vi. E-mail id:
vii. Relationship with the Security holder:

(b) IN CASE NEW NOMINEE IS A MINOR--

(i) Date of birth:
(ii) Date of attaining majority
(iii) Name of guardian:
(iv) Address of guardian:

Name(s) and Address of Security holders(s) Signature(s)

Sole / First Holder Name: ____________________________________

Address:____

____ ________________________

Second Holder Name: _______________________________________

Address:____

____ ________________________

Third Holder Name: ____

Address:____

____ ________________________

Name and Address of Witness	Signature

BHARAT GEARS LIMITED
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Form ISR - 3

Declaration Form for Opting-out of Nomination by holders of physical securities in Listed Companies

(see SEBI circular No. SEBI/HO/MIRSD/MIRSD-POD-1/P/CIR/2023/37 dated March 16, 2023 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

[Under Section 72 r/w Section 24 (1) (a) of Companies Act, 2013 r/w Section 11(1) and 11B of SEBI Act, 1992 and Clause C in Schedule VII and Regulation 101 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)]

BHARAT GEARS LIMITED
20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad - 121003

I / we ……………………………………………………………………… the holder(s) of the securities particulars of which are given hereunder, ***do not wish to nominate*** any person(s) in whom shall vest, all the rights in respect of such securities in the event of my /our death.

PARTICULARS OF THE SECURITIES (in respect of which nomination is being opted out)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

I/ we understand the issues involved in non-appointment of nominee(s) and further are aware that in case of my/our death, my / our legal heir(s) / representative(s) are required to furnish the requisite documents/details, including, Will or documents issued by the Court like Decree or Succession Certificate or Letter of Administration/Probate of Will or any other document as may be prescribed by the competent authority, for claiming my / our aforesaid securities.

Name(s) and Address of Security holders(s) Signature(s)

Sole/First Holder Name: ____________________________

Address: ____

____ ____________________

Second Holder Name: ____________________________

Address: ____

____ ____________________

Third Holder Name: ____________________________

Address: ____

____ ____________________

Name and Address of Witness	Signature

BHARAT GEARS LIMITED
Geared for Life

Registered Office
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Faridabad-121 003, Haryana
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