

30th October, 2026

To
Sr. General Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

To
Sr. General Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Bandra (E), Mumbai - 400 051

BSE Scrip Code: 544860

NSE: ARDEE

Subject: Submission of Annual Report under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year ended March 31, 2026, along with the Notice convening the 33rd Annual General Meeting of the Members of the Company scheduled to be held on Tuesday, 01st of December, 2026 at 11.30 A.M. through Video Conferencing (VC)/Other Audio-Visual Means (OAVM).

The Annual Report, inter alia, comprises the Audited Financial Statements, Board's Report, Corporate Governance Report, Management Discussion and Analysis Report, Auditors' Reports and other requisite disclosures, as applicable.

The aforesaid Annual Report and Notice of AGM are also being sent to the shareholders of the Company through electronic mode and are available on the Company's website at www.ardeeindustries.com

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,
For Ardee Industries Limited

MANISH
KUMAR RAI

Digitally signed by MANISH
KUMAR RAI
Date: 2026.10.30 14:03:31
+05'30'



Manish Rai
Company Secretary & Compliance Officer
Membership No.: A 17173

Encl.: Annual Report for FY 2025-26 along with Notice of AGM.

ARDEE INDUSTRIES LIMITED
(formerly known as ARDEE INDUSTRIES PRIVATE LIMITED)

LEAD. REIMAGINED FOR A BETTER FUTURE.





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Corporate Overview



Ardee Industries Limited (“the Company”) was originally incorporated as ‘Ardee Industries Private Limited’, a private limited company under the provisions of the Companies Act, 1956, at Chennai, Tamil Nadu, pursuant to a Certificate of Incorporation dated September 16, 1993, issued by the Assistant Registrar of Companies, Tamil Nadu.

Subsequently, the Company was converted from a private limited company into a public limited company pursuant to a resolution passed by the Board of Directors on March 29, 2025, and a Special Resolution passed by the shareholders at the Extra-Ordinary General Meeting held on April 1, 2025. Consequent to the conversion, the name of the Company was changed from ‘Ardee Industries Private Limited’ to ‘Ardee Industries Limited’.

A fresh Certificate of Incorporation consequent upon the conversion of the Company into a public limited company was issued by the Registrar of Companies, Central Registration Centre, on May 6, 2025.

The Company’s Corporate Identity Number (CIN) is U24294DL1993PLC405804.

**Founded****1993****Headquarters****NEW DELHI****Manufacturing Facility****NAIDUPET, Andhra Pradesh****Installed Capacity (MTPA)****104,390 MTPA (Smelting)****104,025 MTPA (Refining)****As on 31 March 2026*****Production (MT), FY 2026****69,855 MT****Utilization%, FY 2026****67.15%****Total Revenue, FY 2026****INR 1,167.65 Crore**

Ardee Industries Limited is one of the India's leading players in circular economy, specializing in the environmentally responsible recovery and recycling of end-of-life energy storage products and non-ferrous scrap, while reclaiming critical resources from waste streams.

Company is also committed towards driving sustainable and circular economy practices across the recycled lead value chain. The company is strategically positioned within the circular economy framework and aligned with the nation's goals for green and responsible industrial growth.

The Brand "Ardee" already empanelled with MCX and also got empanelled with London Metal Exchange, London in December 2025 reflects the Company's adherence to stringent international standards relating to product quality, consistency, traceability and responsible production practices.

Company is an active member of Recycled Materials Association (ReMA), Material Recycling Association of India (MRAI) and Indian Lead Zinc Development.

Association (ILDZA) and Bureau of International Recycling (BIR) which enables them to stay aligned with the latest developments in the lead recycling industry and maintain the global standards.

The Plant is set up in Naidupet (Andhra Pradesh) with complete compliance of all CPCB norms. Ardee Industries is the Integrated company and produces from raw scrap material to refined lead ingots.

Company is accorded the status of Three-Star Export House by Ministry of Commerce and Industry, Department of Commerce, Government of India in March 2026 in accordance with the provisions of the Foreign Trade Policy 2023.

Company procures used lead acid batteries and produces refined lead and value-added lead alloys by using lead scraps such as lead cables, lead sheet (ISRI Radio) scrap drained and wet batteries (ISRI RAINS & RINKS).


Domestic Sales Revenue, FY 2026
INR 647.72 Crore

Market Position:

Ardee Industries Limited is ranked among the top six manufacturers of pure lead and lead alloys in India in terms of market share.

Company is one of the fastest-growing companies in terms of revenue among its peers with a revenue growth rate of 58.81% in the last 3 financial years (FY 24-26).

Company had maintained long-standing relationships with key customers and suppliers ensuring a steady flow of repeat orders. Its diversified raw materials sourcing network spanning over 50 countries enables consistent raw material availability while minimizing reliance on any single source.

Lead scrap imports in India are subject to licensing and stringent compliance requirements from the MoEFCC, creating high entry barriers in the industry. Through strategic investment in low-emission technologies and a proven record of regulatory compliance, Ardee Industries ensures timely approvals and uninterrupted operations. Advanced manufacturing with oxygen enrichment further boosts production efficiency while reducing carbon emissions.

Ardee Industries strategically located plant located at Naidupet, Andhra Pradesh offers robust logistics and port connectivity, enabling cost-efficient inbound material handling and timely global shipments. This advantage significantly enhances the company's export potential particularly to growing Southeast Asian countries.

Company has a strong footprint in the export market such as Singapore, Hongkong, South Korea, Switzerland, United Arab Emirates, Japan, United States of America, Vietnam and Australia supported by offering of quality products and strategic plant location.



Company has implemented sound hedging system to mitigate lead scrap price volatility ensuring greater margin stability and predictability in earnings.

Sector Wise Revenue Split: Lead and Lead Alloys (100%)

Plant Capability and Raw Materials Sourcing

The plant is equipped with rotary furnaces, refining kettles, spectrometers, casting machines, Air pollution control systems and other specialized equipment designed for efficient and clean metal recovery processes.

The company operates a modern recycling and refining facility in Andhra Pradesh equipped with environmentally compliant technology.

Ardee Industries has technically equipped plants with efficient pollution control and sustainability practices.

Ardee Industries primarily sources secondary raw materials such as lead scrap, battery scrap and other non-ferrous by-products/ scrap. These are procured Strategically both domestically and internationally through supplier networks and trading partners.

Ardee Industries has capability to customize alloy composition as per requirement of the client. Company has consistent focus on product quality and customer-specific alloy production.

Key Products Manufactured:

The company is engaged in the production and supply of refined lead and lead alloys. These materials serve a range of industries including battery

manufacturing, cable production, and automotive sectors.

Refined Lead: Produces high purity-refined lead with the specification such as

- Purity 99.97% to 99.985% (as per IS 12699/BS EN 12659 standards)
- **Type:** Soft lead, remelted lead
- **Colour:** Silver Grey Metallic
- **Size:** Standard Ingots: 23-30 kgs

Lead Alloy Products: Lead calcium alloys, lead antimony alloys lead tin alloys, lead silver alloys and lead cadmium alloys.

Key certification:

- ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018
- ISO/IEC 17025:2017
- Ardee Industries has ISO certified quality management systems and has an in-house laboratory for material testing and analysis to ensure product consistency and regulatory compliance.
- Company has a laboratory accredited by the National Accreditation Board for Testing and Calibration Laboratories ("NABL") for testing of Lead.

Key Customers:

- Ardee Industries serves a diverse base of domestic and international customers, including large-scale battery manufacturers.

**Note: Ardee Industries installed capacity for lead refining increased to 156,950 MTPA from 104,025 MTPA w.e.f 29th May 2026*



Corporate History

Ardee Industries Limited is one of India's leading players in circular economy, specializing in the environmentally responsible recovery and recycling of end-of-life energy storage products and non-ferrous scrap, while reclaiming critical resources from waste streams. Our product portfolio comprises pure lead and lead alloys such as lead calcium alloys, lead antimony alloys, lead tin alloys, lead silver alloys and lead cadmium alloys which find applications in critical industries including energy storage, e-mobility, automotive, chemical, among others.

Our products are customisable to the requirements of our customers, with respect to the level of purity and/or composition with other metal and non-metal elements with purity levels ranging from 99.97% to 99.985% that conform to international standards. We are one of the fastest growing companies in terms of revenue amongst its peers with a Revenue CAGR of 58.81% in the last three Fiscals.

By closing the loop across collection, recycling, and production, we not only reduce India's dependence on imported critical metals but also strengthen

With an installed recycling capacity of 1,04,025 MTPA as on March 31, 2026 and a track record of producing quality compliant alloys, we are closely aligned with India's sustainability agenda and the global transition towards a circular, resource-efficient economy.

domestic resource security while lowering the environmental footprint of industrial growth. With an installed recycling capacity of 1,04,025 MTPA and a track record of producing quality-compliant alloys, we are closely aligned with India's sustainability agenda and the global transition towards a circular, resource-efficient economy.

Pure lead is standardized with purity levels ranging from 99.97% to 99.98% while lead alloys are customized to the requirements of our customers, with

58.81%

Revenue CAGR

One of the fastest growing companies in terms of revenue amongst our peers in the last three Fiscals.

respect to the level of purity and/or composition with other metal and non-metal elements. Revenue is primarily derived from the sale of these recycled and refined non-ferrous metal products in domestic and international markets.

Order procurement begins with customer outreach through market research, enquiries and industry events, followed by a detailed vendor onboarding process involving technical evaluation, quality and capability audits. Orders are placed only after successful vendor approval and ongoing compliance with customer specifications and industry standards, supported by periodic audits of our Manufacturing Facility. As per our revenue model, revenue from our sales are booked upon change of control of products to our customers, as per the terms of our contracts or purchase orders.

Lead is among the most extensively recycled metals, capable of being re-melted numerous times while retaining its characteristics. Over 80% of India's lead demand is met through secondary (recycled) lead primarily derived from used lead-acid batteries (ULABs). India's lead recycling ecosystem comprises of both organized and unorganized sector. India's recycled lead production in FY 2026 stood at ~1.51 million tonnes. India's Recycled Lead Ingot market was valued at ~INR 30,933 crores in FY 2026 mainly driven by the applications of lead acid battery in the automotive sector, Inverter and UPS, Telecom, data centres, energy storage applications in renewable energy sector such as solar power backups and other segments such as Cable Sheathing, PVC Stabilizers, pigments etc.

Vision. Mission. Values



Vision

To be a leading force in the circular battery economy by transforming end-of-life batteries into valuable resources through innovative, efficient and environmentally responsible recycling solutions. We aspire to build a sustainable resource ecosystem that enables responsible recovery of critical materials, reduces dependence on virgin resources, supports the transition to clean energy and creates long-term value for our customers, stakeholders and the planet.



Mission

Our mission is to responsibly recycle end-of-life batteries and recover valuable materials through advanced technologies, efficient processes and environmentally sound practices. We are committed to building a reliable and scalable battery recycling ecosystem that maximises resource recovery, minimises environmental impact, promotes the circular economy and supports the growing demand for sustainable battery materials.

We strive to deliver consistent quality and value to our customers while maintaining the highest standards of safety, compliance, operational excellence and corporate responsibility. Through continuous innovation and collaboration with industry partners, we aim to contribute meaningfully to a cleaner, resource-efficient and sustainable future.





Core Values

Sustainability – We are committed to advancing the circular economy by recovering valuable resources from end-of-life batteries and reducing the environmental impact associated with resource extraction and waste.

Safety First – We place the highest priority on the safety and well-being of our employees, communities, customers and business partners through responsible handling, processing and recycling practices.

Integrity & Accountability – We conduct our business with transparency, integrity and accountability, upholding the highest standards of ethical and responsible conduct.

Innovation & Technology – We continuously invest in technology, process improvements and innovation to enhance recovery efficiencies, product quality, operational performance and environmental outcomes.

Operational Excellence – We strive for excellence across our operations by focusing on quality, efficiency, reliability, compliance and continuous improvement.

Responsible Resource Recovery – We maximise the recovery and reuse of critical materials from batteries, helping conserve natural resources and reduce dependence on virgin raw materials.

Customer Focus – We build enduring relationships by understanding our customers' needs and delivering reliable, high-quality and sustainable solutions.

People & Collaboration – We foster an inclusive and collaborative culture where people are empowered to contribute, learn, innovate and grow together.

Responsible Growth – We pursue profitable and sustainable growth while creating long-term value for our shareholders, employees, customers, communities and the environment.

Key Highlights

Accreditations/Certifications obtained for Manufacturing Facility:

As on date, we have obtained the following certifications for our Manufacturing Facility:




Quality Management System
by
United Registrar of Systems

Date of issue: June 15, 2021
Valid up to: June 14, 2027




Environmental Management System
by
United Registrar of Systems

Date of issue: June 15, 2021
Valid up to: June 14, 2027




Occupational Health and Safety Management System
by
United Registrar of Systems

Date of issue: March 26, 2024
Valid up to: March 25, 2027

Our in-house testing laboratory has been assessed and accredited in accordance with ISO/IEC 17025:2017 – “General Requirements for the Competence of Testing and Calibration Laboratories” by the National Accreditation Board for Testing and Calibration Laboratories (NABL) and the same is valid till January 20, 2030.

As a standard internal process, our Company undertakes quality measures at three stages of (i) receiving inspection wherein incoming raw material and consumables are checked with standard requirement; (ii) in-process inspection for achieving the intended quality of product; and (iii) final inspection/pre-dispatch inspection involving certain tests like spectrometer analysis visual and dimensional inspection to check that the final product conform with customer requirements and accordingly it is dispatch or rejected.

Further, we have installed machinery and equipment to conduct various tests such as spectrometric analysis, density and hardness testing, visual and dimensional inspection of ingots and trace element detection of battery-grade lead to ensure that our products comply with industry standards and customer requirements:

Details of various tests conducted on the products

Type of test	Purpose
Spectrometric analysis	To verify chemical composition of lead and lead alloys against customer specifications and internal standards.
Visual and dimensional inspection of ingots	To ensure ingots conform to standard size, weight, and surface quality requirements for Smooth handling and customer spec.
Trace element detection of battery-grade lead	To detect, control & remove trace impurities.

As of June 30, 2026, our quality team stationed at our Manufacturing Facility, consisted of eleven (11) full-time employees comprised of lab technicians, and quality control inspectors having an expertise in the field of metal analysis and process control. The report to our head of quality control team. We also provide training to our employees to update them on the quality norms and standards.

Successful IPO Listing



IPO Listing Details:

Listing Date: August 12, 2026

Overwhelming subscription of 133.66 times

IPO Price: ₹53 per share

Listing Price: NSE ₹72.00 per share |
BSE ₹73.60 per share

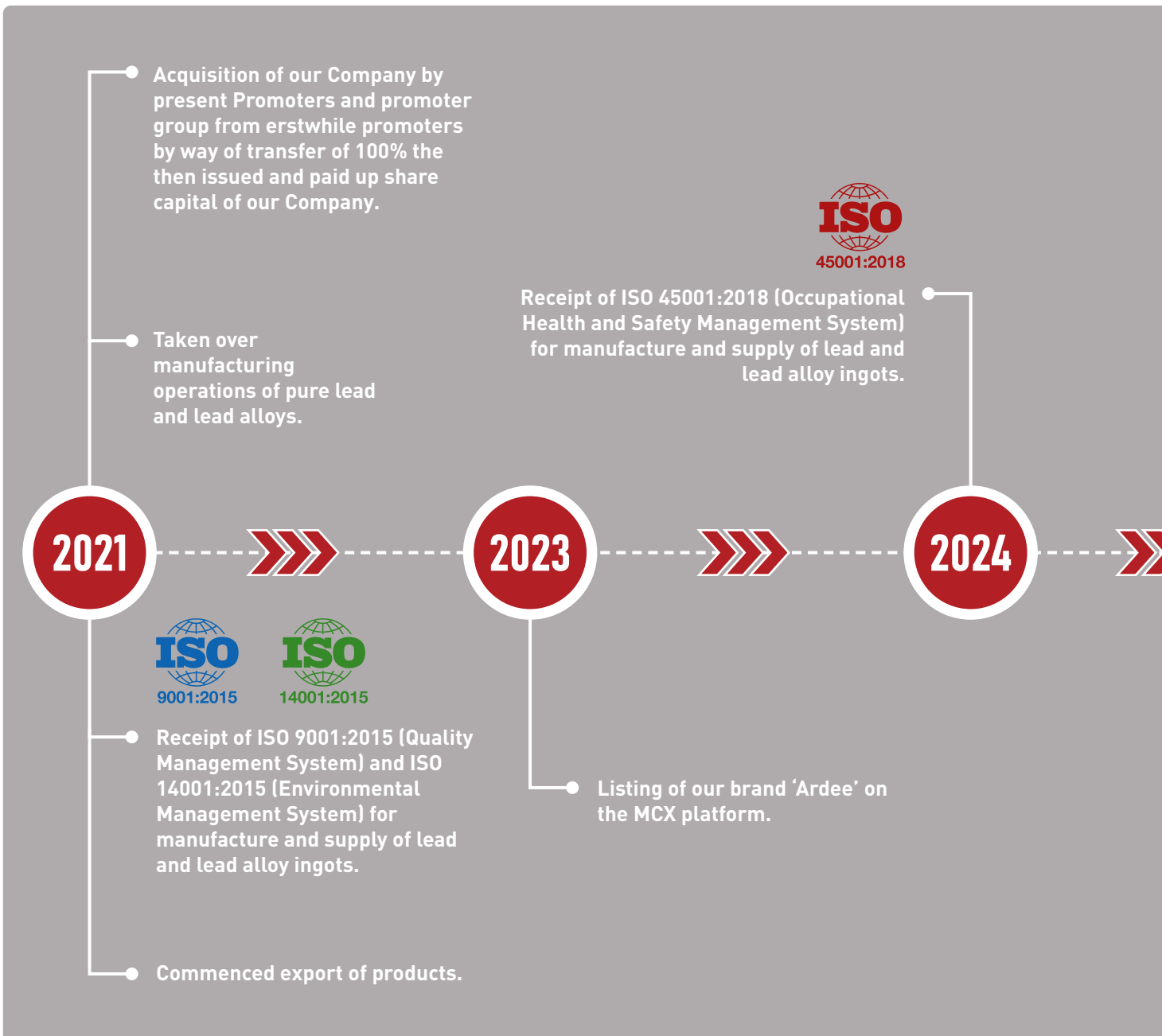
Objects of the Issue: Net Proceeds will be utilised towards:

1. Funding incremental working capital requirement of our Company;
2. Repayment and/or pre-payment, in full or in part, of certain borrowings availed by our Company;
3. General corporate purposes.

Valuation of ~₹1,670.5 Crore based on Upper price band on August 12, 2026



Milestones and Achievements

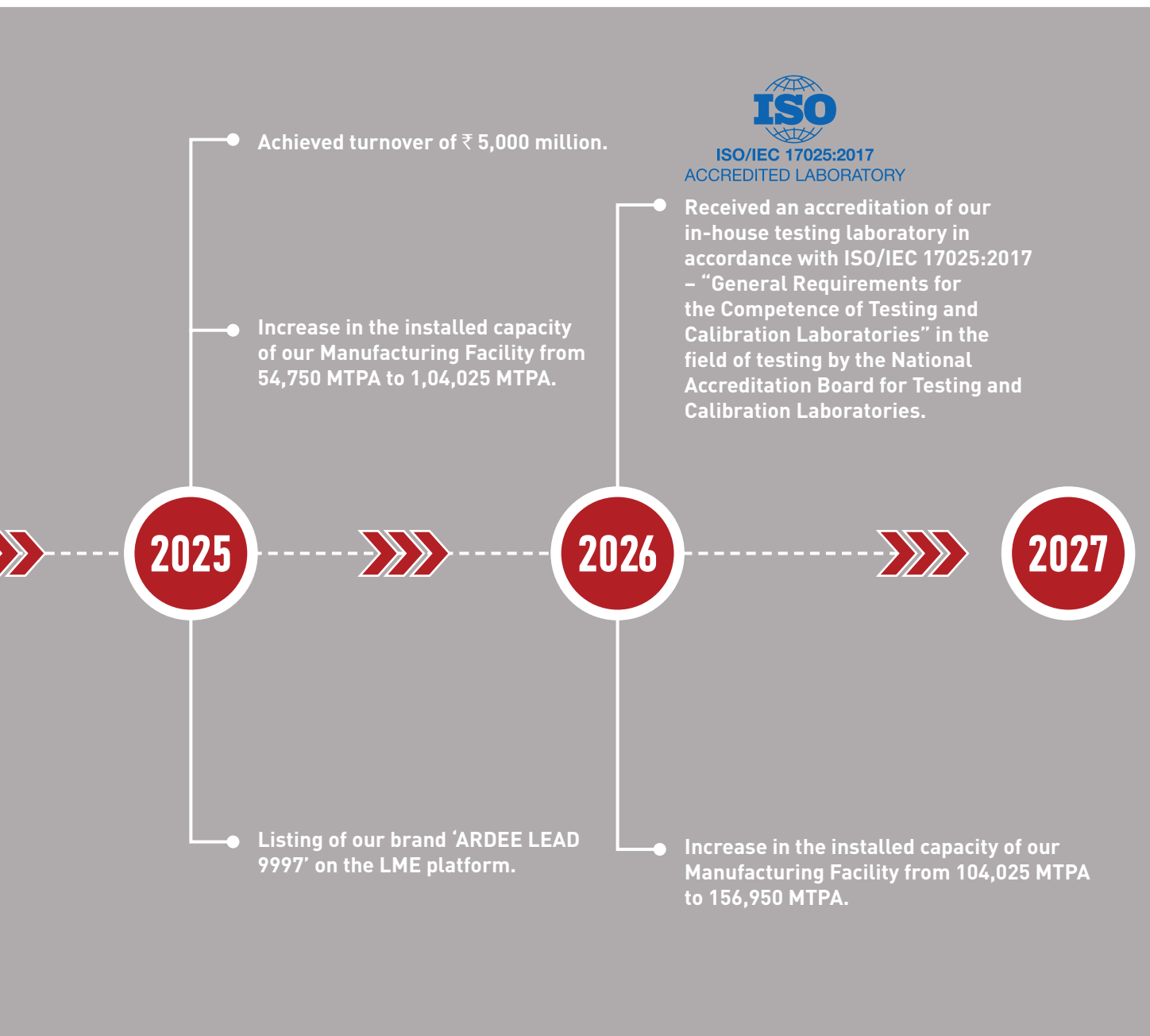


Award, Accreditations and Recognitions

The following table sets forth some of the key awards, accreditations and recognitions of our Company:

2023

Received a certificate of recognition as 'One Star Export House' issued by the Directorate General of Foreign Trade, Ministry of Commerce & Industry, Government of India in accordance with the provisions of Foreign Trade Policy.



2024

Received a certificate of Appreciation in the category of "Authorised Economic Operator" by the Central Board of Indirect taxes and Customs, Ministry of Finance.

2025

Certified as a 'great workplace' in the category of mid-size organisations by Great Place To Work®, India.

2026

Received a certificate of recognition as 'Three Star Export House' issued by the Directorate General of Foreign Trade, Ministry of Commerce & Industry, Government of India in accordance with the provisions of Foreign Trade Policy.

Chairperson's message to Shareholders



“

Dear Shareholders,

It is my privilege to present this message as we reflect on our journey and the progress made by our Company in the battery recycling sector.

The transition towards clean energy and electric mobility is transforming the global energy landscape.

The global recycling industry is undergoing rapid transformation, driven by regulatory tightening, the shift toward formalization and the accelerating demand for sustainable materials.

While advanced economies have seen growth moderation, India continues to demonstrate robust expansion. The demand for recycled lead, aluminium and plastics is rising due to electric mobility, renewable energy integration and stricter environmental standards.

During the year, our Company continued to strengthen its capabilities in battery collection, processing, recycling, and recovery of valuable materials. By converting battery waste into recoverable resources, we aim to reduce dependence on primary raw materials while contributing to a cleaner and more resource-efficient economy.

Performance Highlights and Growth Drivers:

FY26 marked a record year for ARDEE, with the highest-ever revenue, EBITDA and PAT. Our Four year CAGR stands at 41.5% for revenue and 114.6% for PAT, reflecting our robust growth trajectory. During the year, the company came up with a IPO of ₹426 Crores which was oversubscribed by 138 times.

Our vision is to establish the Company as a trusted and responsible participant in the battery circular economy—one that creates economic value while delivering meaningful environmental and social benefits.

”

Our revenue reached ₹1167.7 Crores, a 57.2% increase over the previous year driven by a 424.9 Crore rise in overall volumes and a higher contribution from value-added products, which now account for 47.2% of total revenue. Adjusted EBITDA stood at ₹147.1 crore, with margins steady at 12.6%. Profit after Tax rose sharply by 154.5% to ₹514.1 Crores, underpinned by operational efficiencies and a favorable product mix.

Social Responsibility:

We remain committed to innovation and the continuous improvement of our recycling technologies. Our investments in process efficiency, safety, research and development, and infrastructure are intended to enhance recovery rates, improve operating performance, and position the Company to meet the growing demand for recycled battery materials.

Leadership and Advocacy:

At ARDEE we have a belief that we are not just a participant but also a leader in shaping the future of recycling. Our experience with Extended Producer Responsibility (EPR), Battery Waste Management Rules and digital traceability systems positions us as

a model for responsible recycling in India and beyond.

Looking ahead, we see significant opportunities for the Company. The rapid growth of electric mobility and renewable-energy storage is expected to increase the availability of end-of-life batteries and create a growing market for recycled materials. We intend to capitalise on these opportunities through disciplined capacity expansion, technological innovation, strategic partnerships, and operational excellence.

Closing Note:

In closing, I want to express my deepest gratitude to all who have supported Ardee, our employees, business partners, investors and shareholders. Your continued support and confidence have been instrumental in our success. Together, we are not just recycling materials; we are recycling hope, opportunity and the promise of a better tomorrow. Let us continue to lead by example and make sustainability the cornerstone of everything we do.

I would like to express my sincere appreciation to our shareholders for their overwhelming support for the Initial Public Offer of the Company. I also thank our employees, customers, suppliers, business partners, and management team for their dedication and contribution to our progress.

Thank you for your continued confidence in the Company.

With warm regards,

Sandeep Aggarwal
Chairperson

Ardee Industries Limited

Our Board

As on date, we have six (6) Directors on our Board, including one (1) Managing Director, two (2) Whole-time Directors and three (3) Independent Directors. There are two (2) Women Directors on the Board. Our Company follows the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

Board of Directors:

The following table sets forth the details of our Board:

Name, designation, date of birth, nationality, address, occupation, current term, period of directorship and DIN	Age (in years)	Name, designation, date of birth, nationality, address, occupation, current term, period of directorship and DIN	Age (in years)
Sandeep Aggarwal Designation: Chairman and Managing Director Date of birth: September 20, 1974 Nationality: Indian Occupation: Business Current term: For a period of five (5) years with effect from August 1, 2025 up to July 31, 2030 and liable to retire by rotation Period of Directorship: Since April 26, 2021 DIN: 00251058	51	Archana Jain Designation: Independent Director Date of birth: August 2, 1974 Nationality: Indian Occupation: Professional Current term: For a period of three (3) years with effect from June 30, 2025 up to June 29, 2028 Period of Directorship: Since June 30, 2025 DIN: 09171307	52
Nikunj Aggarwal Designation: Whole-time Director Date of birth: February 26, 1996 Nationality: Indian Occupation: Business Current term: For a period of five (5) years with effect from August 1, 2025 up to July 31, 2030 and liable to retire by rotation Period of Directorship: Since April 26, 2021 DIN: 06909464	30	Anand Tandon Designation: Independent Director Date of birth: January 7, 1976 Nationality: Indian Occupation: Business Current term: For a period of three (3) years with effect from July 18, 2025 up to July 17, 2028 Period of Directorship: Since July 18, 2025 DIN: 08036843	50
Esha Gupta Designation: Whole-time Director Date of birth: May 25, 1995 Nationality: Indian Occupation: Business Current term: For a period of five (5) years with effect from August 1, 2025 up to July 31, 2030 and liable to retire by rotation Period of Directorship: Since March 8, 2025 DIN: 09267009	31	Vivek Sarbhai Designation: Independent Director Date of birth: January 14, 1970 Nationality: Indian Occupation: Service Current term: For a period of three (3) years with effect from July 18, 2025 up to July 17, 2028 Period of Directorship: Since July 18, 2025 DIN: 01972612	56

Our Business Operations



CORPORATE REVIEW

STATUTORY REPORTS

FINANCIAL STATEMENTS

Key Drivers of Recycled Lead Ingots Market in India:

Massive Demand from Lead Acid Battery

Manufacturing Sector: 80-85% of recycled lead is used in the manufacturing of lead acid batteries which is essential for automotive vehicles both ICE and hybrid, inverter and UPS systems in households and businesses, telecom towers and data centres and solar power storage systems.

Strong Availability of Recyclable Raw Materials:

India generates millions of used lead acid batteries (ULABs) annually. Large organized and unorganized networks enable steady supply of recyclable lead content and reduce dependence on mined primary lead.

Cost Advantage over Primary Lead: Production of recycled lead is 30-40% more cost effective than mining and refining primary lead. It also requires less energy and emits fewer greenhouse gases aligning with industry sustainability goals.

Growth in Renewable Energy and Telecom

Infrastructure: Growth in solar rooftop systems, microgrids and rural telecom installations drive battery usage and recycled lead demand. Government schemes like PM-KUSUM and rural electrification promote battery backed systems. India's renewable energy sector set to attract over INR 2,14,300 Crores in investments, with solar PV projects expecting INR 1,32,900 Crores and battery manufacturing INR 23,150 Crores.

Power Supply (UPS) and commercial power backup are also aiding demand. The emerging opportunity of energy storage for electricity generated from photovoltaic (PV) cells is expected to further drive demand given India's ambitious plan to aggressively expand solar PV capacity by 2030.

Expansion of Data Centre Capacity: India's data centre capacity is expected to cross 4,500 MW by 2030, with the sector likely to attract INR 1,71,500 Crores to INR 2,14,300 Crores in investments over the next five to six years.

Management Discussion & Analysis



INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Economic Environment

The global economy entered FY 2025–26 navigating a complex confluence of residual inflationary pressures, geopolitical tensions, and recalibrating monetary policy cycles. Global trade flows were disrupted in the first half of the fiscal year by U.S. tariff policy announcements in April 2025, which triggered a broad-based commodity sell-off and heightened risk aversion in emerging markets. Despite these headwinds, aggregate global growth remained positive, with the IMF and World Bank projecting real global GDP growth in the range of 3.0%–3.3% for calendar year 2025, supported by resilient services consumption in advanced economies and continued infrastructure investment across South and South-East Asia.

“

According to the International Lead and Zinc Study Group (ILZSG), the global refined lead market recorded a surplus of approximately 54,000 tonnes in calendar year 2024, with global production at 14,205 kt and consumption at 14,151 kt

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Commodity markets in FY26 were characterised by a bifurcation: energy prices remained elevated on supply-side geopolitical pressures, while industrial base metals - including lead - faced persistent surplus conditions that capped price recoveries. Inflation in major economies moderated meaningfully from the peak levels of FY24, enabling central banks in the United States and the European Union to commence cautious rate-cut cycles. However, the U.S. Federal Reserve maintained a data-dependent posture that kept the U.S. dollar relatively strong for much of the year - a factor that exerted downward pressure on dollar-denominated metal prices globally. For a secondary lead recycling company like Ardee Industries, this dual dynamic of moderating inflation (beneficial for input costs) and lead price softness (exerting pressure on revenue realisation) defined the macro operating environment for the reporting period.

Indian Economic Environment

India continued its position as the world's fastest-growing major economy in FY 2025–26. According to provisional estimates released by the Ministry of Statistics and Programme Implementation (MoSPI), India's real GDP expanded by 7.7% in FY26, accelerating from 7.1% in FY25, with Q4 FY26 registering particularly robust growth of 7.8%. Nominal GDP grew by 8.9% to reach ₹346.36 lakh crore (source: Ministry of Statistics & Programme Implementation). Private Final

Consumption Expenditure (PFCE) quickened to 7.7% (from 5.8% in FY25), signalling durable recovery in both urban and rural demand, while Gross Fixed Capital Formation (GFCF) expanded by 8.2% [Source: Ministry of finance].

The manufacturing sector was a standout contributor, expanding by 10.7% in FY26 - up from 9.3% in the prior year - reflecting the broad-based benefits of the government's Production-Linked Incentive (PLI) schemes and sustained infrastructure spending. The Index of Industrial Production (IIP) grew 7.3% year-on-year in June 2026, with manufacturing and electricity sectors as primary drivers, and capital goods registering double-digit expansion - consistent with strong domestic investment pipelines [Source: Ministry of Statistics and Programme Implementation].

India's inflation trajectory was favourable for most of the fiscal year. Average headline CPI inflation for April-December 2025 dropped to a historically low 1.7%, driven by food and fuel price deflation [Source: Economic Survey 2025-26]. While inflation rebounded to 4.45% by July 2026 on food and energy pressures [Source: CPI inflation data, Times of India], the Reserve Bank of India (RBI) maintained its policy repo rate at 5.25% in a neutral stance, balancing growth support with inflation management [Source: RBI Monetary Policy]. For the forward period, the RBI projects FY27 real GDP growth at 6.7% and CPI inflation averaging 5.0%.

From Ardee's industry perspective, the Indian economic backdrop was broadly supportive. The government's sustained thrust on road infrastructure, logistics infrastructure (PM GatiShakti), and data centre/telecom buildout continued to drive demand for automotive, industrial, and backup-power batteries - the primary end-use markets for the Company's refined lead and lead alloy products. The proliferation of e-rickshaws and two-wheelers in tier-2 and tier-3 cities, supported by government

subsidies and financing access, further expanded the addressable battery replacement cycle. The Union Budget FY26 reaffirmed ₹11.11 lakh crore in capital expenditure, maintaining high public investment intensity that translates into indirect demand for lead-acid battery applications across construction equipment, earthmoving machinery, and telecom towers in newly constructed infrastructure corridors.

Global Lead Market

The global lead market in FY 2025-26 operated under conditions of persistent structural surplus - a dynamic that maintained downward pressure on LME prices while incentivising efficiency-driven recyclers over high-cost producers.

According to the International Lead and Zinc Study Group (ILZSG), the global refined lead market recorded a surplus of approximately 54,000 tonnes in calendar year 2024, with global production at 14,205 kt and consumption at 14,151 kt [Source: bestmag]. This surplus widened to approximately 70,000 tonnes in 2025, driven by a ~2% rise in global refined metal production, with new secondary (recycled) capacity commissioned in Canada, China, India, Mexico, and Brazil. Secondary (recycled) lead continued to dominate global supply, accounting for 67.8% of global

production in 2024 and 67.4% in 2025 - underscoring the structural shift of the lead industry toward circular economy models [Source: batteriesinternational].

Global lead mine output grew 1.7% in 2024 to 4.54 million tonnes and 2.1% in 2025 to 4.64 million tonnes, with notable production increases in China, India, Peru, Turkey, and Europe, partially offset by declines in Australia, Kazakhstan, and the United States [Source: ilzsg.org]. Global refined lead demand grew a modest 0.2% in 2024 and recovered to 1.5%-1.8% in 2025, with strong contributions from Brazil, India, Taiwan, Turkey, the United States, and Vietnam, primarily driven by automotive and industrial battery manufacturing [Source: ilzsg.org].

LME Lead Price Trajectory: LME three-month lead prices averaged approximately 2,000-2,050/mt for much of calendar year 2024, peaking at \$2,166/mt in June 2024 before declining to close the calendar year at \$1,952/mt on December 31, 2024 - a full-year decline of approximately 5.6% [Source: barchart]. In 2025, prices briefly recovered to a year-high of \$2,090.48/mt on March 18, supported by post-Chinese New Year restocking, before collapsing sharply to a year-low of \$1,829.75/mt on April 9, triggered by macro shocks



from U.S. tariff announcements and the seasonal battery manufacturing off-season [Source: investingnews]. Prices stabilised in mid-2025, averaging approximately \$1,978/mt in July and hovering in the 1,950-2,000/mt range through much of the second half [Source: discoveryalert]. Overall, the average LME lead price for the year declined compared to the prior year, reflecting persistent demand weakness and rising global inventories [Source: discoveryalert].

For Ardee Industries, whose revenue realisation is directly benchmarked to the LME lead price, the subdued price environment during much of FY26 created revenue-per-tonne compression even as volume throughput expanded. The Company's LME Good Delivery approval for "Ardee Lead 9997" (achieved December 2025) provides a structural premium on export realisations compared to non-LME-certified secondary lead, partially mitigating the broader price softness.

Indian Lead Market

India's lead market is overwhelmingly served by secondary (recycled) production. Secondary lead meets over 80%-90% of India's total lead demand [Source: iamrenew], with primary (mined) lead accounting for only approximately 0.25 million tonnes annually - a figure that has remained relatively stagnant [Source: batteriesinternational]. Of total secondary lead consumed domestically, over 80% is directed toward battery manufacturing - encompassing automotive SLI (Starting, Lighting, Ignition) batteries, industrial deep-cycle batteries, e-rickshaw/two-wheeler batteries, and UPS/inverter batteries.

The Indian secondary lead recycling ecosystem comprises approximately 672 registered units with a combined installed capacity of approximately 3.53 million tonnes per annum [Source: iamrenew]. However, capacity utilisation across the sector remains well below installed levels due to

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Ardee Industries, with its CPCB authorized, LME-certified, ISO accredited facility at Tirupati, holds an approximately 1.5% share of the organized recycled lead market.

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fragmentation between organized, CPCB-authorized operators and the large informal sector. The organized segment - comprising CPCB-authorized, ISO-certified, EPR-compliant recyclers - holds approximately 55-60% of total market volume, with the unorganized sector accounting for roughly 24.4% and imports contributing approximately 14.4% of supply [Source: iamrenew]. BWMR 2022 is actively eroding the informal sector's feedstock access and pricing advantage, structurally redirecting ULAB supply toward authorized recyclers.

Ardee Industries, with its CPCB-authorized, LME-certified, ISO-accredited facility at Tirupati, holds an approximately 1.5% share of the organized recycled lead market [Source: iamrenew] - a share the Company is positioned to expand significantly through its expanded installed capacity of 156,950 MTPA and its post-IPO working capital deployment.

Indian Secondary Lead Recycling Industry

The Indian recycled lead ingot market was valued at approximately ₹28,800 crore (USD ~3.45 billion) in FY2025, with domestic production of approximately 1.26 million tonnes of secondary lead [Source: iamrenew]. The market is projected to grow

to approximately ₹39,200 crore by FY2030 at a CAGR of approximately 6.1%, reflecting the compounding tailwinds of EPR-driven formalisation, growing end-use battery demand, and incremental export market access for LME-grade recycled lead [Source: Industry Report cited in Ardee DRHP]

The broader battery recycling services market in India (encompassing lead-acid and lithium-ion chemistry) was valued at USD 531.84 million in 2025 and is projected to grow at a CAGR of 15.85% through 2032 to reach USD 1.49 billion [Source: marknteladvisors]. The underlying India lead-acid battery market is separately projected to grow at a CAGR of 4.22% from 2026 to 2034 [Source: imarcgroup] - a direct proxy for the feedstock generation rate that underpins secondary lead supply.

The single most consequential structural development for the Indian secondary lead industry in recent years is the Battery Waste Management Rules, 2022 (BWMR), promulgated by the Ministry of Environment, Forest and Climate Change (MoEFCC) to replace the Battery (Management and Handling) Rules, 2001 [Source: Impact and Policy Research Institute]. Under the BWMR framework:

- **Extended Producer Responsibility (EPR)** mandates that battery producers, importers, and brand owners are legally responsible for collection, recycling, or refurbishment of waste batteries. Producers are prohibited from disposing of waste batteries in landfills or incinerators [Source: azbpartners].
- **Collection Targets:** A 90% collection rate for lead-acid batteries must be achieved by 2026.
- **Material Recovery Mandates:** Recyclers must achieve a minimum 95% recovery rate for lead, plastic, and acid from lead-acid batteries [Source: sortconsultancy].

- **EPR Certificate Trading:** The Central Pollution Control Board (CPCB) issues EPR certificates to registered recyclers based on verified waste processed. These certificates are tradable at market-determined rates typically ranging from ₹5 to ₹20 per kg, providing a secondary revenue stream and an additional commercial incentive for authorized recyclers (Source: Axis consultants).
- **Mandatory Recycled Content:** Battery producers must incorporate a minimum percentage of domestically recycled material in new batteries - rising from 5% in FY2027-28 to 20% by FY2030-31 (Source: International Energy Agency). This provision is transformative: it creates a structurally guaranteed domestic demand floor for secondary lead from CPCB-authorized recyclers.

Ardee Industries, as a CPCB-authorized and EPR-registered recycler, is a direct and primary beneficiary of this regulatory architecture. The Company participates in EPR certificate generation and trading, adding a compliance-anchored revenue layer

above its core smelting and refining operations.

End-Use Demand Sectors

The Company's products serve a diverse set of downstream demand segments:

- Automotive SLI Batteries:** The automotive sector is the largest consumer of lead-acid batteries and, by extension, of secondary lead. India's total vehicle sales (per SIAM/VAHAN data) have remained on a structurally upward trajectory, supported by fleet renewal cycles, rural mobility aspirations, and commercial vehicle demand tied to infrastructure execution. The replacement battery market is particularly significant - unlike new vehicle sales, replacement batteries are demand-insulated from cyclical slowdowns in new vehicle production.
- E-Rickshaws and Two-Wheelers:** The proliferation of lead-acid battery-powered e-rickshaws across tier-2 and tier-3 cities and rural India has emerged as a material incremental demand

driver in the post-FY22 period. This segment is characterised by high battery replacement frequency (typically 12-18 months per battery pack) and concentration in southern and eastern India - geographic proximity to Ardee's Tirupati facility is therefore operationally advantageous.

- Industrial/UPS/Data Centre Batteries:** India's rapidly expanding digital infrastructure - driven by hyperscaler data centre investments, 5G network rollout, and domestic cloud adoption - is translating into sustained demand for industrial VRLA (Valve Regulated Lead-Acid) batteries for backup power. The demand from data centres alone is projected to scale significantly through the decade.
- Solar Energy Backup Storage:** Off-grid and hybrid solar installations, particularly under government schemes in rural electrification, utilise lead-acid batteries for energy storage. As India's installed renewable energy capacity expands toward its 500 GW non-fossil target, the addressable market for lead-acid storage (until lithium-ion crosses a structural cost threshold) continues to grow.
- Export Markets:** The Company's achievement of LME Good Delivery approval for "Ardee Lead 9997" in December 2025 has opened premium export channels to Japan, South Korea, Singapore, UAE, USA, Switzerland, and Hong Kong. LME certification is a prerequisite for supplying international battery manufacturers and metal traders in these markets, effectively setting a competitive moat that most Indian secondary lead recyclers cannot overcome.



Key Industry Trends

- **Sector Formalisation via EPR:** The BWMR 2022 framework is accelerating the migration of battery scrap volumes from the unorganized informal sector toward CPCB-authorized recyclers. This is the single most important structural catalyst for organized sector volume growth over the next three to five years [Source: marknteladvisors].
- **LME Certification as Quality and Pricing Differentiator:** Very few Indian secondary lead recyclers have achieved LME Good Delivery status. This credential enables export pricing at or near international benchmark levels and supports domestic pricing power, particularly with sophisticated battery OEM customers.
- **Diversification into Adjacent Recycling Streams:** Progressive recyclers are expanding beyond lead into by-product recovery (polypropylene plastic from battery casings, sulphuric acid neutralisation/recovery, copper and tin from terminal grids), creating additional margin layers from what were previously treated as waste streams.
- **Technology Improvements in Smelting Efficiency:** Adoption of energy-efficient rotary furnaces, pollution control equipment, and process automation is improving metal recovery rates (targeting the 95% BWMR threshold and beyond) and reducing power-per-tonne costs - a meaningful differentiator given power & fuel's share of operating costs.

Growth Drivers

- BWMR/EPR enforcement mandating 90% ULAB collection and 95% material recovery
- Mandatory recycled content provisions [5%→20%, FY28-FY31]



creating a structural demand guarantee for certified recycled lead

- India's auto fleet and e-rickshaw proliferation driving replacement battery volume
- LME "Ardee Lead 9997" certification enabling international market access at premium realisations
- Port-proximate Tirupati location minimising logistics costs for scrap import and finished goods export
- Post-IPO deployment of ₹220 crore toward working capital, enabling larger scrap procurement lots and reducing reliance on short-term borrowings
- Adjacent 6-acre land bank at Tirupati already acquired and available for greenfield capacity expansion

India's data centre, telecom, and renewable energy buildout driving sustained industrial battery demand.

OPPORTUNITIES AND THREATS

Opportunities

Unorganized Sector Formalisation

The BWMR 2022/EPR architecture is systematically dismantling the competitive advantage of informal recyclers by imposing CPCB authorization requirements, material recovery mandates, and EPR compliance obligations. As informal sector operators exit or are penalised, their feedstock supply - battery scrap and lead blocks - is being redirected toward authorized recyclers. Ardee Industries, with its CPCB authorization, EPR registration, and ISO 9001/14001/45001 certifications, is structurally positioned to capture this formalisation dividend. The unorganized sector currently accounts for approximately 24.4% of market supply [Source: iamrenew]; even a partial migration of this volume toward authorized operators represents a multi-thousand-tonne annual opportunity for scaled players.

Capacity Utilisation Headroom

The Company has expanded its

installed capacity to 156,950 MTPA - a near-tripling from 54,750 MTPA in FY2023. Current utilisation at [xx]% implies substantial throughput headroom. The primary lever to improve utilisation is working capital - the ability to purchase and hold adequate scrap inventory - which the IPO proceeds (₹220 crore earmarked for incremental working capital) are specifically designed to address.

LME Certification - Export Premiumisation

"Ardee Lead 9997" achieved LME Good Delivery approval in December 2025, making Ardee Industries the only secondary lead recycler in Andhra Pradesh with this credential. LME certification is the entry ticket to premium export markets in Japan, South Korea, Singapore, UAE, USA, and Switzerland. Export realisation for LME-grade material typically commands a premium over domestic non-LME-certified lead, improving blended revenue per tonne. As the Company scales its export mix, the structural contribution margin benefit of the LME premium will progressively manifest in consolidated margins.

Greenfield Expansion on Adjacent Land Bank

The Company has acquired a 6-acre land parcel adjacent to its existing 7.61-acre Tirupati facility. This contiguous land bank provides a shovel-ready foundation for capacity expansion without the lead time and costs associated with acquiring and developing a greenfield site elsewhere. The co-location advantage - sharing existing infrastructure, utilities, environmental authorizations, and labour pools - substantially reduces per-tonne capital expenditure for incremental capacity.

Post-IPO Working Capital Deployment

The Company's IPO - a ₹320 crore fresh issue listed on BSE and NSE in August 2026 - has fundamentally transformed the balance sheet. The deployment of ₹220 crore toward incremental

working capital requirements and approximately ₹20-22 crore toward debt repayment directly reduces reliance on short-term borrowings, lowers finance costs, and improves the cash conversion cycle.

India's Digital Infrastructure and Renewable Energy Build-Out

India's data centre capacity additions - driven by hyperscaler investments and government digital infrastructure programmes - require large-scale industrial VRLA battery backup systems. Simultaneously, renewable energy installations create demand for lead-acid storage in off-grid and hybrid systems. These segments provide secular demand tailwinds uncorrelated with automotive cycles.

Threats

LME Lead Price Volatility

Ardee Industries' revenue realisation is directly indexed to the LME lead price (adjusted for quality premiums/discounts and the INR/USD exchange rate). The FY26 period demonstrated the magnitude of price risk - a swing of over 260/mt between the annual high (2,090/mt) and low (\$1,829/mt) in calendar year 2025 [Source: investingnews]. A \$100/mt adverse movement in LME lead price, applied to the Company's annual throughput volume, directly compresses EBITDA margins. The Company mitigates this risk through back-to-back pricing contracts (where input scrap cost is linked to the same LME benchmark as output pricing, creating a natural spread hedge) and selective use of MCX commodity futures for residual exposure.

ULAB Scrap Feedstock Availability and Cost

Used Lead-Acid Batteries (ULAB) and lead scrap are the primary raw materials for secondary lead recycling and typically constitute approximately 80%-85% of total operating costs (Source: DRHP). Feedstock availability is a function of the domestic battery retirement cycle, organised collection

infrastructure, and competition from other CPCB-authorized recyclers for the same supply pool. Cost volatility in scrap - driven by spot LME movements and speculative hoarding by collectors - directly impacts margin spreads. Ardee mitigates feedstock risk through a diversified supplier network spanning domestic and international sources, EPR-channel participation providing incremental scrap access, and relationships with battery manufacturers who prefer to direct end-of-life batteries to trusted, certified recyclers.

Regulatory and Environmental Compliance Cost

Lead recycling is classified as a Hazardous Waste activity under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 and is subject to CPCB authorization requirements, periodic environmental audits, emission norms for particulate matter, sulphur dioxide, and lead fumes, and consent-to-operate conditions from the Andhra Pradesh Pollution Control Board. Any tightening of emission norms or amendments to BWMR/Hazardous Waste Rules could impose incremental capital expenditure on pollution control equipment or operational restrictions. Ardee manages this risk through its ISO 14001:2015 Environmental Management System, a dedicated EHS team, and continuous investment in pollution control infrastructure - all maintained to standards required for CPCB authorization renewal.

Working Capital Intensity and Liquidity Risk

Secondary lead recycling is a working capital-intensive business. The scrap-to-finished-metal-to-customer cycle - encompassing scrap procurement, weighment, smelting and refining, quality testing, dispatch, and collection - involves an extended cash conversion cycle. Prior to the IPO, the Company's working capital was substantially funded through short-term bank borrowings, creating

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The Company's revenue is concentrated among its top 10 customers, who collectively account for 91.61% of revenue.

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exposure to interest rate risk and credit line availability. The ₹220 crore working capital deployment from IPO proceeds materially de-risks this exposure, but the business model will continue to require active working capital management as volumes scale.

Customer Concentration

The Company's revenue is concentrated among its top 10 customers, who collectively account for 91% of revenue. While these relationships reflect long-standing, quality-anchored supply arrangements, concentration creates vulnerability to volume or pricing

disruptions if any large customer undergoes capacity rationalisation, vertical integration, or credit difficulties. The Company is actively diversifying its customer base across geographies and end-use segments, aided by the LME certification that opens access to international trading counterparties.

Import Competition and Duty Policy

India imports approximately 14.4% of its secondary lead supply (Source: iamrenew). Changes in customs duty on imported refined lead or lead alloys could alter the competitive dynamics between domestic recyclers and importers. A reduction in import duty could expose domestic producers to lower-cost foreign supply, while an increase would benefit domestic producers. Ardee's cost competitiveness - supported by its Tirupati port-proximate location, operational scale, and LME-quality differentiation - provides a degree of insulation, but this risk remains a policy-level uncertainty.

Long-Term Structural Risk from Lithium-Ion Technology Substitution

The ongoing electrification of personal mobility (passenger cars,

two-wheelers) is progressively shifting demand from lead-acid to lithium-ion batteries. While lead-acid batteries retain structural dominance in automotive SLI, e-rickshaws, industrial/UPS, and telecom applications over the near-to-medium term - and the BWMR 2022 framework itself encompasses lithium-ion battery recycling, potentially creating a future adjacent opportunity - the long-term trajectory of lithium-ion adoption constitutes a structural volume risk. The Company's medium-term diversification strategy includes preparedness to enter lithium-ion battery recycling as that market matures, converting a long-term threat into an incremental business opportunity.

SEGMENT-WISE/PRODUCT-WISE PERFORMANCE

Segment Reporting

The Company operates in a single primary business segment - the recycling, smelting, and refining of secondary lead - and has not defined separate reportable business segments under Ind AS 108 (Operating Segments) for the current reporting period.

Product-Wise Performance

Product	Volume MT - Current FY	Volume MT - Prior FY	Revenue ₹ Cr. - Current FY	Revenue ₹ Cr. - Prior FY	Realization ₹/MT - Current FY
Pure Lead & Lead Alloy (Incl.RML)	48731.827	31,826.27	980.63	634.04	184,004.34

Geographic Revenue Split

Geography	Revenue ₹ Cr. - FY26	% of Total	Revenue ₹ Cr. - FY25	% of Total	Realization ₹/MT - Current FY
Domestic**	647.72	55.47%	444.45	59.84%	227,293.23
Exports	465.05	39.83%	275.06	37.03%	178,533.62
Other Operating Income	54.88	4.70%	23.22	3.13%	NA
Total	1,167.65	100.00%	742.73	100.00%	

Note:-

*Domestic Revenue includes Job Work Income and Sale of Scrap

#Realization ₹/MT- Current FY given only for sale of product in Domestic, i.e. Pure Lead and Lead alloys

Product Mix and Realisation Narrative**Mix Shift Toward Higher-Value Alloys:**

The Company's product mix has been progressively shifting toward specialty lead alloys - particularly lead-calcium (for VRLA and maintenance-free automotive batteries) and lead-antimony (for deep-cycle industrial batteries) - which command realisation premiums over commodity refined lead ingots. This mix evolution is driven by customer demand from domestic battery OEMs for precisely formulated alloy inputs that eliminate the need for in-house alloying steps, and represents a sustainable margin-enhancement lever as the Company deepens its technical metallurgical capabilities.

Export Growth Driven by LME Certification:

The achievement of LME Good Delivery approval for "Ardee Lead 9997" in December 2025 is expected to be a significant inflection point for export revenue in FY27 and beyond. LME certification is effectively a prerequisite for supply to international battery manufacturers and commodity trading firms in Japan, South Korea, Singapore, and Western markets. As the Company deepens these relationships, the export share of revenue is expected to increase, carrying with it both LME premium realisation and diversification of customer concentration away from domestic markets.

Realization Trend vs. LME Lead Price Movement:

Export revenue grew at a CAGR of 138.69% from FY2024 to FY2026, rising from ₹81.63 crore in FY2024 to ₹275.06 crore in FY2025 to ₹465.05 crore in FY2026. Singapore (42.48%), Switzerland (40.49%), South Korea (8.88%), Japan (4.19%), and Hong Kong (3.14%) together constituted the five largest export destinations in FY2026. The Company's Gross Margin per Tonne improved materially from ₹29,466.73/MT in FY2024 to ₹33,642.16/MT in FY2025 to ₹38,297.06/MT in FY2026 — a 30% cumulative improvement

over two years — reflecting both the positive LME realization environment in earlier periods and the structural quality premium embedded in LME-certified "Ardee Lead 9997" product deliveries. The domestic market spans twelve states, and the Company has been accorded the status of a Three-Star Export House by the Ministry of Commerce and Industry in March 2026 under the Foreign Trade Policy 2023.

OUTLOOK

[The following section contains forward-looking statements subject to the disclaimer at the opening of this MD&A. Actual results may differ materially from those anticipated.]

Near-Term Outlook (FY2026–27)

Ardee Industries enters FY27 as a fundamentally transformed business - listed on BSE and NSE, with a tripled installed capacity base of 156,950 MTPA, an LME Good Delivery-approved export brand, and a materially strengthened balance sheet following the ₹320 crore IPO. The near-term priorities are:

Improving Capacity Utilisation: The Company's near-term operational focus is ramping throughput from the current [xx]% utilisation level toward management's target range, supported by the deployment of ₹220 crore of IPO proceeds into incremental working capital. Higher throughput directly improves fixed-cost absorption across power, depreciation, and employee costs - creating significant operating leverage potential within the existing infrastructure base.

Working Capital Optimisation and Interest Cost Reduction:

The deployment of IPO proceeds (approximately ₹20–22 crore toward debt repayment and ₹220 crore toward working capital) is expected to reduce short-term borrowings materially, thereby lowering finance costs and improving PAT margins. This structural improvement in the cost of capital will manifest progressively over FY27 as borrowed funds are replaced by equity capital in the working capital pool.

EPR Enforcement Dividend: With BWMR 2022 mandating a 90% ULAB collection rate by 2026 [Source: International Energy Agency (IEA) and the CPCB intensifying enforcement against non-compliant recyclers, organized sector volumes are expected to grow disproportionately in the near term. Ardee's CPCB authorization and EPR registration position it directly to capture incremental scrap supply from the formalisation of the collection ecosystem.

Export Market Penetration via LME Brand:

The post-December 2025 period marks the first full fiscal year during which "Ardee Lead 9997" can be actively marketed as LME Good Delivery-approved material. The Company expects to deepen relationships with international counterparties in Japan, South Korea, and Singapore - markets with high quality sensitivity and willingness to pay LME-premium prices.

Medium-Term Outlook (FY2028–FY2031)

The Indian recycled lead market, projected to reach approximately ₹39,200 crore by FY2030 at a 6.1% CAGR [Source: Industry Report cited in DRHP], provides a robust sectoral growth platform. Against this backdrop, Ardee's medium-term strategy encompasses:

Capacity Expansion on Adjacent Land:

The Company has acquired a 6-acre contiguous plot adjacent to the existing facility for future capacity expansion. Greenfield construction on this plot would potentially double the Company's installed capacity, reinforcing its position as one of South India's largest authorized secondary lead recyclers. Capital expenditure planning and timeline will be disclosed at the appropriate juncture, subject to Board approval and market conditions.

Diversification into Adjacent Recycling Streams:

The Company intends to progressively expand into the organised recovery and monetisation of polypropylene plastic (from battery casings), sulphuric acid, copper, and tin - all by-products of the existing ULAB recycling process.

Over the medium term, readiness to enter lithium-ion battery recycling (as that feedstock pool matures) will be evaluated, consistent with the broader circular economy mandate under BWMR 2022.

Deeper Export Market Penetration: Building on the LME Good Delivery approval, the Company aims to grow its export revenue share meaningfully, diversifying away from domestic

customer concentration and capturing international pricing premiums.

Macro Tailwinds

Favourable macro trends supporting the medium-term outlook include India's vehicle fleet growth, the e-rickshaw proliferation in tier-2 and tier-3 cities, India's data centre and 5G telecom infrastructure expansion driving industrial battery

demand, and the tightening BWMR/EPR architecture that systematically advantages authorized recyclers over informal ones. India's real GDP growth trajectory of 7.7% in FY26 (Source: Ministry of Statistics & Programme Implementation), manufacturing sector expansion of 10.7%, and the RBI's projected growth of 6.7% for FY27 (Source: Firstpost) collectively underpin the durable demand outlook for the Company's end-use markets.

RISKS AND CONCERNS

S. NO.	Risk Category	Description	Impact Level	Mitigation Strategy
1	Commodity / Market	LME lead price volatility directly impacts revenue realisation per tonne and EBITDA spread. A \$100/mt adverse LME movement applied to annual throughput can materially compress EBITDA.	High	Back-to-back contracts linking scrap purchase cost to the same LME benchmark as output selling price (natural spread hedge). Selective use of MCX commodity futures for residual exposure. (Source: DRHP)
2	Feedstock / Supply Chain	ULAB scrap availability and cost are vulnerable to competition from other CPCB-authorized recyclers, unorganized sector price aggression, and domestic scrap hoarding. Raw material cost constitutes the dominant share (~80%-85%) of total operating costs.	High	Diversified domestic and international supplier network. EPR-channel participation securing formalised feedstock supply. Long-term supply relationships with battery manufacturers and dealers. International scrap import capability supported by Tirupati's port proximity.
3	Regulatory / Environmental	CPCB authorization renewal, compliance with Hazardous Waste Management Rules, BWMR amendments, emission norm tightening, and Andhra Pradesh SPCB inspection risk. Non-compliance could result in operational shutdown or financial penalties.	Medium-High	ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certified facility. Dedicated EHS team. CPCB-compliant continuous emission monitoring. Proactive compliance calendar managed by dedicated regulatory affairs function.
4	Financial / Liquidity	Working capital intensity of the scrap-to-metal cycle creates reliance on short-term borrowings. Interest rate changes and credit line disruptions affect operating economics.	High	Deployment of ₹220 crore IPO proceeds into working capital, reducing short-term borrowing dependence. Diversified banking relationships. Post-IPO credit profile improvement supporting lower borrowing costs.
5	Customer Concentration	Top 10 customers represent approximately 91.61% of revenue, creating dependence on a small number of large battery OEM and trading counterparties.	Medium	Active customer diversification programme. LME certification opening access to international trading counterparties. Long-term supply agreements with key customers. Export market development reducing domestic concentration.

S. NO.	Risk Category	Description	Impact Level	Mitigation Strategy
6	Import / Trade Policy	Changes in import duties on refined lead or lead alloys could alter domestic price competitiveness between domestic recyclers and importers (currently ~14.4% of supply).	Medium	Cost competitiveness driven by operational scale, Tirupati port logistics advantage, and LME-quality differentiation. Monitoring of trade policy developments with appropriate advocacy.
7	Operational / Safety	Lead recycling involves occupational exposure to lead fumes, dust, and sulphuric acid. Industrial hazards including fire risk, chemical spills, and molten metal handling.	Medium-High	ISO 45001:2018 Occupational Health & Safety Management System. Mandatory PPE protocols. Regular blood lead level monitoring for all workers per regulatory norms. Safety training and emergency response protocols.
8	Technology / Structural	Long-term substitution of lead-acid batteries by lithium-ion chemistry in passenger EVs and two-wheelers may structurally reduce secondary lead feedstock generation over a 10-15 year horizon.	Medium (Long-Term)	Near-term focus on automotive SLI, industrial, UPS, and e-rickshaw markets where lead-acid is structurally entrenched. Medium-term capability development for lithium-ion battery recycling. Adjacent recycling stream diversification to reduce single-chemistry dependence.
9	Concentration of Operations	All manufacturing operations are concentrated in a single facility at Tirupati, Andhra Pradesh. Any prolonged operational disruption - natural disaster, equipment failure, regulatory closure - would materially impact revenues.	Medium	Business continuity planning and emergency response protocols. Preventive maintenance schedules. Critical spare parts inventory. Future second-facility consideration as part of medium-term strategic planning.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Main Financial Statement Audit Opinion

The Statutory Auditors, Nangia & Co. LLP, have issued an unmodified (unqualified) audit opinion on the Ind AS Financial Statements of the Company for the year ended March 31, 2026. The auditors have confirmed that:

- Proper books of account have been maintained as required by law.
- The Balance Sheet, Statement of Profit and Loss (including OCI), Statement of Changes in Equity, and Cash Flow Statement are in agreement with the books of account.
- The Ind AS financial statements comply with Indian Accounting Standards specified under Section 133 of the Companies Act, 2013.
- No directors are disqualified as on March 31, 2026 under Section 164(2) of the Companies Act, 2013.
- No material uncertainty exists that casts doubt on the Company's ability to continue as a going concern.
- Director remuneration is in accordance with Section 197 read with Schedule V of the Companies Act, 2013.
- There were no non-cash transactions with Directors during the year (Section 192).
- The Company is not required to be registered under Section 45-IA of the RBI Act, 1934.
- The Company has not incurred cash losses in the current year or the immediately preceding financial year.
- There has been no resignation of the statutory auditors during the year.
- No funds have been advanced/loaned/invested to intermediaries in contravention of applicable law.

Board and Audit Committee Oversight

The Board of Directors has established an Internal Financial Controls (IFC) framework consistent with the requirements of Section 134(5)(e) of the Companies Act, 2013. The Audit Committee, constituted in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015, provides oversight of the adequacy and effectiveness of internal controls, financial reporting integrity, risk management processes, and related-party transactions. With the Company's listing on BSE and NSE in August 2026, the Audit Committee's composition has been strengthened to include the required complement of Independent Directors with financial expertise appropriate to a listed entity.

Internal Audit Function

The Company has a structured internal audit function duly supported by Internal Auditors. The internal audit programme covers all material business processes on a risk-based rotation schedule. Internal audit reports are presented to the Audit Committee at each meeting, with action taken reports confirming management's remediation of observations. The internal audit scope encompasses scrap procurement, production, quality, inventory, debtors, treasury, CPCB compliance monitoring, and payroll.

Internal Financial Controls (IFC) - Adequacy

The Statutory Auditors of the Company, Nangia & Co. LLP, Chartered Accountants [ICAI FRN: 002391C/N500069], have audited the Internal Financial Controls over financial reporting as of March 31, 2026, in conjunction with their audit of the Ind AS financial statements for the year ended on that date. In their Report (Annexure B to the Independent Auditors' Report, signed at Gurugram on June 30, 2026), the Statutory Auditors have opined as follows:

"In our opinion, the Company has, in all material respects, an adequate

internal financial controls system with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India."

Key Process Controls

Scrap Procurement Controls:

- All incoming scrap consignments are subject to weighment on certified weighbridges with third-party verification for large lots.
- Chemical assay testing at receipt determines lead content, which governs payment pricing (back-to-back linked to LME benchmark).
- Payment authorization follows a documented purchase order / goods receipt note / payment approval hierarchy with defined authority limits.
- International scrap imports are processed through documented LC / advance payment procedures with FEMA-compliant documentation.

Production and Quality Controls:

- Metal recovery tracking at each furnace cycle: input scrap weight → output metal weight → slag/dross residue - daily yield reports are reviewed by plant management.
- "Ardee Lead 9997" LME Good Delivery protocols mandate minimum 99.97% purity; spectrometric analysis certificates are generated for each LME lot.
- Specialty alloy composition testing per customer specifications; certificates of analysis accompany

all dispatches.

- ISO 9001:2015 procedures govern non-conforming product identification, segregation, and disposition.

Inventory Controls:

- Physical inventory counts of scrap, work-in-progress, and finished goods on a scheduled basis, reconciled to ERP system records.
- Finished goods inventory held in secured warehousing with CCTV monitoring.

Debtors and Export Documentation Controls:

- Customer credit limits and payment terms reviewed periodically by the credit management function.
- Export documentation - shipping bills, eBRC, LME delivery warrants (where applicable), LoCs, bank realisation certificates - managed through a documented export compliance procedure.
- Overdue debtors are monitored at weekly management review meetings.

CPCB Emission Monitoring Controls:

- Continuous Ambient Air Quality Monitoring (CAAQM) and stack emission monitoring in accordance with CPCB consent conditions.
- Monthly compliance reports filed with the Andhra Pradesh Pollution Control Board.
- Annual environmental audit by CPCB-empanelled environmental auditors.

ERP System

The Company's operations and financial reporting are supported by Busy Software, an Enterprise Resource Planning (ERP) system, which supports functions including operations management, inventory tracking, accounting, and logistics.

The Company also maintains an in-house IT team supplemented by third-party IT service providers as required.

Post-IPO Governance Enhancements

In preparation for and following the BSE/NSE listing in August 2026, the Company has implemented enhanced governance infrastructure including: constitution of mandatory committees (Audit, Nomination & Remuneration, Stakeholders' Relationship, Risk

Management, ESG/Sustainability), appointment of a Company Secretary, strengthening of the Independent Director complement, adoption of a Whistle Blower Policy, Code of Conduct for Directors and Senior Management, and an Insider Trading Code consistent with SEBI (Prohibition of Insider Trading) Regulations, 2015. These measures reflect the Company's transition from a promoter-managed private enterprise to a professionally governed, SEBI-compliant listed entity.

Material Weaknesses

No material weaknesses in the Company's internal financial controls over financial reporting were identified by the Statutory Auditors as at March 31, 2026. The Statutory Auditors have issued an unmodified (clean) opinion on the adequacy and operating effectiveness of the Internal Financial Controls system.

FINANCIAL PERFORMANCE vs. OPERATIONAL PERFORMANCE

Revenue and Operational Summary

Metric	FY26	FY25	Change %
Revenue from Operations (₹ Crore)	1167.65	742.73	57.21%
Total Volume Produced (MT)	69855	46980	48.69%
Average Realization (₹/MT)*	167153.89	158095.91	5.73%
Domestic Revenue (₹ Crore)	647.72	444.45	45.74%
Export Revenue (₹ Crore)	465.05	275.06	69.07%
Installed Capacity (MTPA)	104025	104025	0.00%
Capacity Utilization (%)	67.15%	45.16%	48.69%

*Average Realization computed as Total Revenue from Operations ÷ Total Volume Produced

Note: This is total revenue per tonne, not pure realization per tonne of metal

Cost and Profitability Summary

Metric	FY26	FY25
Raw Material Cost (₹ Crore / % of Revenue)	₹934.22 Cr / 80.01%	₹574.94 Cr / 77.41%
Power & Fuel Cost (₹ Crore / % of Revenue)	₹28.75 Cr / 2.46%*	₹27.07 Cr / 3.64%*
Employee Cost (₹ Crore)	₹32.32 Cr	₹21.90 Cr
Finance Costs (₹ Crore)	₹24.00 Cr	₹13.41 Cr
EBITDA (₹ Crore) / EBITDA Margin	₹147.08 Cr / 12.60%	₹65.93 Cr / 8.88%
PAT (₹ Crore) / PAT Margin	₹84.68 Cr / 7.25%	₹33.27 Cr / 4.48%
Diluted EPS (₹)	₹3.32	₹1.31

*Power & Fuel = Fuel & Gas (₹23.64 Cr) + Water & Electricity (₹5.11 Cr) = ₹28.75 Cr for FY26; FY25: ₹22.23 Cr + ₹4.84 Cr = ₹27.07 Cr.

Working Capital and Balance Sheet Summary

Metric	FY26	FY25
Receivable Days	13.24	24.48
Inventory Days	32.66	27.10
Payable Days	7.19	10.35
Cash Conversion Cycle	38.71	41.23
Total Borrowings (₹ Crore)	183.92	165.77
— of which: Long-Term Borrowings	14.91	23.09
— of which: Short-Term / Current Borrowings	167.84	142.67
— Lease liabilities	1.17	0.00
Debt-Equity Ratio (x)	1.25	2.65
Net Worth (₹ Crore)	147.38	62.60
— Equity Share Capital	50.96	3.19
— Other Equity (Reserves & Surplus)	96.42	59.42

Financial Performance Narrative

Revenue Change Decomposition — Volume, Price, and Mix Effects:

Revenue from Operations grew by 57.23% year-on-year from ₹742.74 crore in FY2025 to ₹1,167.77 crore in FY2026, driven by: (a) a volume effect — production throughput increased to 69,855 MT on the 104,025 MTPA installed capacity base utilized at 67.15%; (b) a mix and price effect — average gross margin per tonne improved by 13.8% from ₹33,642/MT to ₹38,297/MT, reflecting a product mix shift toward higher-value specialty alloys and improving LME-linked realisations; and (c) a geographic mix effect — exports grew by 69.07% to ₹465.05 crore (39.83% of revenue) from ₹275.06 crore (37.03% of revenue), supported by Singapore, Switzerland, South Korea, Japan, and Hong Kong as key destinations.

Raw Material Cost as Primary Margin Lever:

Cost of materials consumed increased by 62.5% from ₹574.94 crore to

₹934.22 crore, representing 80.01% of revenue in FY2026 versus 77.41% in FY2025. The marginal increase in raw material cost intensity (approximately 260 basis points) reflects the higher proportion of international scrap in the procurement mix (imports as a proportion of raw material rose from 61.34% in FY2024 to 86.94% in FY2026), partially offset by the back-to-back pricing hedge and MCX hedging protocols. Despite the rising raw material intensity, EBITDA more than doubled — from ₹65.93 crore to ₹147.08 crore — as the absolute gross margin per tonne expanded from ₹33,642 to ₹38,297.

Fixed-Cost Absorption Improvement:

Total depreciation increased to ₹11.37 crore (FY2025: ₹8.67 crore) on the expanded asset base, while employee costs grew to ₹32.32 crore (FY2025: ₹21.90 crore), driven by a 47.60% increase in employee benefits expenses reflecting headcount expansion and wage growth linked to the IPO transition. Finance costs increased materially by 78.96% to ₹24.00 crore from ₹13.41 crore,

primarily driven by foreign exchange fluctuation on borrowings (₹4.83 crore), higher bank charges (₹6.05 crore), and higher interest on expanded working capital lines (₹13.02 crore). Despite this, the Company delivered a PAT of ₹84.68 crore (PAT margin: 7.25%) versus ₹33.27 crore (4.48%) in FY2025 — a PAT of 207.52% over FY2024–FY2026.

Post-IPO Balance Sheet Impact:

The Equity Share Capital expanded from ₹3.19 crore to ₹50.97 crore as a result of the IPO share issuance, and Net Worth more than doubled from ₹62.60 crore to ₹147.38 crore. Total Borrowings stood at ₹182.75 crore as at March 31, 2026, with short-term borrowings constituting ₹167.84 crore. The post-IPO balance sheet (reflecting the proceeds from the August 2026 listing) will further strengthen Net Worth and reduce borrowing dependence from FY2027 onwards.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS**Workforce Strength**

The following table sets forth the exact headcount of the Company's workforce for the periods indicated:

Category	As at March 31, 2026	As at March 31, 2025
Permanent employee figure as at March 31, 2026 is sourced from the audited attrition disclosure table in the DRHP.	243	207
Contract / Contractual Workers	0	0
Total Workforce	243	207

Note-Headcount as at June 30, 2026 per the Company's Prospectus (Nangia & Co. LLP certified) is 222 permanent and 326 contractual employees.

Department-wise breakdown of permanent employee strength (as at June 30, 2026):

Department	Headcount
Production	57
Logistics (Import, Reverse Logistics & Dispatch)	44
HR & Administration	32
Accounts & Finance	24
Maintenance (Maintenance & Projects)	20
Quality	11
Store	9
Production Planning and Control (PPC)	6
Supply Chain Management	6
Information Technology	5
Sales and Marketing	3
Management	2
Secretarial & Legal	2
Treasury and Risk Management	1
Total	222

[Source: Ardee Industries Limited Prospectus, certified by Nangia & Co. LLP, Statutory Auditors, July 27, 2026]

Employee Benefit Expenses

Total employee benefit expenses (comprising salaries, wages and allowances, contribution to provident and other employee funds, gratuity expense, and staff welfare expenses) increased from ₹219.01 million in FY2025 to ₹323.24 million in FY2026 — a year-on-year increase of 47.6% — reflecting the growth in permanent headcount, enhanced compensation structures aligned with the Company's IPO readiness, and the scale-up of the workforce required to operate the expanded capacity base. As a percentage of revenue from operations, employee benefit expenses were 2.77% in FY2026 compared to 2.95% in FY2025, reflecting the operating leverage inherent in scaling a manufacturing workforce against a faster-growing revenue base.

Employee Attrition

Particulars	FY2026 (March 31, 2026)	FY2025 (March 31, 2025)	FY2024 (March 31, 2024)
Number of Permanent Employees	243	207	127
Number of Employees Exited	68	49	28
Attrition Rate (%)	27.98%	23.67%	22.05%

[Source: Ardee Industries Prospectus — DRHP/Prospectus attrition disclosure]

The attrition rate of 27.98% in FY2026 reflects the competitive labour market for technically skilled smelting and refining personnel in industrial corridors such as Tirupati. The Company is addressing this through enhanced compensation benchmarking, formal skill development programmes, and its certified “Great Place to Work®” positioning (awarded in the mid-size organisations category by Great Place to Work®, India) — a recognition that underscores the Company’s commitment to building a structured, values-based workplace culture as it transitions to a listed entity.

Training, Skill Development, and Safety Certification

The Company conducts regular and structured training and development programmes covering: (i) equipment handling and raw material processing procedures; (ii) environmental compliance and ISO 14001:2015 environmental management protocols; (iii) quality standards and Ind AS quality control procedures under the LME Good Delivery protocol for “Ardee Lead 9997”; (iv) ISO 9001:2015 quality management procedures; (v) occupational health and safety training under ISO 45001:2018; and (vi) partner-led training on ISO standards improvement and workforce efficiency and retention. The Company also undertakes periodic workshops and on-the-job training to keep the workforce current with evolving industry practices and technological advancements in secondary lead recycling and metallurgical operations.

Occupational Lead Exposure Monitoring and PPE Protocols

Given the nature of secondary lead recycling operations — involving ULAB dismantling, smelting, refining, and alloy casting — occupational exposure to lead dust, lead fumes, and sulphuric acid mist constitutes the primary occupational health risk. The Company manages this risk through a comprehensive occupational health framework consistent with the Occupational Safety, Health and Working Conditions Code, 2020 and

applicable CPCB norms:

- **Blood Lead Level (BLL) Monitoring:** All workers engaged in smelting, refining, and ULAB handling operations undergo periodic blood lead level testing at intervals prescribed by applicable occupational health regulations. Workers with BLL readings exceeding permissible limits are subject to medical review, temporary reassignment, and targeted health interventions.
- **Personal Protective Equipment (PPE):** Mandatory deployment of lead-grade PPE including NIOSH-approved respirators, lead-resistant gloves, full-body protective coveralls, acid-resistant footwear, and face shields for all workers in designated hazard zones.
- **Engineering Controls:** Enclosed smelting and refining equipment with dedicated ventilation and baghouse filtration systems to minimise ambient lead particulate. Continuous Ambient Air Quality Monitoring (CAAQM) per CPCB consent conditions.
- **Health Surveillance:** Medical surveillance programme for all permanent employees in high-exposure roles, with records maintained as required under applicable occupational health regulations.

The facility is certified under ISO 45001:2018 (Occupational Health & Safety Management System), and a dedicated EHS department reports directly to senior management, ensuring rapid response to any emerging safety concerns.

Industrial Relations

Industrial relations at the Company’s Tirupati facility remained stable throughout FY2025–26. There were no strikes, lockouts, work stoppages, or material industrial disputes during the year. The Company maintains constructive engagement with

its workforce through structured communication channels, grievance redressal mechanisms, and an open-door policy consistent with its stated culture values. The “Great Place to Work®” certification obtained during the fiscal year is a formal third-party validation of the Company’s workplace culture and employee engagement levels.

Key Senior Management Appointments and Organisational Changes

In the context of the Company’s IPO and transition to a SEBI-regulated listed entity, the following governance and management-level changes are noteworthy:

- Appointment of a Company Secretary and Compliance Officer in fulfilment of SEBI (LODR) requirements for listed companies.
- Strengthening of the Audit Committee, Nomination & Remuneration Committee, Stakeholders’ Relationship Committee, and Risk Management Committee compositions with requisite Independent Director complement, as required under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.
- General Manager — HR & Administration: Mr. Sanjeev Sharma continues in his role, overseeing strategic HR planning, policy formulation and compliance, performance management and employee development, employee relations, and culture-building initiatives, with over three decades of HR management experience across diverse industries.
- All Key Managerial Personnel (KMP) and Senior Management Personnel are permanent employees of the Company, and no KMP or Senior Management Personnel have been selected pursuant to any arrangement or understanding with any major shareholder, customer, or supplier of the Company.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Basis and Source of Ratios

All ratios presented below are sourced from Note 44 — Disclosure of Ratios in the Audited Ind AS Financial Statements for the year ended March 31, 2026 and March 31, 2025, prepared under the Companies Act, 2013 and the Indian Accounting Standards (Ind AS). The financial statements have been audited by Nangia & Co. LLP, Chartered Accountants, who have issued an unmodified (clean) audit opinion for both periods. The Statutory Auditors also confirmed, in their report under Annexure B (Report on Internal Financial Controls), that the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS financial statements and that such controls were operating effectively as at March 31, 2026.

Mandatory Key Financial Ratios — SEBI LODR Schedule V Part B

Ratio	Formula	FY2026	FY2025	Change %
(1) Debtors Turnover Ratio (x)	Revenue from Operations ÷ Average Gross Trade Receivables	27.56x	14.91x	+85%
(2) Inventory Turnover Ratio (x)	Cost of Goods Sold ÷ Average Inventory	11.18x	13.47x	-17%
(3) Interest Coverage Ratio (x)	EBIT ÷ Finance Costs	9.61	5.42	+77.40%
(4) Current Ratio (x)	Current Assets ÷ Current Liabilities	1.41x	1.04x	+36%
(5) Debt-Equity Ratio (x)	Total Debt ÷ Net Worth	1.25x	2.65x	-53%
(6) Operating Profit Margin (%)	EBIT ÷ Revenue from Operations × 100	11.63%	7.72%	+51%
(7) Net Profit Margin (%)	PAT ÷ Revenue from Operations × 100	7.25%	4.48%	+62%

Source: Note 44 — Audited Ind AS Financial Statements, Ardee Industries Limited, March 31, 2026; Nangia & Co. LLP, Audit Report signed June 30, 2026.

Notes on formula definitions (as per Audited Note 44):

- Debt = Non-current borrowings + Current borrowings + Non-current & current lease liabilities
- Net worth = Paid-up share capital + Other equity
- EBIT = Earnings before interest and tax
- Cost of Goods Sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and WIP

Detailed Explanations — Ratios with ≥25% Change

Debtors Turnover Ratio: +85% (from 14.91x in FY2025 to 27.56x in FY2026)

The Debtors Turnover Ratio improved sharply from 14.91x to 27.56x, reflecting a significant structural improvement in the Company's receivables management and credit collection efficiency. The primary drivers of this improvement are:

Reduction in outstanding trade receivables: Trade receivables declined from ₹599.45 million as at March 31, 2025 to ₹247.88 million as at March 31, 2026 — a reduction of approximately 58.6% in absolute receivable balance — even as revenue

grew by 57.2% during the same period. This combination of lower closing receivables and substantially higher revenue is the direct arithmetic driver of the 85% improvement in turnover ratio.

Improved collection cycles on domestic sales: The Company's credit terms with domestic battery OEM customers were progressively tightened during FY2026, with a higher proportion of sales moving toward shorter credit windows or advance/cash-against-documents settlement terms, particularly for export transactions (which are settled through Letters of Credit or advance wire transfers).

Export settlement structure: The increase in export revenue share — with exports settled through LC or advance payment instruments — structurally reduces outstanding debtor balances compared to open credit domestic sales. As exports grew as a proportion of revenue in FY2026, the average debtor balance was pulled down correspondingly.

Enhanced credit monitoring post-IPO transition: In preparation for and following the BSE/NSE listing, the Company implemented strengthened credit management and debtor monitoring protocols, resulting in more disciplined collection follow-through.

The improvement in receivable turnover directly improved the Company's Cash Conversion Cycle and reduced the working capital requirement per unit of revenue — a meaningful structural efficiency gain.

Interest Coverage Ratio: 77.4% (from 5.42x in FY2025 to 9.61x in FY2026)

Formula: EBIT ÷ Interest

- FY2026: EBIT ₹1260.67 million ÷ Interest ₹131.23 million = 9.61x
- FY2025: EBIT ₹547.58 million ÷ Interest Cost 101.12 Million 5.42x

The interest coverage ratio improved by 77.4% year-on-year, reflecting the combination of a substantially higher EBIT base in FY2026 and an increase in absolute finance costs.

EBIT expansion — the primary driver: EBIT grew by ₹788.88 million (+135.9%) in FY2026, driven by (i) a 57.2% increase in revenue from operations to ₹11,676.53 million; (ii) EBITDA margin expansion from 8.88% (FY25) to 12.60% (FY26) resulting from fixed-cost absorption across the expanded capacity base, product mix shift toward higher-value specialty lead alloys, and LME export premiums on "Ardee Lead 9997" deliveries; and (iii) operating leverage on the tripled installed capacity base of 156,950 MTPA.

Finance cost increase — partially offsetting: Finance costs increased from ₹134.12 million (FY25) to ₹240.02 million (FY26) — an increase of ₹105.90 million (+79.0%) — reflecting higher utilisation of working capital credit facilities to fund the substantially larger scrap procurement volumes required to feed the expanded capacity. Despite the increase in absolute finance costs, the far greater expansion in EBIT meant that the coverage ratio improved materially.

Post-IPO outlook: The deployment of IPO proceeds into working capital (₹220 crore) and debt repayment (₹[xx] crore) in FY2027 is expected to reduce the Company's reliance on interest-bearing short-term credit

facilities, with a consequent structural reduction in finance costs that will further improve the interest coverage ratio in the coming periods.

Current Ratio: +36% (from 1.04x in FY2025 to 1.41x in FY2026)

- FY2026: Current Assets ₹2,802.02 million ÷ Current Liabilities ₹1,983.77 million = 1.41x
- FY 2025: 1818.01 ÷ 1754.22
- FY2025: 1.04x (per Audited Note 44)

The current ratio improved substantially from 1.04x to 1.41x, crossing the conventional 1.0x adequacy threshold into a meaningfully positive liquidity position. The improvement is attributable to:

Inventory build-up: Inventory increased from ₹449.52 million (March 31, 2025) to ₹1,161.23 million (March 31, 2026) — an increase of ₹711.71 million (+158.3%) — reflecting the strategic accumulation of ULAB scrap feedstock and work-in-progress commensurate with the expanded production capacity of 156,950 MTPA. This inventory build is consistent with the Company's working capital model where scrap procurement precedes production and sale.

Efficient receivables collection: Trade receivables declined from ₹599.45 million to ₹247.88 million, releasing cash into the current assets pool on a net basis relative to the prior year profile.

Profitability-driven cash generation: Strong PAT of ₹846.81 million in FY2026 (versus ₹332.71 million in FY2025) generated higher internal cash accruals, supporting current asset growth.

As verified by the Statutory Auditors (Nangia & Co. LLP, Audit Report dated June 30, 2026): The Auditors confirmed that, on the basis of financial ratios, ageing and expected realization of financial assets and payment of financial liabilities, nothing has come to their attention

which causes them to believe that any material uncertainty exists regarding the Company's ability to meet its liabilities as and when they fall due within one year from the balance sheet date.

Debt-Equity Ratio: -53% (from 2.65x in FY2025 to 1.25x in FY2026)

- FY2026: Total Debt ₹1839.21 million ÷ Net Worth ₹1,473.80 million = 1.25x
- FY2025: Total Debt ₹1,657.66 million ÷ Net Worth ₹626.01 million = 2.65x

The debt-equity ratio improved dramatically by 53%, reflecting a fundamental balance sheet transformation driven by:

Net worth expansion — the dominant factor: Net worth grew from ₹626.01 million (March 31, 2025) to ₹1,473.80 million (March 31, 2026) — an increase of ₹847.79 million (+135.4%) — almost entirely driven by the retention of PAT of ₹846.81 million (net of any dividends; note: the Company declared no dividend during FY2026 per the Statutory Auditors' report) plus ₹0.98 million of other comprehensive income. This near-doubling of net worth in a single year from internal profit generation is the primary driver of the ratio improvement.

Modest debt increase: Total debt increased only marginally from ₹1,657.66 million to ₹1,827.48 million — an increase of ₹169.82 million (+10.2%) — even as production volumes and working capital requirements expanded substantially. This disciplined borrowing, combined with the far larger equity base, drove the 53% reduction in the leverage ratio.

Balance sheet trajectory: With the post-August 2026 IPO fresh issue proceeds of ₹320 crore further augmenting equity and reducing borrowings, the debt-equity ratio is expected to improve materially further in FY2027, significantly strengthening the Company's financial risk profile.

Operating Profit Margin (EBIT Margin): +50% (from 7.82% in FY2025 to 11.73% in FY2026)

- FY2026: EBIT ₹1,369.46 million ÷ Revenue ₹11,676.53 million = 11.73%
- FY2025: EBIT ₹580.58 million ÷ Revenue ₹7,427.35 million = 7.82%

The operating profit margin expanded by approximately 391 basis points year-on-year — a +50% relative improvement — reflecting the Company's significant operating leverage and margin enhancement through multiple channels:

Revenue scale and fixed-cost absorption: Revenue from operations grew 57.2% from ₹7,427.35 million to ₹11,676.53 million, while fixed costs (depreciation: ₹113.66 million vs. ₹86.67 million; employee costs: ₹323.24 million vs. ₹219.01 million; part of other expenses) grew at a materially lower rate, enabling substantial fixed-cost dilution per unit of output.

EBITDA margin expansion: EBITDA margin expanded from 8.88% (FY25) to 12.60% (FY26), reflecting the combination of higher realisations on the LME-grade export product ("Ardee Lead 9997"), improved specialty alloy mix toward lead-calcium and lead-antimony (which carry premiums over commodity refined lead), and enhanced process efficiency driven by higher capacity utilisation on the 156,950 MTPA base.

Raw material cost management:

Despite raw material cost increasing in absolute terms from ₹5,749.44 million to ₹9,342.23 million, the increase was partially offset by the Company's back-to-back pricing model (linking scrap input costs to the same LME benchmark as output selling prices), which preserved spread margins through LME price movements.

Revenue mix improvement: Export revenue as a percentage of total revenue was 39.83% in FY2026 (FY25: 37.03%), with export realisations typically carrying LME benchmark pricing premiums. The shift toward higher-value alloy products further enhanced the blended realization per tonne.

Net Profit Margin: +62% (from 4.48% in FY2025 to 7.25% in FY2026)

- FY2026: PAT ₹846.81 million ÷ Revenue ₹11,676.53 million = 7.25%
- FY2025: PAT ₹332.71 million ÷ Revenue ₹7,427.35 million = 4.48%

The net profit margin expanded by 277 basis points — a +62% relative improvement — reflecting the cascading impact of operating leverage through to the bottom line:

PAT growth of 154.5%: PAT grew from ₹332.71 million in FY2025 to ₹846.81 million in FY2026 — a year-on-year increase of ₹514.10 million (+154.5%) — driven primarily by EBITDA expansion (EBITDA grew from ₹659.34

million to ₹1,470.82 million, a CAGR of 128.96% over FY2024–FY2026).

Tax efficiency: The effective tax rate for FY2026 was 25.03% (total tax expense ₹282.63 million on PBT of ₹1,129.44 million), broadly in line with the statutory rate of 25.17% (with marginal deferred tax credit of ₹12.55 million partially offsetting current tax of ₹293.45 million).

Finance cost absorption: While finance costs increased from ₹134.12 million to ₹240.02 million in absolute terms, the 79% increase in finance costs was substantially outpaced by the 154.5% increase in PAT, indicating that the incremental debt was highly earnings-accretive at the operating level.

Post-IPO PAT improvement outlook:

The deployment of IPO proceeds to reduce short-term borrowings is expected to reduce finance costs materially in FY2027, with the full benefit flowing through to PAT — further expanding net profit margins from the FY2026 base.

Audit confirmation — no cash losses: As confirmed by the Statutory Auditors (Nangia & Co. LLP, Audit Report dated June 30, 2026), the Company has not incurred cash losses in FY2026 or in the immediately preceding financial year (FY2025).

Sector-Specific Supplemental Ratios

Ratio	FY2026	FY2025
Capacity Utilisation (%)	67.15%	45.16%
Revenue per MT Produced (₹/MT)	167153.89	158095.91
Export Revenue as % of Total Revenue (%)	39.83%	37.03%
Raw Material Cost as % of Revenue (%)	77.09%	78.72%
Return on Capital Employed (EBIT / Capital Employed)	44.26%	25.17%
Diluted EPS (₹)	₹3.32	₹1.31
EBITDA Margin (%)	12.60%	8.88%
Debt Service Coverage Ratio (x)	4.28x	2.93x
Inventory Days	47 days	28 days
Receivable Days	8 days	30 days

[Source: Note 44 — Audited Ind AS Financial Statements, Ardee Industries Limited, year ended March 31, 2026; Audited P&L; Ardee Industries Prospectus; Nangia & Co. LLP, June 30, 2026]

CHANGE IN RETURN ON NET WORTH

Return on Net Worth — Summary Table

Metric	FY2026 (Year ended March 31, 2026)	FY2025 (Year ended March 31, 2025)
PAT (₹ Million)	₹846.81	₹332.71
Net Worth — Closing (₹ Million)	₹1,473.80	₹626.01
Net Worth — Opening (₹ Million)	₹626.01	₹292.49
Average Net Worth (₹ Million)	₹1,049.91	₹459.25
Return on Net Worth — Year-End Basis (%)	57.46%	53.15%
Return on Equity — Average Net Worth Basis (%)	80.66%	72.45%
Diluted EPS (₹)	₹3.32	₹1.31
EBITDA Margin (%)	12.60%	8.88%
Debt Service Coverage Ratio (x)	4.28x	2.93x
Inventory Days	47 days	28 days
Receivable Days	8 days	30 days

[Source: Note 44 — Audited Ind AS Financial Statements; Restated Financial Information KPIs, Ardee Industries Prospectus; Nangia & Co. LLP, Statutory Auditors, certified July 27, 2026]

Explanation of RoNW Change — FY2025 to FY2026

Method of Computation:

The Company computes Return on Net Worth (RoNW) as Net Profit After Tax (PAT) divided by Net Worth at the end of the year — consistent with SEBI ICDR Regulation 2(1)(hh) definition of Net Worth and as disclosed in the Company's Prospectus and certified by the Statutory Auditors (Nangia & Co. LLP). This basis is used for the primary RoNW figures (57.46% for FY2026 and 53.15% for FY2025)

reported below. The Return on Equity ratio in the Audited Note 44 uses average net worth as the denominator and is reported at 81% for FY2026 and 72% for FY2025.

Absolute PAT Movement — Positive Impact on RoNW Numerator

PAT grew from ₹332.71 million in FY2025 to ₹846.81 million in FY2026 — an increase of ₹514.10 million (+154.5%). This exceptional PAT growth — a three-year CAGR of 207.52% (FY2024–FY2026) — is the primary driver of RoNW improvement.

The PAT expansion was driven by:

- Revenue from operations growing 57.2% to ₹11,676.53 million, driven by volume growth and higher realisations on the expanded capacity base.
- EBITDA expanding from ₹659.34 million (8.88% margin) to ₹1,470.82 million (12.60% margin) — growth of 123.1% — reflecting fixed cost leverage, product mix improvement toward higher-value alloys, and the LME export

premium on “Ardee Lead 9997”.

- EBIT of ₹1260.67 million in FY2026 vs. ₹547.58 million in FY2025 — growth of 130.22%.
- Profit Before Tax of ₹1,129.44 million vs. ₹446.46 million in FY2025 — growth of 153%.
- Tax expense of ₹282.63 million (effective rate ~25.0%) vs. ₹113.75 million in FY2025.

Net Worth Denominator Expansion — Counterbalancing Impact

Net Worth (closing) expanded from ₹626.01 million (March 31, 2025) to ₹1,473.80 million (March 31, 2026) — an increase of ₹847.79 million (+135.4%). This near-tripling of the equity base in two years (from ₹292.49 million as at March 31, 2024) was driven entirely by the retention of strong PAT earnings:

- No dividend was declared or paid during FY2026 (confirmed by Statutory Auditors, Nangia & Co. LLP, Audit Report dated June 30, 2026). Full PAT was retained and accreted to reserves, directly augmenting net worth.
- Other comprehensive income of ₹0.98 million (net of tax re-measurements on defined benefit plans) contributed incrementally to net worth.
- The IPO Fresh equity issued out of ₹320 crore was listed in August 2026 (i.e., in FY2027), and

therefore its balance sheet impact falls outside the FY2026 reporting period. The net worth as at March 31, 2026 therefore reflects purely organic equity accretion from retained earnings.

The 135.4% expansion in net worth, while substantial, was slightly less than the 154.5% growth in PAT — which is the arithmetic reason why the year-end RoNW improved modestly from 53.15% to 57.46% (a gain of 431 basis points), rather than remaining flat or declining. Had net worth grown at the same rate as PAT, the ratio would have been broadly stable.

Methodology: Year-End vs. Average Net Worth

The year-end basis RoNW (57.46%) is used as the primary SEBI-prescribed metric. For analytical completeness, the average net worth basis — used in Audited Note 44 as the Return on Equity ratio — yields 80.66% for FY2026 vs. 72.45% for FY2025 (calculated as $\text{PAT} \div \text{average of opening and closing net worth}$). The higher ratio on an average basis reflects the fact that a substantial portion of the closing net worth was generated during the year itself (i.e., through mid-year earnings retention), and therefore was not available to generate returns for the full year. Investors should note that the two methodologies are not directly comparable.

Post-IPO Impact on RoNW — FY2027 Outlook

[The following paragraph contains forward-looking statements subject

to the disclaimer at the opening of this MD&A.]

The August 2026 IPO fresh issue of ₹320 crore will result in a substantial increase in equity (Net Worth) in the FY2027 balance sheet, as IPO proceeds are received and reflected as securities premium and paid-up share capital. This equity infusion will materially increase the RoNW denominator in FY2027. On a year-end basis, and applying the management's own SEBI ICDR RoNW computation methodology, the Company expects a temporary moderation in reported RoNW in FY2027 as the enlarged equity base absorbs the fresh issue proceeds — a phenomenon that is structurally inherent in any fresh equity offering and is well understood by institutional investors.

However, the economic RoNW trajectory is expected to recover progressively as the deployed IPO capital generates incremental PAT through: (i) reduced finance costs from borrowing repayment (directly improving PAT); (ii) higher throughput volumes enabled by working capital-funded scrap procurement (generating higher EBITDA and PAT); and (iii) deepened export revenue from the LME “Ardee Lead 9997” platform (enhancing realization per tonne). The full earnings accretion from deployed IPO capital is expected to be reflected over FY2028–FY2030, as the ₹39,200 crore industry TAM trajectory (projected at 6.1% CAGR to FY2030) provides the demand backdrop for sustained revenue and earnings growth.

Weighted Average RoNW — Three-Year Track Record

Year	RoNW (Year-End Basis)	Weight
FY2026 (March 31, 2026)	57.46%	3
FY2025 (March 31, 2025)	53.15%	2
FY2024 (March 31, 2024)	30.61%	1
Weighted Average	51.55%	
Debt-Equity Ratio (x)	Total Debt ÷ Net Worth	1.25x
Operating Profit Margin FY 2025-26 (%)	EBIT ÷ Revenue from Operations × 100	10.70%
Net Profit Margin FY 2025-26 (%)	PAT ÷ Revenue from Operations × 100	7.25%

(Source: Ardee Industries Prospectus FY 2025-26, Basis for Offer Price — RoNW disclosure; certified by Nangia & Co. LLP, July 27, 2026)

CONCLUSION

Ardee Industries Limited has demonstrated strong operational and strategic progress in FY 2025–26, with:

- **Capacity Scale-Up:** Near 3x capacity expansion in under three years to 1,56,950 MTPA (from 54,750 MTPA in FY2023), establishing Ardee as one of South India's largest CPCB-authorised secondary lead recyclers
- **Quality Credential:** LME Good Delivery approval for "Ardee Lead 9997" (December 2025) — only secondary lead recycler in Andhra Pradesh with this distinction — enabling premium export access to Japan, South Korea, Singapore, UAE, and USA
- **Human Capital:** Total workforce of 11 employees, supported by ISO 45001-certified safety protocols, blood lead level monitoring, and post-IPO governance enhancements

Industry Tailwinds:

- India's secondary lead recycling market growing at 6.1% CAGR to ₹39,200 crore by FY2030
- BWMR 2022 / EPR enforcement redirecting ULAB feedstock toward CPCB-authorised recyclers
- Mandatory recycled content requirements rising from 5% (FY2028) to 20% (FY2031) creating a structural demand guarantee
- India's vehicle fleet growth, e-rickshaw proliferation, and data centre / telecom buildout sustaining multi-segment battery demand

Strategic Initiatives:

- Working capital deployment of ₹220 crore from IPO proceeds to ramp capacity utilisation and reduce short-term borrowing costs
- Greenfield expansion on adjacent 6-acre land parcel already acquired at Tirupati
- Export market deepening via "Ardee Lead 9997" LME brand across premium international markets
- Adjacent stream diversification into plastic, acid, copper, and tin by-product recovery; medium-term lithium-ion recycling readiness

Key Risks Requiring Monitoring:

- LME lead price volatility (FY2026 range: \$1,829–\$2,090/mt)
- Feedstock concentration risk (raw materials ~80–85% of operating costs)
- Customer concentration (top 10 customers = 91.61% of revenue)
- Single-facility operational concentration at Tirupati
- Long-term lithium-ion substitution risk in automotive segment
- Post-IPO execution risk on capacity utilisation and working capital commitments

With 31 years of operating history since 1993, a tripled capacity base, India's only Andhra Pradesh-based LME-certified secondary lead recycler status, and a strengthened post-IPO balance sheet, Ardee Industries is well-positioned to capture the structural formalisation of India's secondary lead recycling sector and deliver sustained value creation for its shareholders.

FORWARD-LOOKING STATEMENTS DISCLAIMER

Certain statements in this MD&A describing the Company's objectives, projections, and expectations may be forward-looking in nature. These statements are identified by words such as "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "project," and similar expressions. Actual results may differ materially from those expressed or implied due to LME lead price movements, feedstock availability and cost, regulatory changes (including amendments to the Battery Waste Management Rules, 2022 and CPCB norms), competitive dynamics, changes in end-use demand patterns, general macroeconomic conditions, and currency fluctuations. The Company undertakes no obligation to update or revise these forward-looking statements except as required under applicable law, including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Notice

NOTICE is hereby given that the **Thirty Third (33rd) Annual General Meeting** of the Members of **M/s Ardee Industries Limited** will be held on **Tuesday, 01st December, 2026 at 11:30 A.M** through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2026, together with the Reports of the Board of Directors and the Auditors thereon.
2. To consider and appoint a director in place of Mr. Nikunj Aggarwal (DIN: 06909464), who retires by rotation and being eligible, offer himself for re-appointment.

SPECIAL BUSINESS:

3. Appointment of Secretarial Auditors for 5 years

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') read with applicable provisions of the Companies Act, 2013, as amended, and based on the recommendation(s) of the Audit Committee and the Board of Directors of the Company ('Board'), M/s. A.K. Choudhary & Associates., Practicing Company Secretaries (FCS No. : 12691, C.P No. : 21297), be and is hereby appointed as the Secretarial Auditors of the Company for a period of five years to hold office from the conclusion of this Annual General Meeting till the conclusion of the 38th Annual General Meeting of the Company to be held in the year 2031, to conduct Secretarial Audit of the Company in terms of Section 204 and other applicable provisions of the Companies Act, 2013 read with Regulation 24A and other applicable provisions of the SEBI Listing Regulations, for the period beginning from the Financial Year 2026-27 through the Financial Year 2030-31, at such remuneration as may be mutually agreed upon between the Board, based on the recommendation(s) of the Audit Committee, and the Secretarial Auditors of the Company."

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

4. To ratify the remuneration of M/s. M.K. Jha & Co., Cost Accountants, Cost Auditors, for the Financial Year 2026-27.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of ₹ 50,000/- (Rupees Fifty Thousand Only) plus taxes payable to M/s. M.K. Jha & Co., Cost Accountants, who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2025-26."

**By Order of the Board of Directors of
Ardee Industries Limited**

**Sandeep Aggarwal
Managing Director
DIN: 00251058**

Date: 22.10.2026

Place: New Delhi

NOTES:

1. Pursuant to the General Circular No. 03/2025 dated 22/09/2025, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/ OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of

participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at <https://ardeeindustries.com/investors>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.
8. Members are requested to express their views/send their queries in advance mentioning their name, DP-ID and Client ID Number/Folio No., email ID, and Mobile Number at cs@ardeeindustries.com latest by 4:00 PM IST on Monday, 23rd November 2026.
9. When a pre-registered speaker is invited to speak at the meeting, but she/he does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video camera along with good internet speed.
10. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for the smooth conduct of the AGM.
11. Since the AGM will be held through VC/OAVM facility, the proxies form, attendance slip, and the Route Map are not annexed to this Notice.
12. The NSDL will be providing a facility for voting through Remote e-Voting, for participation in the AGM through VC/OAVM facility, and e-Voting during the AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Saturday, 28.11.2026 at 09:00 A.M and ends on 30.11.2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 25.11.2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 25.11.2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, 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 email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">   </div> <div style="text-align: center;">   </div> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode 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 a request at evoting@nsdl.com 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 a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares, i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csakchoudhary@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to (Name of NSDL Official) at evoting@nsdl.com.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (Company email id).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company email id). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM 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 system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH

VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.
6. Registration of Speaker related point needs to be added by company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 3

In terms of Regulation 24A of the Securities and Exchange Board of India (LODR) Regulations, 2015 ("SEBI Listing Regulations") and other applicable provisions of the Companies Act, 2013, each as amended, the Company is required to appoint Secretarial Auditors for a period of five years commencing from FY 2026-27 to conduct the Secretarial Audit of the Company. Accordingly, it is proposed to appoint M/s. M/s. A.K. Choudhary & Associates., Practicing Company Secretaries (FCS No.: 12691, C.P No.: 21297) as the Secretarial Auditor of the Company for a term of five financial years commencing from FY 2026-27. Mr. A.K. Choudhary is a Member of the Institute of Company Secretaries of India (ICSI) having Membership No. F-12691. . Mr. A.K. Choudhary has given his consent to act as the Secretarial Auditor of the Company for the aforesaid term. The Board of Directors, at its meeting held on July 06th, 2026, considered the recommendation of the Audit Committee with respect to the appointment of M/s. A.K. Choudhary & Associates. as the Secretarial Auditors of the Company for the statutory term of five consecutive financial years as required under Regulation 24A of the SEBI Listing Regulations. After due consideration and review, the Board recommends the approval of the Members for the appointment of M/s. A.K. Choudhary & Associates as the Secretarial Auditors of the Company for a period of five years commencing from the conclusion of the ensuing 33rd Annual General Meeting scheduled to be held on September 30, 2026, till the conclusion of the 38th Annual General Meeting of the Company to be held in the year 2031, for conducting the Secretarial Audit of the Company for the financial years beginning from FY 2026-27 up to FY 2030-31.

M/s. A.K. Choudhary & Associates has confirmed that its proposed appointment, if approved by the Members, shall be within the limits prescribed by the Institute of Company Secretaries of India. Further, in terms of the applicable regulations, M/s. A.K. Choudhary & Associates has confirmed that it has undergone the Peer Review Process of the Institute of Company Secretaries of India and holds a valid Peer Review Certificate. The remuneration payable to M/s. A.K. Choudhary & Associates for conducting the

Secretarial Audit shall be determined by the Board of Directors from time to time during the tenure of their appointment. The Board recommends the resolution for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the proposed resolution.

The Board, therefore, recommends the ordinary resolution as set out at Item No.3 for your approval.

Item No. 4

The Board of Directors of the Company approved the appointment and remuneration of M/s. M.K. Jha & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(b) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought to ratify the remuneration payable to the Cost Auditors.

None of the Directors or their relatives is concerned or interested (financially or otherwise) in this Resolution.

The Board commends the resolution set out at item no. 4 of the accompanying notice for the approval of Members.

**By Order of the Board of Directors of
Ardee Industries Limited**

**Sandeep Aggarwal
Managing Director
DIN: 00251058**

Date: 22.10.2026

Place: New Delhi

ANNEXURE-I

Name of Directors	Mr. Nikunj Aggarwal (Retire by rotation)
DIN	06909464
Date of Birth (Age)	26/02/1996
Date of first appointment on Board.	26/04/2021
Qualification	Post Graduate Programme in Management from Indian School of Business
Relationship with Directors/ KMP	Mr. Sandeep Aggarwal, Managing Director, Mrs. Esha Gupta, Whole Time Director of the Company are relatives under clause 77 of section 2 of Companies Act, 2013 read with rules thereof.
Experience/Expertise in specific functional area	<ul style="list-style-type: none"> • He has more than eight (8) years of experience in the business of pure lead and lead alloys industry. • Post Graduate Programme in Management from Indian School of Business • 8+ years of experience in the field in which our Company operates. • He is responsible for strategic manufacturing leadership, production & operations management, business development, customer & market orientation, financial oversight and compliance
Terms and Conditions of appoint/ re- appointment including remuneration	Retiring by rotation
Details of Remuneration last drawn (FY-2025-26).	200 Lakhs
Membership of the Committees of Board of Directors of Company. (as on-Board report date)	Corporate Social Responsibility Committee - Member Stakeholders Relationship Committee - Member Audit Committee-Member IPO Committee-Member
Directorship in other Companies including listed Companies (as on-Board report date)	1. D.P. Auto Industries Pvt. Ltd. 2. Leader Industries Pvt. Ltd.
No. of Board Meetings attended during the year 2025-26	Meeting held: 12 Meeting attended: 11
No. of shares held in the Company (as on-Board report date)	105,775,350 number of equity Shares of Face value Rs. 2 each

CONSENT FORM FOR GREEN INITIATIVE

To,
The Company Secretary
Ardee Industries Limited
Khasra No. 340 1st Floor,
Village Sultanpur Mehrauli Gadaipur
South West Delhi New Delhi 110030

Dear Sir,

I, _____ (Name of the Individual / Joint Shareholder) holding
_____ (No. of shares) Equity Shares of ₹ 2/- each in physical / demat mode [] vide Folio No. / Client ID
_____ in the Company, would like to register the below mentioned Email ID and agree to receive all
the communications / documents / notices / correspondences from the company in electronic mode only.

E mail ID

Signature

Name

Address

Date:

Board's Report

To

The Members,

Your directors have pleasure in presenting their 33rd Report of Ardee Industries Limited on the business and operations along with the audited financial statements for the financial year 2025-26.

1. Financial Highlights

The financial performance of the Company for the year ended 31st March 2026, is summarized below:

(₹ in Million)

Particulars	As at March 31, 2026	As at March 31, 2025
Net Sales / Income from Business Operations	11,676.53	7,427.35
Other Income	12.30	7.91
Total Income	11,688.83	7,435.26
Less: Total Expenses	10,559.39	6,988.80
Profit / Loss Before Tax	1,129.44	446.47
Less: Tax	282.63	113.75
Profit / (Loss) for the year	846.81	332.71
Other comprehensive income / (expenses)		
(i) Items that will not to be reclassified to profit or loss in subsequent periods		
- Remeasurements of the defined benefit plans	1.31	1.08
- Income tax effect	[0.33]	[0.27]
Total other comprehensive income for the year (net of tax)	0.98	0.81
Total Comprehensive Income for the year	847.79	333.52
Earnings per equity share (Face Value of ₹ 2 each):		
(1) Basic (in INR)	3.32	1.31
(2) Diluted (in INR)	3.32	1.31

1. FINANCIAL PERFORMANCE, STATE OF COMPANY'S AFFAIRS (OPERATING RESULTS AND BUSINESS)

During the financial year ended March 31, 2026, your Company reported a total income of INR 11,688.83 Million with an increase of 57.20 % over previous year's total income of INR 7,435.26 Million.

The Profit Before Tax (PBT) was INR 1,129.44 Million as compared to the previous year's PBT of INR 446.47 Million. The PBT has grown by 152.97 % in comparison to the last year.

The Profit After Tax (PAT) of the Company for the year was reported at INR 846.81 Million (7.25 % of the total income) as compared to INR 332.71 (4.48 % of the total income) reported in the previous year. The PAT has grown by 154.52 % in comparison to the last year.

The Board periodically reviews operations of the Company. The Annual Financials for the FY 2025-26 have also been reviewed in detail by the Board. The Board has expressed satisfaction over the management planning of the Company to take forward the operations of the Company. The Board is positive about future plans of the Company.

In summary, the company's performance in FY 2025-26 reflects a robust growth trajectory in both income and profit. The increase in net profit and earnings per share highlights the company's effective management and operational strategies, positioning it for continued success in the future.

2. Dividend

Your directors did not recommend any dividend for the year under review.

Your Company is following Dividend Distribution Policy as envisaged under Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Policy, inter-alia, lays down various parameters relating to declaration/recommendation of dividend. There has been no change in the Policy, during the financial year 2025-26.

Dividend Distribution Policy of the Company can be accessed from the website of the Company, [https://ardeeindustries.com/investors/Policies/Dividend Distribution Policy](https://ardeeindustries.com/investors/Policies/Dividend%20Distribution%20Policy).

3. Transfer to General Reserve

There is no amount proposed to be transferred to General Reserve.

4. Change in the Nature of Business

There was no change in the nature of the business of the Company, during the year.

5. Future Growth Plans of the Company

The Company is focusing on improved capacity utilization year on year with cost optimization gaining economies of scale.

6. Changes in Share Capital

SHARE CAPITAL

a. SUB-DIVISION OF SHARE CAPITAL OF THE COMPANY AND ISIN

Pursuant to the approval of the shareholders in the Extra-Ordinary General Meeting held on 15th July 2025, each equity shares of the Company having a face value of ₹100 was sub-divided into two equity shares having a face value of ₹2 each.

In view of the sub-division of equity shares, the International Securities Identification Number (ISIN) of the Company has been changed to INE0XNF01022.

b. INCREASE OF AUTHORISED SHARE CAPITAL

As on 31st March, 2026, the Authorized Share Capital of the Company was ₹70,00,00,000/- divided into 350,000,000 Equity Shares of face value of ₹2 each.

As on 31/03/2025, Authorized Share Capital was ₹5,00,00,000. Pursuant to the approval of the shareholders in the Extra-Ordinary General Meeting held on 15th July 2025, the Authorized Share Capital of the Company has been increased from existing ₹5,00,00,000 to ₹70,00,00,000.

ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

During the year under review, your Company has issued the following equity share capital as Bonus Shares:

S No	Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price per equity share (₹)	Nature of Consideration	Nature of Allotment
1.	14.08.2025	23,88,97,500	2	Nil	N.A.	Allotment pursuant to Issue of Bonus Equity Shares in the ratio of Fifteen Equity share for every one equity share held.

The issued, subscribed and paid-up equity capital of the Company increased from ₹3,18,53,000 to ₹50,96,48,000 as on 31/03/2026, whereas as on the date of this Report, issued, subscribed and paid-up equity capital of the Company increased from ₹50,96,48,000 to ₹63,04,01,900 due to allotment of 60,376,950 Equity Shares at the price of ₹53 /- of face value of ₹2/- on 10/08/2026 in the IPO of the Company.

The Capital Structure of the Company as on the date of this Report is as follows:

Sr. No.	Particulars	Aggregate nominal value ₹ (in Millions)	Aggregate value at Offer Price
A.	AUTHORIZED SHARE CAPITAL		
	350,000,000 Equity Shares of face value of ₹ 2 each	700.00	-
B.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER		
	254,824,000 Equity Shares of face value of ₹ 2 each	509.65	-
C.	PRESENT OFFER		
	Offer of 80,351,950 Equity Shares of face value of ₹ 2 each aggregating to ₹ 4,258.65 million	160.70	4,258.65
	Of which		
	Fresh Issue of 60,376,950 Equity Shares of face value of ₹ 2 each aggregating to ₹ 3,199.98 million	120.75	3,199.98
	Offer for Sale of 19,975,000 Equity Shares of face value of ₹ 2 each aggregating to ₹ 1,058.65 million	39.95	1,058.65
D.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER		
	315,200,950 Equity Shares of face value of ₹ 2 each	630.40	
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Offer	Nil	
	After the Offer	3,079.22	

c. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

Pursuant to Section 43(a)(ii) of the Companies Act, 2013 read with Sub-rule (4) of Rule 4 of the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued any Equity shares with differential rights during the period under review.

d. SWEAT EQUITY SHARES

The Company has not issued any Sweat Equity Shares during the year under review.

e. EMPLOYEE STOCK OPTIONS PLAN

The Company has not provided any Stock Option Scheme to the employee during the year under review.

f. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

7. Conversion to Public Limited Company

The Board of Directors in its meeting held on 29th March, 2025 and Shareholders in its Extra-Ordinary General Meeting held on 01st April, 2025, approved the conversion of the Company into a Public Limited Company.

In this regard, a fresh Certificate of Incorporation dated 06th May 2025 was issued by Registrar of Companies, Central Registration Centre and accordingly the name of the Company has been Changed from "Ardee Industries Private Limited" to "Ardee Industries Limited" with new CIN – U24294DL1993PLC405804.

Consequent upon of conversion of Company into Public Limited Company, Company has adopted new set of Memorandum and Articles of Association of the Company.

8. Committees of the Board

The Board has the following Committees:

- i) Audit Committee;
- ii) Nomination and Remuneration Committee;
- iii) Stakeholders Relationship Committee;
- iv) Corporate Social Responsibility Committee;
- v) IPO Committee;

Name of the Committee	Composition of the Committee
Audit Committee (w.e.f July 18, 2025) Nomination, Remuneration & Compensation Committee (w.e.f July 18, 2025) Stakeholders' Relationship Committee (w.e.f July 18, 2025) Corporate Social Responsibility Committee (w.e.f July 18, 2025) Initial Public Offering (IPO) Committee (w.e.f July 18, 2025)	Composition of the Committee has been mentioned elsewhere in the Corporate Governance Report.

9. Meeting of the Board of Directors

During the financial year 2025-26, your Company convened and held 12 (Twelve) Board Meetings. The details of the Board Meeting with respect to the dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

S. No.	Date of Board Meeting	Attendance					
		Mr. Sandeep Aggarwal	Mr. Nikunj Aggarwal	Mrs. Esha Gupta	Mrs. Archana Jain	Mr. Anand Tandon	Mr. Vivek Sarbhai
1.	01.05.2025	Present	Present	Present	N.A.	N.A.	N.A.
2.	09.05.2025	Present	Present	Present	N.A.	N.A.	N.A.
3.	30.06.2025	Present	Present	Present	N.A.	N.A.	N.A.
4.	18.07.2025	Present	Present	Present	N.A.	N.A.	N.A.
5.	14.08.2025	Present	Present	Present	N.A.	N.A.	N.A.
6.	01.09.2025	Present	Present	Present	Present	Present	Present
7.	24.09.2025	Present	Present	Present	Present	Present	Not present
8.	28.09.2025	Present	Present	Present	Present	Present	Present
9.	13.11.2025	Present	Present	Present	Present	Present	Present
10.	14.12.2025	Present	Present	Present	Present	Present	Present
11.	14.02.2026	Present	Present	Present	Present	Present	Present
12.	14.03.2026	Present	Present	Present	Present	Present	Present

10. Directors and Key Managerial Personnel

Your Board of Directors comprises of Executive and Non-Executive Directors with rich experience and expertise across a range of fields such as corporate finance, strategic management, accounts, legal, marketing, technical, brand building, social initiative, general management and strategy.

The composition of Board of the company is duly constituted. The following Directors were on the Board as on 31/03/2026:

1. Mr. Sandeep Aggarwal (DIN: 00251058), Managing Director
2. Mr. Nikunj Aggarwal (DIN: 06909464), Whole time director
3. Mrs. Esha Gupta, (DIN: 09267009), Whole time director
4. Mrs. Archana Jain (DIN: 09171307), Non-Executive Independent Director
5. Mr. Anand Tandon (DIN: 08036843), Non-Executive Independent Director
6. Mr. Vivek Sarbhai (DIN: 01972612), Non-Executive Independent Director

During the period under review, changes in composition of Board of Directors and KMP were as under:

- Mrs. Esha Gupta (DIN: 09267009), who was appointed as an Additional Director in the Board Meeting held on 08th March 2025 and was to hold office up to the date of the last Annual General Meeting of the Company to be held in the year 2025. However, she was regularized as Director of the Company in Extra-Ordinary General Meeting held on 25th July, 2025.
- Mrs. Archana Jain, Mr. Anand Tandon and Mr. Vivek Sarbhai were appointed as Non-Executive Independent Directors of the Company for a period of 03 years with effect from 30th June, 2025, 18th July 2025 and 18th July, 2025 respectively;
- Mr. Sandeep Aggarwal was appointed as Chairman in Board Meeting held on 18 July, 2025;
- With effect from 01st August, 2025 Mr. Sandeep Aggarwal was appointed as Managing Director and Mr. Nikunj Aggarwal and Mrs. Esha Gupta both were

appointed as Whole-time Director of the Company, for a period of 05 (Five) years up to 31st July, 2030;

- Mr. Sandeep Aggarwal, Managing Director, Mr. Nikunj Aggarwal, Whole-time Director, Mrs. Esha Gupta, Whole-time Director, Mr. Arun Kumar Mallik, Chief Financial Officer and Mr. Puneet Verma, Company Secretary and Compliance Officer represent the Key Managerial Personnel (KMP) of your Company as per Section 203 of the Companies Act, 2013;
- With effect from 30th June, 2025, Mr. Arun Kumar Mallik was appointed as Chief Financial Officer and Mr. Puneet Verma was appointed as Company Secretary & Compliance Officer of the Company but due to personal reason, Mr. Puneet Verma has resigned as Company Secretary & Compliance Officer of the Company w.e.f. 11/12/2025, after closing of business hours. Mr. Manish Kumar Rai (M. No. A17173) was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 14/12/2025.
- Mr. Nikunj Aggarwal, Whole time Director retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.
- The details of the Director proposed to be re-appointed at the ensuing Annual General Meeting, as required by Regulation 36(3) of the SEBI Listing Regulations and SS-2 (Secretarial Standards on General Meetings) are provided at the end of the Notice convening the Annual General Meeting.

Resolutions seeking shareholders' approval for his re-appointment along with other required details forms an integral part of the Notice. The Board recommends his re-appointment.

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fee to attend the meetings of the Board and its Committees.

11. Declaration by Independent Directors of the Company

Your Company has received declarations from all the Independent Directors, confirming that they meet with the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations.

The Independent Directors have also affirmed compliance with Code of Ethics and Business Principles as required

under Regulation 26(3) of SEBI Listing Regulations. They have their names registered in the Independent Directors' Databank. Further, pursuant to Section 164(2) of the Companies Act, 2013, all the Independent Directors have submitted declarations that they have not been disqualified to act as a Director.

In the opinion of the Board, Independent Directors fulfil the conditions specified in the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as under Listing Regulations and are independent from the Management.

The appointment and tenure of the Independent Directors, including the code for Independent Directors are available on the Company's website, <https://ardeeindustries.com/investors/Policies/Terms and condition for appointment of independent director>.

12. Nomination and Remuneration Policy

On the recommendation of the Nomination and Remuneration Committee, the Board has adopted a Policy for the selection and appointment of Directors, Senior Management Personnel, and remuneration including criteria for determining qualifications, positive attributes, Independence of Directors, and other matters pursuant to Section 178(3) of the Companies Act, 2013. The Policy is available on the Company's website, <https://ardeeindustries.com/investors/Policies/Policy on Board Diversity>.

13. Board Evaluation

Your Company has devised a formal process for annual evaluation of the performance of the Board, its committees, and Individual Directors ("Performance Evaluation") which includes criteria for performance evaluation of Non-Executive Directors and Executive Directors as laid down by the Nomination and Remuneration Committee and the Board. It covers the areas relevant to the functioning of Independent Directors or other Board Members and Committees of the Board. The Independent Directors and other Non-Independent Directors carried out annual performance evaluation of the Chairman and Managing Director and Whole-time Directors. Annual Performance of Independent Directors were done by other Independent Directors and also by Chairman and Managing Director & Whole Time Directors/Executive Director. The Board carried out an annual performance evaluation of its own performance. The performance of each Committee was evaluated by the Board, based on the report on evaluation received from respective Committees. The Board of Independent Directors expressed their satisfaction. The Policy is available on the Company's website, <https://>

ardeeindustries.com/investors/Policies/Board Evaluation Policy.

14. Familiarization Program for Independent Directors

The details of the familiarization programme undertaken during the year have been provided in the Corporate Governance Report. The Policy is available on the Company's website, <https://ardeeindustries.com/investors/Policies/Independent Directors' Familiarisation Programme>.

15. Secretarial Standards

The Directors state that applicable Secretarial Standards, i.e., SS-1 and SS-2 relating to Meeting of the Board of Directors and General Meeting, respectively, have been duly followed by the Company during the period under review.

16. Directors' Responsibility Statement

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

- (i) that in the preparation of the Annual Accounts for the year ended 31st March 2026, the applicable accounting standards have been followed and there are no material departures;
- (ii) that the accounting policies selected and applied are consistent and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) that proper and sufficient care has been taken 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;
- (iv) that the Annual Accounts for the year ended 31st March 2026, have been prepared on a going concern basis;
- (v) that the internal financial controls laid down by the Board and being followed by the Company are adequate and operated effectively;
- (vi) that the proper systems, devised by Directors to ensure compliance with the provisions of all applicable laws, were adequate and operating effectively.

Based on the framework of Internal Financial Controls and compliance system established and maintained by the Company, work performed by the Internal, Statutory, and Secretarial Auditors and external consultants, including audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls are adequate and effective during the financial year 2025-26.

17. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information required pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo has been mentioned herein below:

Information relating to Conservation of Energy, Technology Absorption, Research and Development, Exports, Foreign Exchange Earnings and Outgo and other information forming part of this Board's Report under the provisions mentioned under the Companies Act, and the Rules made thereunder is as follows:

(a) Conservation of Energy

(i) Steps taken or impact on conservation of energy:

Implementation of waste heat recovery system on rotary furnaces.

Regular preventive maintenance to minimize power loss.

Process optimization initiatives to reduce fuel and power consumption.

(ii) Steps taken for utilizing alternate sources of energy:

Trial usage of pyrolysis oil in rotary furnaces to partially substitute furnace oil.

Installation of rooftop solar lighting systems for non-process areas.

Evaluation of biogas for future use in canteen utilization.

(iii) Capital investment on energy conservation equipment's:

Approx. 30-40 Lakhs invested in energy-efficient equipment (VFD, high-efficiency pumps, LED lighting, and heat recovery system).

(b) Technology Absorption

(i) Efforts made towards technology absorption:

Adoption of advanced optical emission spectrometer (OES) for faster and more accurate metal analysis.

Implementation of improved refining technology for alloying with reduced dross generation.

(ii) Benefits derived (product improvement, cost reduction, product development, import substitution):

Enhanced product quality consistency with tighter chemical composition controls.

Reduction in specific fuel consumption, leading to cost savings.

(iii) Imported technology (last 3 years):

a) **Details:** Advanced spectrometer & certain furnace process control systems.

b) **Year of import:** (2021-23)

c) **Absorption status:** Technology has been fully absorbed training provided to operators. No major gaps in absorption.

(iv) Expenditure incurred on Research & Development:

Approx. 60 Lakhs spent on process trials, and laboratory equipment so far to improve efficiency and quality of the products.

B. The details of the foreign exchange earnings and outgo are provided under Note 39 to the financial statements.

18. Related Party Transactions

Your Company has Related Party Transactions Policy. The Policy of the Related Party Transactions is available at following web link, <https://ardeeindustries.com/investors/Policies/Policy on Related Party Transactions>.

All related party transactions entered into during the year were in the ordinary course of the business and on arm's length basis. The particulars of material-related party transactions are provided in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Same has been annexed and forms an integral part of this Report.

There are no material significant related party transactions made by the Company except as disclosed in the Annual Report which may have potential conflict with the interest of the Company during the year by your Company.

Further, suitable disclosures as required under the Accounting Standards have been made to the notes of the Financial Statements.

19. Particulars of Employees and Related Disclosures

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules, forms part of this Report. Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report and has been annexed. Having regard to the provisions of the second provision to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The above-mentioned disclosures are available for inspection by the Members at the Registered Office of your Company during business hours on all working days of the Company up to the date of the ensuing AGM. Any Member interested in obtaining a copy thereof, may write an email to the Company Secretary and the same will be furnished on request.

20. Corporate Social Responsibility (CSR) Committee

Your Company aims to remain committed to society through its social responsibility, strongly connected with the principle of sustainability, an organization based not only on financial factors, but also on social and environmental consequences.

As required under Section 135 of the Companies Act, 2013, at present, CSR Committee is comprising of Directors, viz: Mr. Sandeep Aggarwal as the Chairman, Mr. Nikunj Aggarwal and Mr. Vivek Sarbhai as Members. The CSR

Committee of the Company has laid down the policy to meet Corporate Social Responsibility. The CSR Policy includes any activity that may be prescribed as CSR activity as per the Rules of the Companies Act, 2013.

At Ardee Industries Limited, we believe that we have a responsibility to bring enduring positive value to communities we work with.

Further, a detailed report as required has been annexed and forms an integral part of this Report.

The detailed CSR Policy of the Company is also available on the Company's website, [https://ardeeindustries.com/investors/Policies/CSR Policy](https://ardeeindustries.com/investors/Policies/CSR%20Policy).

21. Information under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and The Code on Social Security, 2020 - Maternity benefit

Your Company firmly believes in providing a safe, supportive and friendly workplace environment - a workplace where our values come to life through the supporting behaviors. A positive workplace environment and great employee experience are integral parts of our culture. Your Company believes in providing and ensuring a workplace free from discrimination and harassment based on gender. Your Company educates its employees as to what may constitute sexual harassment and in the event of any occurrence of an incident constituting sexual harassment. Your Company has created the framework for individuals to seek recourse and redressal to instances of sexual harassment.

Your Company has constituted an Internal Complaints Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. During the year, no complaint was filed before the said Committee during the period under review.

Sr. No.	Particulars	Remarks
1.	Number of complaints of Sexual Harassment pending in the Last Year	Nil
2.	Number of complaints of Sexual Harassment received in the Year	Nil
3.	Number of Complaints disposed off during the year	Nil
4.	Number of cases pending for more than ninety days	Nil

Your Company has a Policy on "Prevention of Sexual Harassment of Women at Workplace" and matters connected therewith or incidental thereto covering all the aspects as contained under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013". The said Policy of the Company is available on the Company's website, <https://ardeeindustries.com/investors/Policies/Posh Policy>.

The Company has filed POSH return with the authorities concerned for the period 1st January 2025 to 31st December 2026 on 3rd January 2026.

The Company is in compliance with the applicable provisions relating to maternity benefits as prescribed under the Maternity Benefit Act, 1961/ the Code on Social Security, 2020.

22. Audit Committee

The Audit Committee of the Board consists of Mrs. Archana Jain as Chairman, Mr. Anand Tandon and Mr. Nikunj Aggarwal as its other Members. The Company Secretary is the Secretary of the Committee. The details of terms of reference of the Audit Committee, number and dates of meetings held in attendance of the Directors, and remunerations paid to them are given separately in the attached Corporate Governance Report.

During the year, there were no instances where the Board had not accepted the recommendations of the Audit Committee.

23. Vigil Mechanism / Whistle Blower Policy

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and SEBI Listing Regulations, the Company has framed a Whistle Blower Policy/ Vigil Mechanism for Directors, Employees, and Stakeholders for reporting genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. Besides, as per the requirement of Clause 6 of Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, as amended from time to time, the Company ensures to make employees aware of such Whistle Blower Policy to report instances of leak of unpublished price sensitive information.

The Vigil Mechanism provides adequate safeguards against victimization of Directors or Employees or any other person who avails themselves of the mechanism and also provides direct access to the Chairperson of the Audit Committee. The details of the Vigil Mechanism/ Whistle Blower Policy are also posted on the Company's

website, <https://ardeeindustries.com/investors/Policies/Vigil Mechanism Policy>.

24. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

There is no Associate Company or Joint Venture Company within the meaning of Section 2(6) of the Companies Act, 2013.

Your Company does not have any subsidiary.

Your Company has adopted the Policy for determining a "material subsidiary", which states that a material subsidiary means a subsidiary, whose Turnover or Net Worth exceeds 10% of the Consolidated Turnover or Net Worth of the Company and its subsidiaries in the immediately preceding accounting year.

A policy on "material subsidiaries" was formulated by the Audit Committee of the Board and as amended as on date is also posted on the Company's website, <https://ardeeindustries.com/investors/Policies/Policy for determining Material Subsidiaries>.

25. Statutory Auditor and Auditors' Report

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder. The Board of Directors, on the recommendation of Audit Committee and approval of the Shareholders of the Company, at its 32nd Annual General Meeting of the Company had appointed M/ Nangia & Co. LLP, Chartered Accountants, (002391C/ N500069), as Statutory Auditors of the Company for a term of 5 (five) years from the conclusion of the 32nd Annual General Meeting until the conclusion of the 37th Annual General Meeting of the Company, to be held in the year 2030.

The report given by M/s Nangia & Co. LLP, on the financial statements of the Company, for the financial year 2025-26, forms an integral part of the Annual Report. The notes on financial statements referred to in the Auditors Report are self-explanatory and do not call for further comments. The observations of the Auditors are explained wherever necessary in the appropriate Notes on Accounts. The Auditors' Report does not contain any qualifications, reservations, or adverse remarks. During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013, therefore no details are required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

26. Cost Auditor

In compliance with the provisions of the Companies Act, 2013 and in terms of Sub Rule (ix) of Rule 8 of the Companies (Accounts) Rules, 2014, your Company has been maintaining Cost Records.

In conformity with the directives of the Central Government, the Company has re-appointed M/s. M.K Jha & Co., Cost Accountants (Firm Regn. No. 101333), Cost Accountant as Cost Auditor under Section 148(3) of the Companies Act, 2013, for audit of the Cost Record of the Company, to carry out the audit of cost records maintained by the Company, for the financial year 2025-26 in the Board Meeting held on 01/09/2025.

The remuneration of Cost Auditor for the financial year 2026-27 has been approved by the Board on the recommendation of the Audit Committee and the requisite resolution for ratification of remuneration of Cost Auditor by the members has been set out in the notice of the ensuing 33rd Annual General Meeting of your Company.

27. Internal Auditor

Your Company has appointed M/s Grant Thornton Bharat LLP, as Internal Auditors for the financial year 2025-26 under Section 138 of the Companies Act, 2013 in the Board meeting held on 01st September 2025 and Rules made thereunder as recommended by the Audit Committee. The scope, functioning, periodicity, and methodology for conducting internal audits were approved by the Board as recommended by the Audit Committee.

28. Secretarial Auditor

Pursuant to the provision of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board based on the recommendation of Audit Committee in the Board Meeting held on 01st September 2025 had appointed M/s A.K. Chaudhary & Associates, as the Secretarial Auditor of the Company, for conducting the Secretarial Audit of the Company, for the financial year 2025-26, on receiving a letter of consent confirming his eligibility for the same.

The Secretarial Audit Report from M/s A.K. Chaudhary & Associates, Practicing Company Secretary, in Form MR-3, for the year ended 31st March 2026, of Ardee Industries Limited, has been annexed and forms an integral part of this Report. The Secretarial Audit Reports are self-

explanatory. Observations as raised by Secretarial Auditor has been suitably addressed elsewhere in the Annual Report. During the year under review, the Secretarial Auditor had not reported any matter under Section 143(12) of the Companies Act, 2013, therefore no details are required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

The Company is seeking requisite approval from the members for the appointment of M/s A.K. Chaudhary & Associates, Practicing Company Secretary as Secretarial Auditors to conduct Secretarial Audit starting from F.Y. 2026-27 to F.Y. 2030-31.

29. Public Deposits

During the financial year 2025-26, your Company did not invite or accept any deposit from the public.

30. Internal Control Systems and its Adequacy of Financial Controls with reference to Financial Statement

As per the provision of Section 134(5)(e) of the Companies Act, 2013 and Sub Rule (viii) of Rule 8 of the Companies (Accounts) Rules, 2014, the Company has in place an Internal Control System designed to ensure proper recording of financial and operational information and compliance with various internal controls and other regulatory and statutory compliances. A self-certification exercise is also conducted by which senior management certifies the effectiveness of the internal control system of the Company. The internal audit has been conducted by a qualified external Internal Auditor. The findings of the Internal Audit Report are reviewed by the Management and by the Audit Committee of the Board and proper follow-up actions are ensured wherever required. The Statutory Auditors have evaluated the internal financial controls framework of the Company and have reported that the same are adequate and commensurate with the size of the Company and the nature of its business.

31. Particulars of Loans, Guarantees or Investments and Securities Provided

During the year under review, your Company has not given any loan, Investment or guarantee under Section 186 of the Companies Act, 2013, to any person.

32. Insurance

All the properties including buildings, plants and machinery, and stocks have adequately been insured.

33. Listing

The shares of your Company got listed at both BSE Limited and the National Stock Exchange of India Limited, Mumbai on 12th August 2026. The listing fees to the Stock Exchanges have been paid to BSE Limited and the National Stock Exchange of India Limited, Mumbai within stipulated period.

34. Significant and material orders passed by the Regulators, Courts or Tribunal

During the year under review, no significant material orders passed by the Regulators, Courts or Tribunal impacting the going concern status and the Company's operations in the future in terms of Sub Rule (vii) of Rule 8 of the Companies (Accounts) Rules, 2014.

However, the company got the offenses compounded and paid the penalty under section 454 of the companies act, 2013 ('the act') for the alleged violation of section 204(4) of the Companies act, 2013 by Registrar of Companies (ROC), Delhi. In terms of section 204 of the Companies act, 2013, which obligated the company to appoint a Secretarial Auditor to conduct the Secretarial Audit for the Financial year 2023-24 and annex the Secretarial Audit Report in Form MR-3 with the Board's Report for the financial year 2023-24.

35. Management Discussion and Analysis

In compliance with Regulation 34 (3) and Part B of Schedule V of the SEBI Listing Regulations, 2015, a separate Section on the Management Discussion and Analysis has been annexed and forms an integral part of this Report.

36. Corporate Governance

The Corporate Governance Report along with Practicing Company Secretary Certificate complying with the conditions of Corporate Governance as stipulated in Regulation 27 of SEBI Listing Regulations has been annexed and forms an integral part of this Report.

37. Transfer of Unclaimed Dividend/Equity Shares to Investor Education and Protection Fund (IEPF) Authority

Pursuant to the provisions of Section 124 and 125 of the Companies Act 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer, and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ("IEPF Rules, 2016"), the amount of dividend remaining unpaid or unclaimed for period of seven consecutive years from the due date was required to be transferred to the Investor Education and Protection Fund Authority ("IEPF"), constituted by the Central Government.

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid in previous years.

38. Industrial Relations/Human Resources

Your Company continues to maintain healthy, cordial, and harmonious industrial relations at all levels during the year under review. Your Company firmly believes that a dedicated workforce constitutes the primary source of sustainable competitive advantage. Accordingly, human resource development continues to receive focused attention. Your directors wish to place on record their appreciation for the dedicated and commendable services rendered by the staff and workforce of your Company.

Your Company's Human Resource Management focus continues to be in making available a talent pool, for meeting challenges in the competitive market place, which is increasingly becoming tougher. Development plans have been drawn up for key managers to shoulder higher responsibilities as well as to increase their job effectiveness.

Your Company always encourages young personnel with their ideas and views. Management is easily accessible to the employees and always available to attend their problems promptly.

The Company believes in empowering its employees through greater knowledge, team spirit and developing greater sense of responsibility.

39. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on 31st March 2026, is available on the Company's website, [https://ardeeindustries.com/investors/Annual Return](https://ardeeindustries.com/investors/Annual%20Return).

40. Material Changes and Commitments, if any, affecting the financial position of the Company

There are no material changes and commitments affecting the financial position of your Company between the year ended 31st March 2026, and the date of this Board's Report.

41. Approval of policies and plans as required under the companies act, 2013 and the rules notified thereunder, as amended ("companies act"), Securities and Exchange Board of india (Listing Obligations and Disclosure requirements) Regulations, 2015, as amended, and the Securities and Exchange Board of india (Prohibition of Insider Trading) Regulations, 2015, as amended and all other applicable laws.

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board had adopted the following policies:

Sr. No.	Name of the Policy
1.	Policy on Preservation of Documents and Archival Policy
2.	Policy for determining 'Material' Subsidiaries
3.	Policy on Related Party Transactions
4.	Policy for determination of materiality of events or information
5.	Vigil Mechanism Policy or Whistle Blower Policy
6.	Policy Relating to Remuneration of Directors, KMP and SMP
7.	Policy on Familiarization of Independent Directors
8.	Code of conduct for all members of the Board and senior management
9.	Code of practices and procedures for fair disclosure of unpublished price sensitive information as per SEBI PIT Regulations
10.	Corporate Social Responsibility Policy
11.	Succession Plans
12.	POSH Policy
13.	Dividend Distribution Policy
14.	Code of conduct to regulate, monitor and report trading by its employees and other connected persons towards achieving compliance with SEBI PIT Regulations
15.	Policy for Evaluation of Performance of Board of Directors
16.	Policy on Board Diversity
17.	Nomination and Remuneration Policy

42. Code of Conduct for the Directors and Senior Management Personnel

The Code of Conduct for the Directors and Senior Management Personnel has been posted on the Company's website, <https://ardeeindustries.com/investors/Policies/Code of Conduct of Directors and Senior Management>.

The Chairman and Managing Director of the Company has given a declaration that all the Directors and Senior Management Personnel, affirmed compliance with the Code of Conduct with reference to the year ended 31st March 2026, and a declaration is attached with the Annual Report.

43. Managing Director and CFO Certification

Pursuant to SEBI Listing Regulations, MD/CEO and CFO Certification has been annexed with the Annual Report. The MD/CEO and CFO also provide quarterly certification on financial results, while placing the financial results before the Board in terms of SEBI Listing Regulations.

44. Nodal Officer

Mr. Manish Kumar Rai, Company Secretary, will act as the Nodal Officer of the Company under the provisions of IEPF.

45. General Disclosures

Your directors state that no disclosure or reporting is required in respect of the following matters during the year under review:

- 1) Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
 - 2) Issue of Equity Shares (including Sweat Equity Shares) to employees of your Company, under any scheme;
 - 3) Your Company has not resorted to any buyback of its Equity Shares during the year under review;
 - 4) Neither the Chairman & Managing Director nor the Whole time Directors of your Company received any remuneration or commission during the year, from any of its subsidiaries;
 - 5) No fraud has been reported by auditors under sub-section (12) of Section 143;
 - 6) The details of difference between the 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 along with the reasons thereof - Not Applicable; and
 - 7) The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year- Not Applicable. (Point 6 & 7:- In terms of Sub Rule (xi) & Sub-Rule (xii) of Rule 8 of the Companies (Accounts) Rules, 2014).
46. In terms of Subrule (4) of Rule 9 of Companies (Management & Administration) Rules, 2014, the Company Secretary and Compliance Officer of the Company is responsible for furnishing and extending co-operation for providing information to the registrar or any other authorised officer with respect to beneficial interest in shares of the Company.

47. The Company Secretary and Compliance Officer is authorized to receive deceleration of beneficial interest of Shares of the Company as per the prescribed Rules of the Companies Act, 2013.

49. Acknowledgement

Your Company continues to operate responsibly and efficiently because of the culture of professionalism, creativity, integrity, ethics, good governance, and continuous improvement in all functions and areas as well as the efficient utilization of the Company's resources for sustainable and profitable growth.

Your directors hereby wish to place on record their appreciation of the efficient and loyal services rendered

by every employee without whose whole-hearted efforts, the overall satisfactory performance would not have been possible. Your directors also record their grateful appreciation for the encouragement, assistance, and co-operation received from Members, Government Authorities, Financial Institutions, Banks, Customers, and all other Stakeholders. Your directors look forward to the long-term future with confidence.

**By Order of the Board of Directors of
Ardee Industries Limited**

**Sandeep Aggarwal
Managing Director
DIN: 00251058**

**Date: 22.10.2026
Place: New Delhi**

Annexure to Board's Report

FORM NO. AOC -2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis. NA

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Date of approval by the Board	-
f)	Amount paid as advances, if any	-

For and on behalf of
Ardee Industries Limited

Sandeep Aggarwal
DIN: 00251058

Date: 22.10.2026
Place: New Delhi

Nikunj Aggarwal
DIN: 06909464

Date: 22.10.2026
Place: New Delhi

Disclosure in the Directors' Report under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The information required under Section 197 of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, are given below:

- a) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2025-26:

1. Details of contracts or arrangements or transactions not at Arm's length basis. NA

SL. No.	Name of Director	Ratio of Remuneration of each director to medium remuneration of employees	% increase in remuneration in the financial year 2025-26
1	Mr. Sandeep Aggarwal (Chairman and Managing Director)	53.33	N/A
2	Mr. Nikunj Aggarwal (Whole Time Director)	53.33	N/A
3	Mrs. Esha Gupta (Whole Time Director)	5.33	N/A
4.	Mr. Arun Kumar Mallik (Chief Financial Officer)	18.38	N/A
5.	Mr. Manish Rai (Company Secretary)	3.39	N/A
6.	Mr. Puneet Verma (Company Secretary)	3.58	N/A

Notes:

* Not included above, non-executive independent directors receiving fee for attending the meeting.

- a) In the financial year 2025-26, the median remuneration of employees of the Company was ₹ 0.03 Crore and accordingly the ratio of remuneration of each Director to the median remuneration of the employees of the Company has been provided in the table above.
- b) Remuneration of 125 permanent employees have been considered for calculating Median Remuneration of the Employees.
- c) In the financial year 2025-26, the average percentage increase in the salary of employees of the Company other than the managerial personnel. Not Applicable

The Board of Directors of the Company affirms that the remuneration as above are as per the Remuneration Policy of the Company.

For and on the behalf of Board of Directors
Sandeep Aggarwal
Managing Director
DIN: 00251058

Place: New Delhi
Date: 22.10.2026

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2026

{Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
 The Members,
ARDEE Industries Limited
 Khasra No.340, 1st Floor & 3rd Floor,
 Village Sultanpur, Mehrauli,
 Gadaipur, New Delhi, India, 110030

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **M/s ARDEE Industries Limited (formerly known as Ardee Industries Private Limited) (hereinafter called "the Company")**, having **CIN U24294DL1993PLC405804**. A Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information/explanation 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, generally 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 as maintained by the Company for the Audit Period, according to the provisions of:

- a. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder: [Not applicable as the Company has not listed any of its securities on any Stock Exchange];
- c. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Dematerialization of Securities by the Company. [Not applicable as all the equity shares were held in physical form during the audit period];
- d. 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; [There were no transactions of Overseas Direct Investment, Foreign Direct Investment and External Commercial Borrowings which was required to be reviewed during the period under audit];
- e. The Regulations and/or guidelines as prescribed by the Securities and Exchange Board of India Act, 1992; [Not applicable as the Company has not listed any of its securities on any Stock Exchange];
- f. The company was not required to comply with the requirements under the Equity Listing Agreements and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [The Company is an unlisted company during the year under preview].

However, the Company became listed on BSE and NSE with effect from 12th August 2026.

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

- i. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and the same were generally complied.
- ii. General Circular no. 14/2020 dated April 08, 2020, General Circular no. 17/2020 dated April 13, 2020, General Circular no. 20/2020 dated May 05, 2020, General Circular no. 09/2023 dated September 25, 2023 issued by the Ministry of Corporate Affairs to hold Annual General Meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM).

We have also verified the compliances of the Company with other statutes, which are specifically applicable to the Company, as reported by the Management thereof, except to the extent the same were in the scope of the work of Statutory Auditors and/or Internal Auditors.

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 a shortfall of Rs 28.65 lakh towards incurring of CSR expenditure during the F.Y. 2025-26. The unspent amount has neither been transferred to a fund specified in Schedule VII within the period prescribed under the second proviso to Section 135(5) of the Companies Act, 2013, nor to an Unspent CSR Account under Section 135(6).

However, Company has deposited Rs. 30 Lakhs on 9th October, 2026 in PM Cares Fund as specified under Schedule VII of the Companies Act, 2013.

We further report that:

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

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally at least seven days in advance or in compliance with shorter notice provisions of the Act. There is a system in place for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and process 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 during the audit period, the Company has undertaken following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above:

1. The Board of Directors of the Company, at its meeting held on 09th May, 2025, accorded its approval to:
 - a. Avail a bill discounting facility from Axis Bank Limited ("the Bank"), vide their Credit Facility Offer Letter No. Ref: CAM519612240089/NORTH/MCG/2024-25 dated 16th January, 2025, on terms and conditions mutually agreed between the Bank and the Company.
 - b. Avail various credit facilities, FD/OD Facilities up to an overall limit of ₹20 Crore (Twenty Crore) ("Applicable Facility(ies)"), from Standard Chartered Bank (the "Bank"), on terms and conditions specified in the sanction letter dated 12th May 2025 and the facility agreement executed on or about the date of the resolution by and between, inter alia, Standard Chartered Bank and the Company (the "Facility Agreement"), as amended, modified or supplemented from time to time;
2. The Board of Directors of the Company, at its meeting held on 30th June, 2025, accorded its approval to:
 - a. Avail a credit facility from Yes Bank Ltd ("the Bank") for an aggregate principal amount of up to INR 75,20,00,000/- (Indian Rupees Seventy-Five Crores and Twenty Lakhs Only) ("Facility/ies") by way of Fresh/Enhancement/Renewal Facilities, on terms and conditions mutually agreed upon from time to time.
 - b. Appoint Mr. Puneet as the Company Secretary of the Company w.e.f. 30th June, 2025, to perform the duties of a secretary as required under the Act and any other duties assigned by the Board of Directors.
 - c. Appoint Mr. Puneet Verma, Company Secretary, as the Compliance Officer of the Company on applicability of the above regulations, for monitoring compliance and redressal of investor grievances and to perform various acts, deeds and functions as required under the applicable SEBI Laws.
 - d. Appoint Mr. Puneet Verma, Company Secretary & Compliance Officer of the Company, as the Chief Investor Relations Officer ("CIRO") of the Company, to ensure compliance with the said regulations, particularly in relation to the handling and disclosure of Unpublished Price Sensitive Information (UPSI) and to oversee dissemination of information to the stock exchanges and investors.
 - e. Appoint Mr. Arun Kumar Mallik as Chief Financial Officer ("CFO") of the Company w.e.f. 30th June, 2025, on terms, conditions and remuneration determined by the Board of Directors.
 - f. Avail a credit facility from DBS Bank India Limited, Sector-16B, Noida Branch ("the Bank"), which agreed to sanction/disburse various credit facilities

- up to a maximum aggregate principal amount of INR 30,00,00,000 (Indian Rupees Thirty Crore) and forward foreign exchange facilities as permitted by the Reserve Bank of India ("Facilities"), on the terms, conditions and securities set out in the Facility/Offer Letter dated 26/06/2025, Sanction Ref No. CDT/ADMIN/1561/2025, as amended, modified or supplemented from time to time ("Facility Letter").
- g. Appoint Mrs. Archana Jain (DIN: 09171307) as an Additional Director (Non-Executive Independent Director).
3. The Board of Directors of the Company, at its meeting held on 18th July, 2025, accorded its approval to:
 - a. Appoint Mr. Anand Tandon (DIN: 08036843) as an Additional Director (Non-Executive Independent Director).
 - b. Appoint Mr. Vivek Sarbhai (DIN: 01972612) as an Additional Director (Non-Executive Independent Director).
 - c. Approve the Company's application to acquire land up to up to an area of 25,000 sq. mtrs. in District Tirupati, State of Andhra Pradesh.
 4. The Board of Directors of the Company, at its meeting held on 14th August, 2025, accorded its approval to:
 - a. Appoint M/s RMG & Associates as Secretarial Auditor of the Company for the Financial Year (F.Y.) 2023-24.
 - b. Appoint M/s RMG & Associates as Secretarial Auditor of the Company for the Financial Year (F.Y.) 2024-25.
 - c. Allot 23,88,97,500 (Twenty Three Crores Eighty Eight Lakh Ninety Seven Thousand Five Hundred Only) fully paid-up equity shares of the Company of face value ₹2/- each ("Bonus Equity Shares"), by capitalizing a sum of ₹47,77,95,000/- (Rupees Forty Seven Crore Seventy Seven Lakh Ninety Five Thousand Only) out of the free reserves and Securities Premium Account of the Company, for distribution to existing members in the proportion of Fifteen (15) new equity shares of ₹2/- each for every One (1) existing fully paid-up equity share of ₹2/- each held by them on the Record Date of August 14, 2025.
 5. The Board of Directors of the Company, at its meeting held on 01st September, 2025, accorded its approval to:
 - a. Appoint M/s Grant Thornton Bharat LLP as Internal Auditor of the Company to conduct the Internal Audit for the financial year 2025-26.
 - b. Appoint M/s AK Choudhary & Associates, Company Secretaries (CP No. 21297), as the Secretarial Auditor of the Company for the Financial Year (F.Y.) 2025-26.
 6. The Board of Directors of the Company, at its meeting held on 24th September, 2025, accorded its approval to invest, and the Board accordingly invested, the surplus funds of the Company by way of subscription to acquire shares, stocks, debentures, bonds, securities, Units, REITs, InVITs, etc., of bodies corporate or companies (listed or unlisted).
 7. The Board of Directors of the Company, at its meeting held on 28th September, 2025, accorded its approval to:
 - a. Approve the offer agreement executed by the Company, the selling shareholders and the book running lead manager, with respect to the initial public offering of equity shares of face value ₹2 each of the Company ("Equity Shares"), comprising a fresh issue of Equity Shares by the Company ("Fresh Issue") and an offer for sale of Equity Shares by certain existing shareholders of the Company ("Selling Shareholder(s)") ("Offer for Sale", and together with the Fresh Issue, the "Offer") (the "Offer Agreement").
 - b. Approve the draft red herring prospectus (the "DRHP"), in respect of the initial public offering of equity shares of face value ₹2 each of the Company (the "Equity Shares"), consisting of a fresh issue and an offer for sale by Sandeep Aggarwal and Nikunj Aggarwal (the "Selling Shareholder(s)") of 3,76,50,000 Equity Shares of face value ₹2/- each (the "Offer"), at a price determined in accordance with the book building process prescribed under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and as agreed to by the Company and the Selling Shareholders in consultation with the book running lead manager (the "BRLM"). The DRHP, as tabled before the Board, was approved for filing with the Securities and Exchange Board of India ("SEBI"), BSE Limited, National Stock Exchange of India Limited (together, the "Stock Exchanges") and other

- authorities or persons as required.
- c. Approve the application for trading and listing to BSE Limited and National Stock Exchange of India Limited (collectively, the "Stock Exchanges") for in-principle approval for listing and trading of its equity shares.
8. The Board of Directors of the Company, at its meeting held on 13th November, 2025, accorded its approval to :
 - a. Avail a Commercial Card facility from Axis Bank for an amount not exceeding, in the aggregate, Rs. 1,00,00,000/- (Rs. One Crore) in terms of the sanction letter dated 12.11.2025 of Axis Bank Limited, Ref No. Axis Bank/CO/RB/443/2025-26.
 - b. Avail enhanced Working Capital Facilities of Rs. 25 Crore from Axis Bank Limited, Karol Bagh Branch, New Delhi, via sanction letter Ref No. AXIS-CAM592910250011/MCG/North/2025-26, which enhanced the fund-based Working Capital Facilities by Rs. 25 Crore to meet the enhanced working capital requirements of the Company.
 9. The Board of Directors of the Company, at its meeting held on 14th December, 2025, accorded its approval to:
 - a. Take note of the resignation of Mr. Puneet Verma, Company Secretary and Compliance Officer of the Company.
 - b. Appoint Mr. Manish Kumar Rai (ACS-17173) as the Company Secretary of the Company w.e.f. 14th December, 2025, to perform the duties of a secretary as required under the Act and any other duties assigned by the Board of Directors.
 - c. Appoint Mr. Manish Kumar Rai as Compliance Officer of the Company with effect from December 14, 2025, on applicability of the above regulations, for monitoring compliance and redressal of investor grievances and to perform various acts, deeds and functions as required under the applicable SEBI Laws.
 - d. Appoint Mr. Manish Kumar Rai (ACS-17173), with effect from December 14, 2025, as the Chief Investor Relations Officer ("CIRO") of the Company, to ensure compliance with the said regulations, particularly in relation to the handling and disclosure of Unpublished Price Sensitive Information (UPSI) and to oversee dissemination of information to the stock exchanges and investors.
 10. The Company has obtained approval from its members at its 32nd Annual General Meeting held on 4th September, 2025 as Special Business:
 - a. Re-appoint Mr. Sandeep Aggarwal (DIN: 00251058), who retired by rotation and, being eligible for re-appointment, was re-appointed as a Director of the Company.
 - b. Appoint M/s Nangia & Co. LLP, Chartered Accountants (FRN: 002391C/N500069), as Statutory Auditors of the Company, to hold office from the conclusion of that Annual General Meeting until the conclusion of the Thirty-Seventh (37th) Annual General Meeting of the Company to be held in the year 2030, at a remuneration plus taxes, out-of-pocket expenses, and traveling expenses, etc., as mutually agreed between the Board of Directors and the Auditors.
 - c. Appoint M/s M. K. Jha & Co., Cost Accountants, as Cost Auditor of the Company to audit the cost records of the Company for the Financial Year 2025-26.
 - d. Approve a proposal to undertake an initial public offer of equity shares of face value ₹2/- each of the Company ("Equity Shares"), comprising a fresh issuance of Equity Shares by the Company ("Fresh Issue") and an offer for sale of Equity Shares by certain existing shareholders of the Company ("Selling Shareholders") ("Offer for Sale", and together with the Fresh Issue, the "Offer"), and to list the Equity Shares on one or more of the recognised stock exchanges in India, comprising a Fresh Issue aggregating up to ₹3,200 million plus an Offer for Sale of up to 3,76,50,000 Equity Shares.
 - e. Increase the Investment Limits for Non-Resident Indians and Overseas Citizens of India from 10% to 24% of the paid-up equity share capital of the Company.
 11. The Company has obtained approval from its members at the Extra-Ordinary General Meeting held on 1st April, 2025 to:
 - a. Approve the conversion of the Company into a Public Company pursuant to Section 18 and other applicable provisions of the Companies Act, 2013 and the applicable rules made thereunder, subject to receipt of necessary statutory approvals; the name of the Company was accordingly changed

- from "ARDEE INDUSTRIES PRIVATE LIMITED" to "ARDEE INDUSTRIES LIMITED", by deletion of the word "Private" before the word "Limited".
- b. Amend the Name Clause of the Memorandum of Association of the Company, consequent to the conversion of the Company from Private Limited to Public Limited.
 - c. Adopt new Articles of Association of the Company.
12. The Company obtained approval from its members at the Extraordinary General Meeting held on 7th May, 2025, to borrow any sum or sums of money, including any non-fund based facilities (secured or unsecured) or such other instrument, for the business of the Company from one or more banks, financial institutions, or other persons, firms, or bodies corporate, whether in India or abroad, notwithstanding that the money so borrowed, together with money already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), might exceed the aggregate of the paid-up capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time did not exceed ₹300 Crores (Rupees Three Hundred Crores Only).
 13. The Company has obtained approval from its members at the Extra-Ordinary General Meeting held on 15th July, 2025 to:
 - a. Adopt new Articles of Association of the Company in connection with the proposed Initial Public Offering, requiring certain alterations to its Articles of Association.
 - b. Regularize Mrs. Archana Jain (DIN: 09171307) as Non-Executive Independent Woman Director of the Company, not liable to retire by rotation, to hold office for a first term of three (3) consecutive years with effect from June 30, 2025, to June 29, 2028.
 - c. Sub-divide the face value of the Equity Shares of the Company, and consequently altered the Memorandum of Association, from an Authorised Share Capital of ₹5,00,00,000 (Rupees Five Crore Only) consisting of 5,00,000 (Five Lakh) equity shares of face value ₹100/- each, to ₹5,00,00,000 (Rupees Five Crore) consisting of 2,50,00,000 (Two Crore Fifty Lakh) equity shares of face value ₹2/- each.
 - d. Increase the Authorised Share Capital of the Company, and consequently altered the Memorandum of Association, from ₹5,00,00,000 (Rupees Five Crores Only), divided into 2,50,00,000 (Two Crore Fifty Lakh) equity shares of face value ₹2/- each, to ₹70,00,00,000 (Rupees Seventy Crores Only), divided into 35,00,00,000 (Thirty Five Crore) equity shares of face value ₹2/- each, by creation of an additional 32,50,00,000 (Thirty Two Crore Fifty Lakh) equity shares.
 14. The Company has obtained approval from its members at the Extra-Ordinary General Meeting held on 25th July, 2025 to:
 - a. Appoint Mr. Sandeep Aggarwal as Managing Director of the Company for a period of 5 years with effect from 1st August, 2025, till July 31st, 2030.
 - b. Appoint Mr. Nikunj Aggarwal as Whole-Time Director of the Company for a period of 5 years with effect from 1st August, 2025, till July 31st, 2030.
 - c. Appoint Mrs. Esha Gupta as Whole-Time Director of the Company for a period of 5 years with effect from 1st August, 2025, till July 31st, 2030.
 - d. Regularize Mr. Anand Tandon (DIN: 08036843) as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a first term of three (03) consecutive years with effect from July 18, 2025, to July 17, 2028.
 - e. Regularize Mr. Vivek Sarbhai (DIN: 01972612) as Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a first term of three (03) consecutive years with effect from July 18, 2025, to July 17, 2028.
 - f. Issue Bonus Shares by capitalizing a sum of ₹47,77,95,000/- (Rupees Forty-Seven Crore Seventy-Seven Lakh Ninety-Five Thousand Only) out of the free reserves and Securities Premium Account, applied towards paying up in full 23,88,97,500 (Twenty Three Crores Eighty Eight Lakh Ninety Seven Thousand Five Hundred Only) equity shares of the Company of ₹2/- each

as fully paid-up Bonus Shares (the "Bonus Equity Shares"), in the proportion of Fifteen (15) new fully paid-up equity shares of ₹2/- each for every One (1) existing fully paid-up equity share of ₹2/- each held by eligible shareholders as on the Record Date of 14.08.2025

15. The Company obtained approval from its members at the Extraordinary General Meeting held on 16th February, 2026, for the enhancement of the Board's borrowing powers under Section 180(1)(c) from ₹300 Crore to ₹350 Crore in aggregate.

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

**For A.K.Choudhary & Associates,
Company Secretaries,**

CS Ajay Kumar Choudhary

Proprietor

FCS No. : 12691

C.P No. : 21297

UDIN: F012691H001972431

Date: 22.10.2026

Place: Delhi

Annexure A

To,
The Members,
ARDEE Industries Limited
Khasra No.340, 1st Floor & 3rd Floor,
Village Sultanpur, Mehrauli,
Gadaipur, New Delhi, India, 110030

Our Secretarial Audit Report of even date, for the financial year 2025-26 is to be read along with this letter.

- i. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operating effectively.
- ii. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances as produced before us.
- iii. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
- iv. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc..
- v. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
- vi. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- vii. We have conducted verification & examination of records, as facilitated by the Company, for the purpose of issuing this Report.

For A.K.Choudhary & Associates,
Company Secretaries,

CS Ajay Kumar Choudhary
Proprietor
FCS No. : 12691
C.P No. : 21297
UDIN: F012691H001972431

Date: 22.10.2026
Place: Delhi

Report on Corporate Governance

(Pursuant to Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Directors present the Company's Report on Corporate Governance for the financial year ended 31st March 2026, in terms of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"/ "SEBI Listing Regulations").

1. COMPANY PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Ardee Industries Limited ("Company") has embedded corporate governance into its core business philosophy. The Company is committed to maximizing shareholder value while simultaneously addressing the interests of its customers, employees, and associates.

The Company believes that strong corporate governance is achieved through the adoption of sound management practices, strict compliance with applicable laws, and adherence to ethical business conduct. Its governance practices extend beyond statutory and regulatory requirements, reflecting a conscious effort to uphold not only the letter but also the spirit of good governance.

2. BOARD OF DIRECTORS

A) Composition and category of Directors

The Board of the Company is comprised of Executive and Non-Executive Directors including Independent Directors. As on 31st March 2026, the composition of the Board was as under which is headed by Chairman and Managing Director.

Sl. No.	Category	No. of Directors	% of total no. of Directors
1	Executive Director-Promoters	3	50.00
2	Whole-time Director Non-Promoter	0	00.00
3	Non-Executive Non-Independent Director	0	00.00
4	Non-Executive Independent Directors (Including one woman Director)	3	50.00
	Total	6	100.00

The Composition of the Board is in accordance with Regulation 17 of SEBI LODR Regulations.

The maximum number of Directorship held by all of your directors is well within the limit of 7 listed entities and none of the Directors of your Company serves as an Independent Director in more than 7 listed entities.

The maximum number of Committee Membership held by all of your directors is well within the limit of 10 Committees and in the case of Chairmanship, within the limit of 5 Committees of listed entities.

The necessary disclosures regarding committee positions in other public companies as on 31st March 2026 have been made by the Directors. The relationship among Directors Mr. Sandeep Aggarwal, Mr. Nikunj Aggarwal and Mrs. Esha Gupta is as follows. Mr. Sandeep Aggarwal is father of Mr. Nikunj Aggarwal and Mr. Nikunj Aggarwal is husband of Mrs. Esha Gupta.

There is no such instance wherein the Independent Director of the Company has resigned before the expiry of his/her tenure during the period under review.

B) Chart matrix setting out the skills/expertise/competence of the Board of Directors:

The Board has identified the following core skills, expertise, and competencies as required in the context of the business of the Company and the sector in which the Company is operating. However, absence of mention of a skill/expertise/competency against a director's name does not indicate that Director does not possess that expertise or competency or skill:

S No.	Skills/ Expertise/ Competence identified by the Board	Mr. Sandeep Aggarwal	Mr. Nikunj Aggarwal	Mrs. Esha Gupta	Mrs. Archana Jain	Mr. Anand Tandon	Mr. Vivek Sarbhai
1.	Knowledge /Understanding of the Business of the Company, Industry/Sector to which it relates	✓	✓	✓	✓	✓	✓
2.	Strategic Expertise, Planning and Implementation	✓	✓	✓	✓	✓	✓
3.	Integrity, Ethical Standard and Mentoring Ability	✓	✓	✓	✓	✓	✓
4.	Possession of Ethical Mindset and Professional attitude	✓	✓	✓	✓	✓	✓
5.	Possession of Financial & Technical Skills such as ability to interpret financial statement	✓	✓	✓	✓	✓	✓
6.	Risk/Oversight Management	✓	✓	✓	✓	✓	✓

C) Board Meeting and Attendance:

During the financial year 2025-26, 12(Twelve) Board Meetings were held on 01th May 2025, 09th May 2025, 30th June 2025, 18th July, 2025, 14th August, 2025, 1st September, 2025, 24th September, 2025, 28th September, 2025, 13th November, 2025, 14th December, 2025, 14th February, 2026 and 14th March 2026. Necessary quorum, as per Regulation 17(2A) of SEBI Listing Regulations, was present for all the meetings. The maximum interval between any two meetings was within the maximum allowed gap pursuant to the Companies Act, 2013.

The attendance of Directors at the Board Meetings during the financial year 2025-26 and for the last Annual General Meeting held on 4th September 2025, is as under:

Name of Directors and Directors Identification Number	Date of Appointment	Date of appointment in the Current term	Category of Directorship	No. of the Board meeting held	No. of Board Meeting attended	Attendance at the last AGM
Mr. Sandeep Aggarwal (DIN:00251058)	26.04.2021	01.08.2025	Executive Director-Promoter	12	12	Yes
Mr. Nikunj Aggarwal (DIN:06909464)	26.04.2021	01.08.2025	Executive Director-Promoter	12	11	Yes
Mr. Esha Gupta (DIN:09267009)	08.03.2025	01.08.2025	Executive Director-Promoter	12	12	Yes

Name of Directors and Directors Identification Number	Date of Appointment	Date of appointment in the Current term	Category of Directorship	No. of the Board meeting held	No. of Board Meeting attended	Attendance at the last AGM
Mrs. Archana Jain (DIN:09171307)	30.06.2025	15.07.2025	Non- Executive Independent Director	12	7	Yes
Mr. Anand Tandon (DIN:08036843)	18.07.2025	25.07.2025	Non- Executive Independent Director	12	7	Yes
Mr. Vivek Sarbhai (DIN:01972612)	18.07.2025	25.07.2025	Non- Executive Independent Director	12	6	Yes

D) Outside Directorships, Committee Membership(s)/ Chairmanship(s):

The number of other Board and Board Committee in which the Directors of the Company are holding the position of Member/ Chairperson, as on 31st March 2026.

Name of the Director and Director Identification No.	No. of Outside Directorship held			No. of Outside Committees		Name of the other Listed Company and Category of Directorship
	Public Co./ Listed Co./ Unlisted Co.	Private Co.	Others (LLP/ Trust and Foreign Co.)	Member*	Chairman#	
Mr. Sandeep Aggarwal (DIN:00251058)	1	10	NIL	1	NIL	NIL
Mr. Nikunj Aggarwal (DIN:06909464)	NIL	2	1	NIL	NIL	NIL
Mr. Esha Gupta (DIN:09267009)	NIL	NIL	1	NIL	NIL	NIL
Mrs. Archana Jain (DIN:09171307)	5	2	NIL	5	4	a) Ecos (India) Mobility and Hospitality Limited – Independent Director b) Oriana Power Limited- Independent Director c) Gulshan Polyols Limited- Independent Director
Mr. Anand Tandon (DIN:08036843)	NIL	2	NIL	NIL	NIL	NIL
Mr. Vivek Sarbhai (DIN:01972612)	NIL	NIL	NIL	NIL	NIL	NIL

* Audit Committee and the Stakeholders Relationship Committee have only been considered.

Including Chairmanship.

The number of Directorships, Committee Memberships & its Chairmanships of all the Directors are within the respective limits prescribed under the Companies Act, 2013 (the "Act") and SEBI LODR Listing Regulations.

E) The Company has proper system to enable the Board of Directors to review periodically the compliance reports with respect to all laws as applicable to the Company.

A) Independent Directors confirmation:

The Independent Directors have confirmed that they meet the criteria of independence under section 149(6) of the Act and Regulations 16(1) (b) as amended by the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, with effect from 1st April 2022, and Regulation 25(8) of SEBI Listing Regulations and are independent of the management. Necessary confirmations have also been taken from the Directors in compliance with Sub-Rule 3 of Rule 6 of the Companies (Appointment and Qualification of Directors), Fifth Amendment Rules, 2019, which have come into force with effect from 1st December 2019. The Board is of the opinion that all the Independent Directors of the Company fulfil the conditions specified in SEBI Listing Regulations and are independent of the management of the Company.

F) Information supplied to the Board of Directors:

During the financial year 2025-26, all necessary information as required under the applicable provisions of the Companies Act, 2013, and to the extent possible under Regulation 17(7) of the SEBI Listing Regulations 2015 & Schedule II Part A of SEBI Listing Regulations, and other applicable laws and rules were placed and discussed at the Board Meeting.

- G) The Notice, along with necessary papers, comprising the agenda backed by comprehensive background information, is circulated to the Directors in advance as prescribed by law, to enable the Directors to make informed decisions and in exceptional cases, the same is tabled at the Board Meeting. Time to time, the Board also take up any matter not included in the agenda for consideration with the permission of the Chairman and with the consent of the majority of the Directors present in the meeting.
- H) The Minutes of the Board Meetings are circulated to all the Directors and confirmed in the subsequent Board Meeting. The Minutes of the meetings of the Committees of the Board are placed at the subsequent Board Meeting for its review.

The Company Secretary and Compliance Officer is

responsible for preparation of the agenda including the background papers and convening the Board and Committee meetings and also advises/assures the Board on compliance and governance principles and ensures appropriate recording of the minutes of the meetings.

During the period under review the no resolutions were passed by the circulation.

I) Familiarization programme for Independent Directors:

Pursuant to regulation 25(7) of SEBI LODR Regulations, the Company is required to familiarize the Independent Directors through various programs about the Company.

At the time of appointing an Independent Director, a formal letter of appointment is given to them, which inter-alia explains the role, function, duties, and responsibilities expected from him/her as an Independent Director of the Company. The Independent Director also explained in detail the compliance required from him/her under the Companies Act, 2013, SEBI Listing Regulations, and various other statutes and affirmation is required.

The familiarization programme for Independent Directors is prepared after assessment of the requirement for such a programme in consultation with each Independent Director. Familiarization is achieved through broad-based engagement, under which various business heads and functional heads are invited for one-on-one interaction with the Independent Directors.

Code of Conduct:

The Company has adopted the "Code of Conduct for the Board Members and Senior Management Personnel" (the "Code"). The Code of Conduct contains the duties of the Independent Directors as laid down in the Act. The Code is available on the Company's website, <https://ardeeindustries.com/investors/policies>.

All the Directors including the Chairman and Managing Director, and the Senior Management Personnel of the Company have given a declaration of compliance with the Company's Code of Conduct in accordance with Regulation 26(3) of SEBI Listing Regulations during the year ended 31st March 2026.

Senior Management: Particulars of Senior Management Personnel as defined under Regulation

16(1)(d) of SEBI (LODR) Regulations, 2015 as on March 31, 2026, including the changes therein since the close of the previous financial year are as follows:

S. NO.	Name of Employee	Designation
1.	Shyam Dhar Singh	Head - Sales & Marketing
2.	Amitabh Agrawal	Vice President
3.	Sanjeev Sharma	General Manager-HR & Admin

All the Directors including the Chairman and Managing Director, and the Senior Management Personnel of the Company have given a declaration of compliance with the Company's Code of Conduct in accordance with Regulation 26(3) of SEBI Listing Regulations during the year ended 31st March 2026.

P) Terms and conditions of appointment of Independent Directors:

The terms and conditions of appointment of Independent Directors have been placed on the Company's website, <https://ardeeindustries.com/investors/policies>.

Q) Directors seeking appointment/re-appointment:

The details of Directors seeking appointment/re-appointment, if any, forms part of the Notice of Annual General Meeting of the Company.

3. COMMITTEES OF THE BOARD

There are 5 (Five) committees of the Board, viz; the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and IPO Committee.

I) Audit Committee

As on 31st March 2026, the Company's Audit Committee is comprising of two Non-Executive Independent Directors, and one Executive Director. Chairperson of the Company was permanently invited to the Committee Meeting.

The Company Secretary acts as the Secretary to the Audit Committee. As on 31st March 2026, the composition of the Audit Committee was as under:

- Mrs. Archana Jain -Chairperson - Independent Director

- Mr. Anand Tandon -Member - Independent Director
- Mr. Nikunj Aggarwal-Member - Whole-time Director

All Members of the Committee are financially literate and most of them have accounting and/or related financial management expertise.

A) Terms of Reference:

Powers and Roles of the Audit Committee

Powers of Audit Committee

The Audit Committee shall have powers, including 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; and
- (5) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

Role of Audit Committee

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- (2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- (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; and
 - g) modified opinion(s) in the draft audit report.
- (5) reviewing, with the management, the quarterly, 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 or rights issue, preferential issue or qualified institutions 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 of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed, by the independent director who are members of the Audit Committee
- a) Recommend criteria for omnibus approval or any changes to the criteria for approval of the Board;
- b) Make omnibus approval for related party transactions proposed to be entered into by the Company for every financial year as per the criteria approved.
- c) Review of transactions pursuant to omnibus approval
- d) Make recommendation to the Board, where Audit Committee does not approve transactions other than the transactions falling under Section 188 of the Companies Act, 2013
- Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
- (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, and 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 thereon;
- (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 depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

- (18) reviewing the functioning of the whistle blower mechanism;
- (19) monitoring the end use of funds through public offers and related matters;
- (20) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- (21) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (22) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary, if any, exceeding ₹100 Crore or 10% of the asset size of the subsidiary, if any, whichever is lower including existing loans/ advances/ investments;
- (23) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- (24) approving the key performance indicators ("KPI") for disclosure in the offer documents; and approval of KPIs once every year, or as may be required under applicable law; and
- (25) Perform such other functions as prescribed under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- (26) carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act, 2013, the SEBI Regulations or any other applicable law, as and when amended from time to time and guidelines/circular issued by the SEBI from time to time as maybe necessary or appropriate for the performance of its duties.

Meeting and Attendance:

During the financial year 2025-26, 5 (five) Meetings of the Audit Committee were held, i.e. 01.09.2025, 24.09.2025, 28.09.2025, 14.02.2026 and 14.03.2026 and the attendance of the Members are as follows:

Name of the Members	Category	No. of Meeting	
		Held under tenure	Attended
Mrs. Archana Jain	Chairperson - Independent Director	5	5
Mr. Anand Tandon	Member - Independent Director	5	5
Mr. Nikunj Aggarwal	Member - Whole-time Director	5	5

Role of Internal Auditor:

The Internal Auditor has a well-laid internal Audit methodology which assesses and promotes strong ethics and values within the organization and facilitates in managing changes in the business and regulatory environment. It encompasses all the aspects of business such as operational, financial information system, risk management, and all the regulatory compliances are reviewed periodically. The Internal Auditor makes presentations and reports to the Audit Committee of the Company on a quarterly basis pertaining to the key Internal Audit findings and the action plan agreed with the Management.

II) Nomination and Remuneration Committee**A) Composition:**

As on 31st March 2026, the Company's Nomination and Remuneration Committee was comprising of three Non-Executive Independent Directors.

As on 31st March 2026, the composition of the Nomination and Remuneration Committee was as under:

- Mr. Vivek Sarbhai -Chairperson - Independent Director

- Mr. Anand Tandon -Member - Independent Director
- Mrs. Archana Jain-Member - Independent Director

Term of reference:

The Nomination and Remuneration Committee is responsible for, among other things, as may be required by the Company from time to time, the following:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the "Board" or "Board of Directors") a policy relating to the remuneration of the directors, key managerial personnel and other employees ("Remuneration Policy");
- (2) For every appointment of an independent director, the Nomination Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparation of 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 Nomination and Remuneration Committee may:
 - a) use the services of an external agency, 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.
- (3) Providing a detailed explanation and justification for appointment or re-appointment of a person, including the managing director, director or a whole-time director or a manager, who was earlier rejected by the shareholders at a general meeting.
- (4) Formulation of criteria for evaluation of independent directors and the Board;
- (5) Devising a policy on Board diversity;
- (6) 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 their appointment and removal and carrying out evaluation of every director's performance (including independent director);
- (7) Analysing, monitoring and reviewing various human resource and compensation matters;
- (8) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (9) 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;
- (10) Recommend to the board, all remuneration, in whatever form, payable to senior management;
- (11) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that-
 - a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) 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 working of the Company and its goals.

- (12) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:
- a) administering the employee stock option plans of the Company, as may be required;
 - b) determining the eligibility of employees to participate under the employee stock option plans of the Company;
 - c) granting options to eligible employees and determining the date of grant;
 - d) determining the number of options to be granted to an employee;
 - e) determining the exercise price under the employee stock option plans of the Company; and
 - f) construing and interpreting the employee stock option plans of the Company and any agreements defining the rights and obligations of the Company and eligible employees under the employee stock option plans of the Company, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the employee stock option plans of the Company; and
- (13) carrying out any other activities as may be delegated by the Board of Directors of the Company, functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law as and when amended from time to time and guidelines/circular issued by the SEBI from time to time and performing such other functions as may be necessary or appropriate for the performance of its duties

Meeting and Attendance:

During the financial year 2025-26, the Nomination and Remuneration Committee of the Company met 1 (one) times on 14.12.2025. The attendance of the Member Directors were as follows:

Name of the Members	Category	No. of Meeting	
		Held under tenure	Attended
Mr. Vivek Sarbhai	Chairperson - Independent Director	1	1
Mr. Anand Tandon	Member - Independent Director	1	1
Mrs. Archana Jain	Member - Independent Director	1	1

Remuneration Policy, details of remuneration and other terms of appointment of Directors:

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations, as amended from time to time, this policy on nomination and remuneration of the Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors. The Nomination and Remuneration Policy is available on the Company's website, <https://ardeeindustries.com/investors/policies>.

Remuneration to Directors:

Subject to the approval of the Board of Directors and subsequent approval by the Shareholders at the ensuing General Meeting and such other authorities as the case may be, the remuneration of the Managing Director, Whole-time Director, and Executive Director & CEO of the Company is proposed to be fixed by the Nomination and Remuneration Committee. The remuneration is determined and considering various factors such as qualification, experience, expertise, prevailing remuneration in the competitive industries, the financial position of the Company, etc. The remuneration structure comprises basic salary, perquisites and allowances, contribution to provident fund, and other funds in accordance with various related provisions of the Companies Act, 2013.

The Non-Executive Independent Directors have not drawn any remuneration from the Company except the sitting fee for meetings of the Board and Committees attended by them. The Company does not have a stock option scheme for its directors.

The remuneration paid or payable to the Directors of the Company, during the year ended 31st March 2026, is as under:

(Rs. in Crores)

Name of the Director	Relationship with other Directors	Salary	Perquisites	Deferred Benefits	Commission	Sitting Fees for Board and Committee Meetingss
Mr. Sandeep Aggarwal	Father of Mr. Nikunj Aggarwal	2.00	0.0046	-	-	-
Mr. Nikunj Aggarwal	Son of Mr. Sandeep Aggarwal	2.00	0.0023	-	-	-
Mrs. Esha Gupta	Wife of Mr. Nikunj Aggarwal	0.16	-	-	-	-
Mrs. Archana Jain	None	-	-	-	-	0.03
Mr. Anand Tandon	None	-	-	-	-	0.03
Mr. Vivek Sarbhai	None	-	-	-	-	0.02

F) Criteria for making payment to Non-Executive Directors:

The Company has formulated criteria for making payment to Non-Executive Directors, which has been uploaded on the Company's website, <https://ardeeindustries.com/investors/policies>.

G) Criteria for Performance Evaluation of all the Directors (including Independent Directors):

The Nomination and Remuneration Committee has duly formulated the performance evaluation criteria for all the directors (including Independent Directors) of the Company.

III) Stakeholders Relationship Committee

A) Composition:

As on 31st March, 2026, the Company's Stakeholders Relationship Committee was comprising of two Non-Executive Independent Director and one Whole Time Director. The position of the Committee as on 31st March, 2026 was as under:

- Mrs. Archana Jain -Chairperson - Independent Director
- Mr. Anand Tandon -Member - Independent Director
- Mr. Nikunj Aggarwal-Member - Whole-time Director

The Company Secretary acts as the Secretary to the Committee.

Terms of Reference for the Committee:

- (1) considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;
- (2) Resolving the grievances of the security holders of the listed entity 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.;
- (3) Giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
- (4) Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- (5) Review of measures taken for effective exercise of voting rights by shareholders;
- (6) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (7) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;

- (8) Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants
- (9) Carrying out any other functions required/mandated and/or delegated by the board to be carried out by the stakeholders 'Relationship committee as contained in the Companies Act, 2013 or the SEBI Listing Regulations, uniform listing agreements or any other applicable law, as and when amended from time to time, and guidelines/ circular issued by the SEBI from time to time and performing such other functions as may be necessary or appropriate for the performance of its duties.

The table gives the number of complaints received, resolved, and pending during the financial year 2025-26:

Unresolved at the beginning of the year	Received during the year	Resolved during the year	Not solved to the satisfaction of Shareholder	Pending at the end of the year
Nil	Nil	Nil	Nil	Nil

A) Meeting & Attendance:

During the financial year 2025-26, the Stakeholders Relationship Committee of the Company met on 30th March 2026. The attendance of the Member Directors were as follows:

Name of the Members	Category	No. of Meeting	
		Held under tenure	Attended
Mrs. Archana Jain	Chairperson - Independent Director	1	1
Mr. Anand Tandon	Member - Independent Director	1	1
Mr. Nikunj Aggarwal	Member – Whole time Director	1	1

I) Corporate Social Responsibility Committee

A) Composition:

As on 31st March 2026, the Company's Corporate Social Responsibility Committee is comprising of one Managing Director, one Whole Time Director, one Non-Executive Independent Director. The Company Secretary acts as the Secretary to the Committee.

The composition of Corporate Responsibility Committee as on 31st March 2026 was as under:

- Mr. Sandeep Aggarwal-Chairperson - Managing Director
- Mr. Nikunj Aggarwal -Member - Whole-time Director
- Mr. Vivek Sarbhai- Member - Independent Director

Terms of Reference:

The terms of reference for the CSR Committee are as follows:

- (1) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which

shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act;

- (2) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (3) Formulate and recommend to the Board, an annual action plan, in pursuance of this Policy
- (4) monitor the corporate social responsibility policy of the Company recommend any change to the Board;
- (5) Institute a transparent monitoring mechanism for ensuring implementation of the CSR projects undertaken by the Company.
- (6) any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

The Company formulated a CSR Policy, which is available on the Company's website, <https://ardeeindustries.com/investors/policies>.

During the financial year 2025-26, the Corporate Social Responsibility Committee of the Company met 2 (two) time on 01.09.2025 and 14.02.2026. The attendance of the Member Directors were as follows:

Name of the Members	Category	No. of Meeting	
		Held under tenure	Attended
Mr. Sandeep Aggarwal	Chairperson – Managing Director	2	2
Mr. Nikunj Aggarwal	Member – Whole-time Director	2	2
Mr. Vivek Sarbhai	Member-Independent Director	2	2

Please refer to the Board's Report and its Annexures for details regarding CSR activities carried out by the Company during the year ended 31st March 2026.

II) IPO Committee

A) Composition:

As on 31st March 2026, the Company's IPO Committee is comprising of one Managing Director, Two Whole Time Director, one Non-Executive Independent Director. The Company Secretary acts as the Secretary to the Committee.

The composition of IPO Committee as on 31st March 2026 was as under:

- Mr. Sandeep Aggarwal-Chairperson - Managing Director
- Mr. Nikunj Aggarwal -Member - Whole-time Director
- Mrs. Esha Gupta - Member - Whole-time Director
- Mr. Vivek Sarbhai-Member-Independent Director.

Terms of Reference:

- To make applications to, seek clarifications, obtain approvals, and seek exemptions from, if necessary, SEBI, Reserve Bank of India, or to any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;
- To approve and file the DRHP with SEBI, the RHP and Prospectus with the ROC and thereafter with SEBI and the Stock Exchanges and the preliminary

and final international wrap (including amending, varying, supplementing or modifying the same, or providing any notices, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient) in relation to the Offer as finalised by the Company, therein;

- To decide in consultation with the book running lead manager ("BRLM") on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer price, Offer size, reservation, discount, and to accept any amendments, modifications, variations or alterations thereto;
- To appoint and enter into arrangements with the BRLM, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, sponsor banks to the Offer, registrars, legal counsels, advertising agency and any other agencies or persons or intermediaries to the Offer and to negotiate and finalise the terms of their appointment;
- To take on record the approval of the selling shareholder(s) for offering their Equity Shares in the Offer for Sale;
- To authorize the maintenance of a register of holders of the Equity Shares;
- To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the DRHP, RHP, the Prospectus, the abridged prospectus, the preliminary international wrap and final international wraps, Offer

- agreement, share escrow agreement, syndicate agreement, underwriting agreement, cash escrow and sponsor bank agreement, agreements with the registrar and the advertising agency, bid-cum-application forms, confirmation of allotment notes, and all other documents, deeds, agreements and instruments and any notices, supplements and corrigenda thereto, as may be required or desirable in relation to the Offer;
- h. To open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI;
 - i. To seek, if required, the consent of the lenders to the Company and its subsidiaries (if any), parties with whom the Company has entered into various commercial and other agreements, and any other consents that may be required in relation to the Offer;
 - j. To open and operate bank accounts in terms of the cash escrow and sponsor bank agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
 - k. To approve any corporate governance requirements that may be considered necessary or as may be required under the applicable laws or the uniform listing agreement to be entered into by the Company with the relevant stock exchanges;
 - l. To authorize and approve, the incurring of expenditure and payment of fees, commission, remuneration and expenses in connection with the Offer;
 - m. To determine and finalise the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including anchor investor offer price), reservation, discount, approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLM and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;
 - n. To finalise and issue allotment letters/confirmation of allotment notes with power to authorise one or more officers of the Company to sign all or any of the aforesaid documents;
 - o. To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;
 - p. To do all such acts, deeds, matters and things and execute all such other documents, etc., deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, issue of share certificates in accordance with the relevant rules;
 - q. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection;
 - r. To withdraw the DRHP, RHP and the Offer at any stage, in accordance with applicable laws and in consultation with the BRLM, if deemed necessary.
 - s. To negotiate, finalise, sign, execute, deliver and complete any and all notices, offer documents (including DRHP, RHP, Prospectus, and abridged prospectus) agreements, letters, applications, bid-cum-application forms, other documents, papers or instruments (including any amendments, changes, variations, alterations or modifications thereto or termination thereof) on behalf of the selling shareholder (as maybe applicable), as the case may be, in relation to the Offer.
 - t. To make applications (both in-principle and final applications) for listing of the Equity Shares in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s); and

- u. To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company.
- v. To authorize and empower officers of the Company (each, an "Authorized Officer"), for and on behalf of the Company, to execute and deliver, on a several basis, any declarations, affidavits, certificates, consents, agreements and arrangements as well as amendments or supplements thereto as may be required from time to time or that the Authorized Officers consider necessary, appropriate or advisable, in connection with the IPO, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreements, the registrar's agreement, the depositories agreements, the offer agreement with the BRLM (and other entities as

appropriate), the underwriting agreement, the syndicate agreement, the escrow agreement and confirmation of allocation notes, with the BRLM, lead manager, syndicate members, bankers to the IPO, registrar to the IPO, bankers to the Company, managers, underwriters, guarantors, escrow agents, accountants, auditors, legal counsels, depositories, trustees, custodians, advertising agencies, and all such persons or agencies as may be involved in or concerned with the Offer, if any and to do or cause to be done any and all such acts or things that the IPO Committee or the Authorized Officer may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Offer and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

2. During the financial year 2025-26, the IPO Committee of the Company met 1 (One) time on 24.09.2026. The attendance of the Member Directors were as follows:

Name of the Members	Category	No. of Meeting	
		Held under tenure	Attended
Mr. Sandeep Aggarwal	Chairperson – Managing Director	1	1
Mr. Nikunj Aggarwal	Member – Whole-time Director	1	1
Mrs. Esha Gupta	Member – Whole-time Director	1	1
Mr. Vivek Sarbhai	Member – Independent Director	1	1

4. GENERAL BODY MEETINGS:

The details of the last three Annual General Meetings of the Shareholders are as follows-

Financial Year Ended	Date of AGM	Venue	Time	No. of Special Resolution
31st March, 2025	04th September, 2025	Khasra No. 340 1st Floor, Village Sultanpur, Mehrauli, Gadaipur, South West Delhi-110030	11:30 AM	2
31st March, 2024	30th September, 2024	Khasra No. 340 1st Floor, Village Sultanpur, Mehrauli, Gadaipur, South West Delhi-110030	12:30 PM	NA
31st March, 2023	30th September, 2023	Khasra No. 340 1st Floor, Village Sultanpur, Mehrauli, Gadaipur, South West Delhi-110030	12:30 PM	NA

Special Resolutions passed at the last three Annual General Meetings, are as follows:

- A) At 32nd Annual General Meeting held on September 04, 2025, following Special resolution was passed-
 - i) Approval for raising Capital through Initial Public Offering of Equity Shares, including any discount and reservation contemplated in the offer.
 - ii) Increase in Investment Limit for Non-Resident Indians and Overseas Citizens of India.
- B) At 31st Annual General Meeting held on September 30, 2024 no matter was passed through Special Resolution
- C) At 30th Annual General Meeting held on September 30, 2023 no matter was passed through Special Resolution

5. SUBSIDIARY COMPANIES:

As on March 31, 2026 the Company does not have any subsidiary company.

6. OTHER DISCLOSURES:

- a) Disclosure regarding appointment or re-appointment of Directors in accordance with Regulation 36(3) of SEBI Listing Regulations has been provided in the Notice convening the Annual General Meeting of the Company.
- b) There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- c) Vigil Mechanism

As per the requirement of the Companies Act, 2013 and SEBI Listing Regulations, the Company has framed and implemented a Whistle Blower Policy to establish a vigil mechanism for directors and employees to report genuine concerns. This policy provides a process to disclose information confidentially and without fear of victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrong doing within the Company or violation of the Company's Code of Conduct or ethical policy. The whistleblowers may also lodge their complaints/ concerns with the Chairman

of the Audit Committee, whose contact details are provided in the Whistle Blower Policy of the Company. The policy offers appropriate protection to the whistle-blowers from victimization, harassment, or disciplinary proceedings. The Whistle Blower Policy is available on the Company's website, <https://ardeeindustries.com/>

- d) Details of Compliance with Mandatory requirements and adoption of non-mandatory requirements:

(i) Mandatory requirements:

Your Company has adhered to all the mandatory requirements of Corporate Governance norms as prescribed under SEBI Listing Regulations to the extent applicable to the Company. The Company also complied with the notified secretarial standards on the Board and General Meetings as issued by the Institute of Company Secretaries of India. The certificate regarding compliance with the conditions of Corporate Governance received from M/s A.K. Choudhary & Associates, Practicing Company Secretaries, is annexed to this Report.

- (ii) Discretionary or non-mandatory requirements as specified in Part E of Schedule II of SEBI Listing Regulations:

- 1) Office for Non-Executive Chairman at Company's expense: Not applicable to the Company since the Chairman of the Company is Executive Director.
- 2) The Company has one-woman Independent Director on its Board.
- 3) Half-yearly declaration of financial performance including a summary of the significant events in the last six months to each household of shareholders: Not applicable.
- 4) Modified opinion(s) in the audit report: The Auditors of the Company have issued an unmodified report on financial statements for the financial year 2025-26.
- 5) Separate posts of Chairman and Chief Executive Officer: Not Applicable
- 6) Reporting of Internal Auditors directly to the Audit Committee: Complied

7) At least two meetings of Independent Directors in a financial year, without the presence of non-independent directors and members of the management and all the Independent Directors shall endeavour to be present at such meetings: Not adopted.

8) Constitution of Risk Management Committee with the composition, roles and responsibilities specified in regulation 21: Not Applicable.

a) Accounting Treatment:

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

b) Details of the utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):

During the financial year 2025-26, the Company has not raised funds through preferential allotment or Qualified Institutional Placement as specified under Regulation 32(7A). Hence, disclosure of utilization of funds is not required.

c) A Certificate from M/s A.K. Choudhary & Associates, Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/Ministry of Corporate Affairs or any such statutory authority is annexed to this report.

d) During the financial year 2025-26, there was no recommendation of any committee of the Board of Company which is mandatorily required and is not accepted by the Board of the Company.

e) Total fees for all services paid by the Company and its Subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part during the financial year 2025-26 is ₹ 0.54 Crores.

f) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Details of complaints received and redressed during the financial year 2025-26, is as under:

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending at the end of the financial year	Nil

g) Dividend Distribution Policy

The Company has formulated a Dividend Distribution Policy in accordance with Regulation 43A of SEBI Listing Regulations. The Policy is uploaded on the Company's website, <https://ardeeindustries.com/>

h) Anti-Bribery Policy

The Company has formulated an Anti-Bribery Policy which explains the Company's responsibility to comply with Anti-Bribery and Anti-Corruption laws around the world and to ensure that any third parties that the Company engages to act on its behalf, do the same.

i) Directors and Officers Insurance (D & O Insurance)

The Company has in place a D & O Insurance Policy for all its Independent Directors of such quantum and covers all such risks as may be determined by the Board of Directors of the Company.

j) Code of Conduct for Prevention of Insider Trading

The Company has adopted a Code of Conduct for the prevention of Insider trading in accordance with requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), with a view to regulate trading in securities by designated persons (as defined in the said Code of Conduct) of the Company. The Code has been reviewed in line with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018. This Code is applicable to all designated persons and their immediate relatives, and they are required to abide by the Code of conduct for the prevention of

insider trading of the Company framed under the SEBI (Prohibition of Insider trading) Regulations, 2015, as amended from time to time. The Code requires pre-clearance from the Compliance Officer for dealing in Company shares beyond the threshold limit. Further, it prohibits the purchase and sale of the Company's shares by designated persons directly or indirectly, while in possession of unpublished price sensitive information in relation to the Company and when the trading window is closed. The Company Secretary is the Compliance Officer for monitoring adherence to said PIT Regulations.

- k) In addition to the Board's Report, a Management Discussion and Analysis Report forms part of the Annual Report to the shareholders.
- l) All members of the Board, Key Managerial Personnel and Senior Management have confirmed that they do not have material, financial and commercial relationships in any transaction with the Company that may have potential conflict with the interest of the Company at large.
- m) All details relating to financial or commercial transactions where directors may have a pecuniary detail provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.
- n) **Shareholding of Non-Executive Director:**
None of the Non-Executive Directors hold any shares in the Company.
- o) **The Financial Statements have been made in accordance with the Accounting Standard so as to**

represent a true and fair view of the state of the affairs of the Company:

The Company has complied with all the mandatory requirements as prescribed in SEBI Listing Regulations and the Companies Act, 2013.

- p) Pursuant to the SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31st July 2023, the new SMART ODR Portal (Securities Market Approach for Resolution Through ODR Portal) has been made available. This platform is designed to enhance investor grievance redressal by enabling investors to access Online Dispute Resolution Institutions for the resolution of their complaints.
Your Company has got itself registered on this SMART ODR Portal to dispose grievances of stakeholders, if any.

7. MEANS OF COMMUNICATIONS:

The quarterly, half-yearly, and annual financial results of the Company are sent to the stock exchanges within stipulated time period after the approval of the same by the Board of Directors. The extract of the same is also published in the prescribed performa within 48 hours of the conclusion of the meeting of the Board in which they are considered, in English Newspaper circulating the whole or substantially the whole of India and one in a vernacular newspaper in the Union Territory of Delhi, where the registered office of the Company is situated. In addition, these results are simultaneously posted on the Company's website, <https://ardeeindustries.com/>. The official press release and/or presentation are also available on the Company's website.

8. GENERAL SHAREHOLDER INFORMATION:

(a) Date, time, and venue of the Annual General Meeting	Tuesday, December 01st, 2026 at 11:30 AM (IST) Venue: through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")
(b) Financial Year	The financial year of the Company is from April 1 to March 31. Publication of results for the financial year 2026-27 (tentative and subject to change) First quarter Results: On or before 31th August 2026 The second quarter and half year results: On or before 14th November 2026 Third quarter results: On or before 14th February 2027 Fourth quarter results and results for the year ending 31st March 2027: On or before 30th May 2027.
(c) Cutt off date for Evoting	25th November, 2026

(d) Dividend payment date	NA
(e) Listing of Equity Shares at Stock Exchanges and payment of Annual Listing fees:	(i) BSE Limited (BSE) P. J. Towers, 1st Floor Dalal Street, Mumbai-400 001 Tel.: +91 22 22721233-34 Fax: +91 22 22721919 E-mail: corp.relations@bseindia.com (ii) National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai-400 051 Tel.: +91 22 26598100-14 Fax: +91 22 26598120 E-mail: cmlist@nse.co.in The Company has paid Annual Listing fees to both the Stock Exchanges for Financial Year 2026-27. The shares of the Company has not been suspended from trading.
(f) Stock Code/ Symbol	BSE Limited: 544860 National Stock Exchange of India Ltd.: ARDEE
(g) The ISIN number for Equity Shares of the Company on both the NSDL and CDSL is	INE0XNF01022

(a) Market Price Data for the Financial Year 2025-26:

Monthly High and Low quotations of shares traded at the BSE and NSE

Not applicable

the number of shares held in Dematerialized form as on 31st March 2026, are as follows:

No. of Equity Shares Dematerialized	25,48,24,000	100%
No. of Shareholders in Demat Form	7	100%

(b) Email ID for the Investor: cs@ardeeindustries.com

Shareholding Pattern and Distribution of Shareholding as on 31st March 2026:

(c) Registrar and Share Transfer Agent:

KFin Technologies Limited (Mr. Dalvi Anil Shantaram)

Registrar & Transfer Agent Selenium, Tower B, Plot No. 31 and 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad 500 032, Telangana, India +91 40 6716 2222, 18003094001

Email Id-dalvianil.shantaram@kfintech.com

Particulars	No. Equity Shares	Shareholding (%)
Promoters	25,40,00,000	99.67 %
Promoter Group	8,24,000	0.33%

(d) De-materialization of shares and liquidity:

As on March 31, 2026, 100% equity shares have been dematerialized.

(e) The table below gives the position of shares held in electronic form as on 31st March 2026:

The shares of the Company are in the compulsory dematerialized segment with NSDL. The details of

(f) Web link for various documents/policies:

The Company's website contains a separate dedicated section "Investors", where shareholders' information is available and the following documents/information are linked with the Company's website, <https://ardeeindustries.com/investors>

(g) Outstanding ADRs/GDRs/Warrants or any other convertible instruments, conversion date and likely impact on equity: Not Applicable.
(h) Corporate Identification Number (CIN): U24294DL1993PLC405804

(i) Disclosure of Commodity Price Risks and Commodity hedging Activities:

The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through Inventory management and Commodity Hedging.

During the financial year 2025-26, the Company has entered into derivative contracts to hedge exposure to fluctuations in commodity prices.

(j) Plant Location:

The Company has its manufacturing and operating complex at:

Plot No. 8A and 8B, Block B, Industrial Park, Naidupet, Menakur, Sri Potti Sriramulu Nellore District, Andhra Pradesh, 524421, India

(k) Compliance Officer for Investor Redressal/ Address for Correspondence:

Mr. Manish Kumar Rai

Company Secretary & Compliance Officer

Khasra No. 340 1st & 3rd Floor, Village Sultanpur Mehrauli Gadaipur, South West Delhi, New Delhi – 110030

Phone No. 011-47600214

Email Id-cs@ardeeindustries.com

(l) Address for Correspondence:**Registered Office:**

Ardee Industries Limited Khasra No. 340 1st & 3rd Floor, Village Sultanpur Mehrauli Gadaipur, South West Delhi, New Delhi – 110030

Registrar & Transfer Agent:

KFin Technologies Limited (Mr. Dalvi Anil Shantaram) Selenium, Tower B, Plot No. 31 and 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad 500 032, Telangana, India +91 40 6716 2222, 18003094001 Email Id-dalvianil.shantaram@kfinfintech.com

(m) List of all credit ratings obtained by the Company along with any revisions thereto, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad:

During the year under review, Crisil Ratings Limited has assigned your Company the following ratings.

Total Bank Loan Facilities rated	Rs. 300 Crore
Long Term Rating	Crisil BBB+/Stable (Assigned)
Short Term Rating	Crisil A2 (Assigned)

(n) Non-Compliance with any requirement of Corporate Governance:

There was no non-compliance with any requirement of the Corporate Governance Report of sub-paras (2) to (10) of Schedule V of SEBI Listing Regulations as far as they were applicable during the financial year ended 31st March 2026.

(o) Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loan to firms/ companies in which Directors are interested:

During the year, the Company has not provided loans and advances in the nature of loans to firms/ companies in which directors are interested.

(p) The Company has complied with all mandatory items of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as per Clause 13 of Part C of Schedule V to the SEBI Listing Regulations, the Company has made disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 on the Website of the Company.

(q) Disclosure of certain types of agreements binding listed entities:

Information disclosed under clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations: Not applicable during the

year.

(r) Green Initiative:

By Virtue of Ministry of Corporate Affairs (MCA) circular No. 17/2011 and 18/2011 dated 21st April 2011 and 29th April 2011, respectively, read with Rule 11 of the Companies (Accounts) Rules, 2014, service of documents may be made to shareholders by electronic mode.

Your Company, therefore, appeals to members to be part of said “Green initiatives” and requests the members to register their name in getting the said documents in electronic mode at cs@ardeeindustries.com.

For and on behalf of the Board
Sandeep Aggarwal
Chairman and Managing Director
DIN: 00251058

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 134 and Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. Brief outline on CSR Policy of the Company.

The Corporate Social Responsibility Policy of Ardee Industries Limited ("Ardee") has been formulated in line with the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 made there-under and recommended by Corporate Social Responsibility (CSR) Committee and approved by the Board of Directors.

The CSR Policy sets out the Ardee's commitment and initiatives which will continue to enhance value creation in the society and in the community in which it operates, through its support and contribution towards various trusts and other organizations.

2. Composition of CSR Committee.

With effect from 18th July, 2025, the Board of Directors of the Company has constituted the Corporate Social Responsibility (CSR) Committee of Directors as per the provision of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Committee is responsible for the implementation/monitoring and review of the policy and various projects/activities undertaken under the policy.

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. Sandeep Aggarwal	Chairperson	2	2
2.	Mr. Nikunj Aggarwal	Member	2	2
3.	Mr. Vivek Sarbhai	Member	2	2

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://ardeeindustries.com>

4. 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.

The Company doesn't fall under the criteria of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014. Hence, the Company is not required to do Impact assessment of CSR projects.

5. (a) Average net profit of the Company as per subsection (5) of Section 135:

Average Net Profit of the Company for the last three financial years (2022-23, 2023-24 and 2024-25) calculated in accordance with the provisions of Section 198 of the Companies Act, 2013: Rs 2355.95 Lakhs

(b) Two percent of average Net Profit of the Company as per sub-section (5) of Section 135: Rs. 47.12 Lakhs

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set-off for the financial year, if any: Rs 2.50 Lakhs

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 44.62 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 15.97 Lakhs
- (b) Amount spent in Administrative Overheads: Nil
- (c) Amount spent on Impact Assessment, if applicable: Nil
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 15.97 Lakhs
- (e) CSR amount or unspent for the financial year: 28.65 Lakh

Total Amount spent for the Financial Year	Amount Unspent (in Rs.)				
	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 (in Lakh Rs.)	Amount (in Rs.)	Date of Transfer	Name of the Fund	Amount (in Rs.)	Date of Transfer
15.97	-	-	-	-	-

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

Sr. No.	Particular	Amount (in Rs. Lakh)
(i)	Two percent of average net profit of the company as per section 135(5)	47.12
(ii)	Total amount spent for the Financial Year	15.97
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account as per section 135(6) (in Rs. Lakh)	Amount spent in the reporting financial year (in Rs. Lakh)	Amount transferred to any fund specified under schedule VII as per second proviso to section 135(5)			Amount remaining to be spent in a succeeding financial year (in Rs. Lakh)
				Name of the fund	Amount (in Rs. Lakh)	Date of Transfer	

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

If yes, enter the number of Capital Assets created/ acquired: Not Applicable

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Name

(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 subsection (5) of Section 135:

The Company was evaluating suitable CSR projects and implementing options, and the process could not be concluded within the year. However, the Company has deposited Rs. 30.00 Lakhs in the PM Cares Fund on October 09, 2026.

For and on behalf of
Ardee Industries Limited

Sandeep Aggarwal
(Chairperson of CSR Committee)
DIN: 00251058

Date: 22.10.2026
Place: New Delhi

Nikunj Aggarwal
(Member of CSR Committee)
DIN: 06909464

Date: 22.10.2026
Place: New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of

ARDEE Industries Limited

Khasra No.340, 1st Floor & 3rd Floor,

Village Sultanpur, Mehrauli, New Delhi-110030

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ARDEE INDUSTRIES LIMITED having CIN: U24294DL1993PLC405804 and having registered office at Khasra No.340, 1st Floor & 3rd Floor, Village Sultanpur, Mehrauli, Gadaipur, New Delhi, India, 110030 (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 Sub clause 10 (i) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations/ representations furnished to us by the Company & its Director/ officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No	Name of Director	DIN	Date of Appointment
1.	Sandeep Aggarwal	00251058	26/04/2021
2.	Nikunj Aggarwal	06909464	26/04/2021
3.	Archana Jain	09171307	30/06/2025
4.	Anand Tandon	08036843	18/07/2025
5.	Vivek Sarbhai	01972612	18/07/2025
6.	Esha Gupta	09267009	08/03/2025

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For A.K.Choudhary & Associates,
Company Secretaries,**

CS Ajay Kumar Choudhary
Proprietor
FCS No. : 12691
C.P No. : 21297
UDIN: F012691H001972594

Date: 22.10.2026

Place: Delhi

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members,

ARDEE Industries Limited

Khasra No.340, 1st Floor & 3rd Floor,

Village Sultanpur, Mehrauli, New Delhi-110030.

We have examined the compliance of conditions of Corporate Governance by ARDEE Industries Limited for the financial year ended 31st March, 2026, as prescribed in Regulations 17 to 27, 46 (2) (b) to (i) and para-C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as "SEBI (LODR) Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination has been limited to review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause and guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of SEBI (LODR) Regulations, 2015 for the financial year ended 31st March, 2026

We further state that such compliance certificate 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 A.K.Choudhary & Associates,
Company Secretaries,

CS Ajay Kumar Choudhary

Proprietor

FCS No. : 12691

C.P No. : 21297

UDIN: F012691H001972715

Date: 22.10.2026

Place: Delhi

MANAGING DIRECTOR & CFO CERTIFICATE UNDER REGULATION 33(2)(A) OF SEBI (LODR) REGULATION, 2015.

To
The Board of Directors,
Ardee Industries Limited,

In compliance with Regulation 17 (8) read with Schedule II Part B of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 Listing Agreement with the Stock Exchange, we hereby certify that:

We have reviewed, unaudited Financial Result of Ardee Industries Limited for the quarter ended 30th June, 2026 and to the best of our knowledge and belief;

- A. (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 listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transaction entered into by the listed entities during the quarter ended 30th June, 2026 which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control system of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, the deficiencies in the design or operation of such internal controls, if any, of which they are aware and steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (i) that there are no significant changes in internal control over financial reporting during the quarter;
- (ii) that there are no significant changes in accounting policies during the quarter; and that the same have been disclosed in the notes to the financial results; and that no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For Ardee Industries Limited

For Ardee Industries Limited

Arun Kumar Mallik
Chief Financial Officer

Sandeep Aggarwal
Managing Director

Independent Auditor's Report

To The Members of Ardee Industries Limited

Report on the Audit of the IND AS Financial Statements

Opinion

We have audited the accompanying financial statements of Ardee Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2026 and the Statement of Profit and Loss including Other Comprehensive Income, statement of Changes in Equity and statement of cash flows for the year then ended, and notes to financial statements, including 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026 and its profit, including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Ind AS financial statements.

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 obtained at the date of this auditor's report is information included in the Annual Report 2025-26 but does not include the Ind AS financial statements and our auditor's report thereon.

- Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
- If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and Those Charged with Governance for the 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure - A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, (as amended).
 - e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the

- directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of section 164 (2) of the act .
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 33 to the Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were 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, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures 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. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
 - vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal
Partner
Membership # 402826
Signed at Gurugram on June 30th, 2026
UDIN: 26402826AGWNRK7058

Annexure 'A' to the Independent Auditors Report

Annexure referred to under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date to the members of Ardee Industries Limited on the Ind AS financial statements for the year ended on March 31, 2026 and based on the audit procedures performed for the purpose of reporting a true and fair view on the Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, we report that:

i In respect of the Company's Property, Plant and Equipment and Intangible Assets.

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The title deeds of immovable properties disclosed in note 3 to the financial statements are held in the name of the Company. These immovable properties are pledged with the banks, and their title deeds are physically not available with the Company. Copies of the original title deed was provided to us and the same has been verified.

(d) The Company has not revalued any of its Property, Plant and intangible assets during the year.

(e) As confirmed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii (a) As explained to us physical verification has been conducted by the management at reasonable interval in respect of inventories of finished goods, stores, spares parts and raw material

(except raw material in transit and consumable in transit & Job work) . We were also explained that no material discrepancies have been noticed on physical verification and the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) As disclosed in Note 16 to the financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks and based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit.

iii According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, made investments to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of para 3(iii)(a) to 3(iii) (c) of the Order are not applicable to the Company.

iv According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

v According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there-under. Therefore, the provisions of para 3(v) of the Order are not applicable to the Company.

vi We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under section 148 of the Act and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determining whether they are accurate or complete.

vii a) According to information and explanation given

to us, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess

and other material statutory dues applicable to it with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no amounts in respect of Income Tax, Goods & Service tax, Sales tax, Value added tax, Employee's State Insurance, duty of excise, duty of Customs, Cess and Service Tax etc. that have not been deposited with the appropriate authorities on account of any dispute except as given below:

Amount in Millions

Name of Statute	Nature of Dues	Amount (INR)	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand	2.61	0.53	AY 2024-25	The Commissioner of Income Tax

Note: The above table includes only those amounts on which demand orders have been served and are under dispute.

- viii As confirmed by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix (a) As explained to us, the Company has not defaulted in repayment of loans and other borrowings and in repayment of interest thereon to any lender.
- (b) As confirmed by the management, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority
- (c) The Company has applied term loans for the purpose for which the loans were obtained.
- (d) On an overall examination of the Ind AS financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order is not applicable to the Company.
- x (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act 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 upto 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
- xii As explained, the Company is not a Nidhi company.

Therefore, the provisions of para 3(xii) of the Order are not applicable to the Company.

- xiii In our opinion, and according to the information and explanations given to us, the Company is in compliance with section 177 and 188 of the Act where applicable, for all transactions with the related parties and the details of related parties transactions have been disclosed in the financial statement as required by the applicable accounting standards.
- xiv (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit, has been considered by us.
- xv According to the information and explanations given to us, no non-cash transactions with Directors or persons connected with him have been noticed or reported during the year as per the provisions of Section 192 of Companies Act, 2013.
- xvi In our opinion, 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) (c) and (d) of the Order is not applicable.
- xvii The Company has not incurred cash losses in the current year as well as in the immediately preceding financial year.
- xviii There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- 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 Ind AS 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 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 In our opinion and according to the information and explanations given to us, the Company has not transferred unspent amounts towards Corporate Social Responsibility in respect of other than ongoing projects to a Fund specified in Schedule VII to the Act as required under second proviso to sub-section (5) of section 135 of the said Act. However, the time period of six months from the end of financial year as permitted under second proviso to sub-section (5) of section 135 of the Act, has not lapsed till the date of our report.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal
 Partner
 Membership # 402826
 Signed at Gurugram on June 30th, 2026
 UDIN: 26402826AGWNRK7058

Annexure 'B' to the Independent Auditors Report

Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ardee Industries Limited of even date.

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Ardee Industries Limited ("the Company") as of March 31, 2026 in conjunction with our audit of Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the Ind AS 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Nangia & Co. LLP
Chartered Accountants
ICAI FRN 002391C/N500069

Prateek Agrawal
Partner

Membership # 402826
Signed at Gurugram on June 30th, 2026
UDIN: 26402826AGWNRK7058

Balance Sheet

as at March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	705.82	666.07
(b) Right of use assets	4	11.08	-
(c) Capital Work-in-Progress	5	17.09	50.97
(d) Intangible assets	6	1.34	0.05
(e) Financial Assets			
(i) Other financial assets	7	18.79	74.61
(f) Other non current assets	8	60.36	6.28
(g) Deferred tax asset (net)	20	16.83	4.61
Total non current Assets		831.31	802.59
Current assets			
(a) Inventories	9	1,161.23	449.52
(b) Financial Assets			
(i) Trade receivables	10	247.88	599.45
(ii) Cash and cash equivalents	11	140.93	2.06
(iii) Bank Balance other than cash and cash equivalents	12	93.81	6.69
(iv) Other Financial assets	7	23.71	40.36
(c) Other current assets	13	1,134.46	719.93
Total current assets		2,802.02	1,818.01
Total Assets		3,633.33	2,620.60
EQUITY & LIABILITIES			
Equity			
(a) Equity Share Capital	14	509.65	31.85
(b) Other Equity	15	964.15	594.16
Total equity		1,473.80	626.01
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	149.06	230.94
(ii) Lease Liabilities	17	9.93	-
(iii) Other financial liabilities	18	4.29	3.43
(b) Provisions	19	12.48	6.00
Total non-current liabilities		175.76	240.37
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,678.42	1,426.72
(ii) Lease Liabilities	17	1.80	-
(iii) Trade payables	21		
a) Total outstanding dues of micro enterprises and small enterprises		27.58	13.35
b) Total outstanding dues of creditor other than micro enterprises and small enterprises		110.44	214.05
(iv) Other Financial Liabilities	22	33.93	17.07
(b) Other Current Liabilities	23	50.12	30.46
(c) Provisions	19	81.48	52.57
Total current liabilities		1,983.77	1,754.22
Total liabilities		2,159.53	1,994.59
Total Equity & Liability		3,633.33	2,620.60
Material accounting policies	2		

The accompanying notes 1- 46 form integral part of these financial statements.

As per our report of even date

 For **Nangia & Co. LLP**

Chartered Accountants

Firm's registration number : 002391C/N500069

For and on behalf of the Board of Directors of

Ardee Industries Limited

Prateek Agrawal

Partner

Membership number : 402826

Place: Gurugram

Date : 30 June 2026

Sandeep Aggarwal

Managing Director

DIN : 00251058

Place : Delhi

Date : 30 June 2026

Nikunj Aggarwal

Whole-time Director

DIN : 06909464

Place : Delhi

Date : 30 June 2026

Arun Kumar Mallik

Chief Financial Officer

Place : Delhi

Date : 30 June 2026

Manish Kumar Rai

Company Secretary

Place : Delhi

Date : 30 June 2026

Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars	Notes	For the Year ended March 31, 2026	For the Year ended March 31, 2025
INCOME			
a) Revenue From Operations (Net)	24	11,676.53	7,427.35
b) Other Income	25	12.30	7.91
Total Income (I)		11,688.83	7,435.26
EXPENSES			
a) Cost of materials consumed	26	9,342.23	5,749.44
c) (Increase)/ decrease in inventories of finished goods, stock-in-transit, work-in-progress & traded goods	27	(340.94)	97.40
d) Employee benefit expenses	28	323.24	219.01
e) Depreciation and amortization expenses	29	113.66	86.67
f) Finance costs	30	240.02	134.12
g) Other expenses	31	881.18	702.16
Total Expenses		10,559.39	6,988.80
Profit before tax		1,129.44	446.46
Tax expense			
- Current tax		293.45	116.71
- Deferred tax charge/(credit)		(12.55)	(3.16)
- Tax in respect of earlier years		1.73	0.20
Total tax expense		282.63	113.75
Profit for the year		846.81	332.71
Other comprehensive income/(expenses)			
(i) Items that will not to be reclassified to profit or loss in subsequent periods			
Remeasurements of the defined benefit plans		1.31	1.08
Income tax effect		(0.33)	(0.27)
Total other comprehensive income for the year (net of tax)		0.98	0.81
Total Comprehensive Income for the year/period		847.79	333.52
Earnings per equity share (Face Value of Rs. 2 each):	32		
(1) Basic (in ` INR)		3.32	1.31
(2) Diluted (in ` INR)		3.32	1.31

The accompanying notes 1- 46 form integral part of these financial statements.

As per our report of even date

For **Nangia & Co. LLP**
Chartered Accountants
Firm's registration number : 002391C/N500069

For and on behalf of the Board of Directors of
Ardee Industries Limited

Prateek Agrawal
Partner
Membership number : 402826
Place: Gurugram
Date : 30 June 2026

Sandeep Aggarwal
Managing Director
DIN : 00251058
Place : Delhi
Date : 30 June 2026

Arun Kumar Mallik
Chief Financial Officer
Place : Delhi
Date : 30 June 2026

Nikunj Aggarwal
Whole-time Director
DIN : 06909464
Place : Delhi
Date : 30 June 2026

Manish Kumar Rai
Company Secretary
Place : Delhi
Date : 30 June 2026

Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit / (Loss) before tax	1,129.44	446.46
Adjustments to reconcile profit before tax to net cash flows:		
Interest Expense	130.17	101.07
Depreciation and amortisation expenses on PPE & Intangible asset	111.33	85.82
Depreciation on Right of use asset	2.33	0.85
Bad debts written off	0.25	0.28
Sundry balances written back	(1.35)	-
Profit on Sale of Investment	(0.04)	-
Loss on Sale of property, plant and equipment	4.10	-
Non Operating Income- Interest received	(10.91)	(7.91)
Operating profit before working capital changes	1,365.32	626.57
(Increase) / decrease in inventories	(711.71)	(30.95)
(Increase) / decrease in trade receivable	352.67	(202.81)
(Increase) / decrease in other financial assets (current)	17.29	(34.34)
(Increase) / decrease in other current assets	(414.53)	(255.63)
Increase / (decrease) in trade payable	(89.38)	133.13
Increase / (decrease) in other financial Liabilities (current)	16.54	(48.90)
Increase / (decrease) in other current Liabilities	19.92	(34.40)
Increase / (decrease) in Provisions (current)	6.42	3.04
INCREASE / (DECREASE) IN PROVISIONS (NON CURRENT)	6.48	2.30
Increase / (decrease) in other financial Liabilities (Non current)	0.86	1.08
Cash Generated from/used in operating activities	569.88	159.09
Direct taxes paid	(271.63)	(80.69)
Net cash from operating activities (A)	298.25	78.40
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment including intangibles assets and Cwip	(124.42)	(252.98)
Purchase of Investments	(20.00)	-
Sale of investments	20.04	-
Proceeds from sale of property, plant and equipment	1.83	0.60
Bank Balance other than cash and cash equivalents	(87.12)	(0.62)
(Increase)/decrease in Other Non current assets	(54.08)	31.52
(Increase)/decrease in Other Non current Financial assets	55.81	(14.64)
Interest received	10.20	7.46
Net cash from/(used in) investing activities (B)	(197.74)	(228.66)
C CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds/ (Repayment) from/ (of) borrowings Short Term (Net)	251.70	228.62
Proceeds/ (Repayment) from/ (of) borrowings long Term	(81.88)	5.45
Proceeds/ (Repayment) of lease Liability	(1.62)	(0.91)
Interest paid	(129.84)	(99.73)
Net cash from financing activities (C)	38.36	133.43
Net increase / (decrease) in cash and cash equivalents	138.87	(16.83)
Cash and bank balances as at opening of the year	2.06	18.89
Cash and bank balances as at closing of the year	140.93	2.06

Statement of Cash Flows

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

Components of Cash and Cash Equivalents (Refer note 11)

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Balances with banks		
a) On current accounts	140.92	2.04
b) Deposits with original maturity upto 3 months		
Cash in hand	0.01	0.02
Total	140.93	2.06

The accompanying notes 1- 46 form integral part of these financial statements.

As per our report of even date

For **Nangia & Co. LLP**

Chartered Accountants

Firm's registration number : 002391C/N500069

For and on behalf of the Board of Directors of
Ardee Industries Limited**Prateek Agrawal**

Partner

Membership number : 402826

Place: Gurugram

Date : 30 June 2026

Sandeep Aggarwal

Managing Director

DIN : 00251058

Place : Delhi

Date : 30 June 2026

Arun Kumar Mallik

Chief Financial Officer

Place : Delhi

Date : 30 June 2026

Nikunj Aggarwal

Whole-time Director

DIN : 06909464

Place : Delhi

Date : 30 June 2026

Manish Kumar Rai

Company Secretary

Place : Delhi

Date : 30 June 2026

Statement of Changes In Equity

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

A Equity Share capital

Particulars	Numbers	Total
Balance as at April 01, 2024	3,18,530	31.85
Change in share capital	-	-
Balance as at March 31, 2025	3,18,530	31.85
Add: Change in number of Shares due to split	1,56,07,970	-
Add: Bonus Issued during the year	23,88,97,500	477.80
Balance as at March 31, 2026	25,48,24,000	509.65

B Other Equity

Particulars	Reserve & Surplus		Other comprehensive income	Total
	Securities premium	Retained Earning	Remeasurement of net defined benefit liability	
Balance as on April 01, 2024	41.37	218.71	0.56	260.64
Profit for the year	-	332.71	-	332.71
Re-measurement gains/ (losses) on defined benefit plans	-	-	0.81	0.81
Balance as on March 31, 2025	41.37	551.42	1.37	594.16
Balance as on April 01, 2025	41.37	551.42	1.37	594.16
Profit for the year	-	846.81	-	846.81
Re-measurement gains/ (losses) on defined benefit plans	-	-	0.98	0.98
Utilisation of reserves towards Issue of Bonus shares	(41.37)	(436.43)	-	(477.80)
As on March 31, 2026	-	961.80	2.35	964.15

Description of nature and purpose of each reserve

- (a) Security premium: The security premium is the amount paid by shareholder over and above the face value of equity share. Security premium can be utilised as per the provisions of the Companies Act, 2013.
- (b) Retained earnings: Retained earnings represents surplus in Statement of Profit and Loss.
- (c) Other comprehensive Income: Other items of other comprehensive income consist of re-measurement of net defined benefit liability.

The accompanying notes 1- 46 form integral part of these financial statements.

As per our report of even date

 For **Nangia & Co. LLP**

Chartered Accountants

Firm's registration number : 002391C/N500069

For and on behalf of the Board of Directors of

Ardee Industries Limited

Prateek Agrawal

Partner

Membership number : 402826

Place: Gurugram

Date : 30 June 2026

Sandeep Aggarwal

Managing Director

DIN : 00251058

Place : Delhi

Date : 30 June 2026

Nikunj Aggarwal

Whole-time Director

DIN : 06909464

Place : Delhi

Date : 30 June 2026

Arun Kumar Mallik

Chief Financial Officer

Place : Delhi

Date : 30 June 2026

Manish Kumar Rai

Company Secretary

Place : Delhi

Date : 30 June 2026

Notes to the Financial Statements

for the year ended March 31, 2026

(All amounts in INR Millions, unless otherwise stated)

1 Company Information

The Company was incorporated on September 16, 1993, with the objects to carry on the business of manufacturing, Non-ferrous metal and batteries along with process, refine, mix, re-cycling of lead, lead oxide, red lead. The registered office of the Company is situated at KHASRA NO. 340, 1ST FLOOR, VILLAGE SULTANPUR, MEHRAULI, Gadaipur, Southwest Delhi, New Delhi, Delhi, India, 110030.

The company has been converted from Private company to Public Company

1.1 Basis of preparation of financial statements

These financial statements are prepared and presented in INR millions which is the functional currency of the company. These Financial Statements have been prepared in accordance with Ind AS prescribed in under section 133 of Companies act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The financial statements for the previous year ended March 31, 2025, were the first financial statements of the Company prepared under Ind AS. Accordingly, the Company had followed the provisions of Ind AS 101, 'First Time Adoption of Indian Accounting Standards', in preparing its opening Ind AS Balance Sheet as of the date of transition, i.e. April 01, 2023. Certain of the Company's Ind AS accounting policies used in the opening balance sheet differed from its Indian GAAP policies applied as at March 2023, and accordingly adjustments were made to restate the opening balances as per Ind AS. As the resulting adjustments arose from events and transactions before the date of transition to Ind AS, hence as required by Ind AS 101, such adjustments were recognised directly through retained earnings as at April 01, 2023.

The financial statements were approved for issue in accordance with the resolution of the Board of Directors of the company on June 30th, 2026

Historical cost convention

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that require in material adjustment to the carrying value of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Going Concern

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

2. Summary of Material accounting policies

a. Current and non-current classification

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

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

(All amounts in INR Millions, unless otherwise stated)

All other assets are classified as non-current.

Liability is current when:

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

The Company classifies all other liabilities as non-current.

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

b. foreign currencies

The Company's financial information is presented in INR Millions, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

c. Fair value presentation

The Company measures financial instruments at fair value at each balance sheet date except to certain instruments which are measured at Amortised cost/historic cost. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:-

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(All amounts in INR Millions, unless otherwise stated)

For assets and liabilities that are recognised in the financial information 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.

d. Revenue Recognition

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

Sale of products (including scrap sales and service income):

Sales (including scrap sales) are recognised when control of products is transferred to the buyer as per the terms of the contract and are accounted for net of returns and rebates. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods. Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Income in respect of service contracts are recognised in Statement of Profit and Loss on completion of performance obligation. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount

of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed consideration, variable consideration (if reversal is less likely in future), or both. No element of financing is deemed present as the sales are largely made on advance payment terms or with credit term of not more than one year. Sales, as disclosed, are exclusive of goods and services tax.

The transaction price is allocated by the Company to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer.

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

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 pays consideration or before payment is due, a contract asset is recognised for the earned consideration when that right is conditional on Company's future performance. A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is

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earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Job Work Income

Revenue from job work services is recognised based on the services rendered in accordance with the terms of contracts.

Foreign Exchange Fluctuation (Net)

The Company's operations involve purchases and sale of metal/ commodity, the rates of which are denominated in foreign currencies. Any resulting foreign exchange fluctuation gain or loss is recognised as part of operating results and presented under Other operating revenue. Similarly, gains or losses arising on derivative contracts and other hedging instruments entered into for managing foreign currency or commodity price risks on such metal purchases and sale are recognised in the Statement of Profit and Loss as part of other operating revenue.

Export Incentive

Income from export incentives such as duty drawback, Remission of Duties and Taxes on Export Products (RoDTEP) are recognized on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

e. Taxes

Tax expense represents Current tax and Deferred tax.

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or 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.

Deferred tax

Deferred tax is provided using the balance sheet approach 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 assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (including MAT credit) 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 (including MAT credit available) 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

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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 assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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 taxes relate to the same taxable entity and the same taxation authority.

f. Property, plant and equipment (including Capital work in progress)

Property, Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Capital work in progress is stated at cost.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation is recognised so as to write off the cost less their residual values over their useful lives, using the written down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation on PPE is provided as per Schedule II of Companies Act, 2013 on Written Down Value over its economic useful life of PPE as follows:

Assets	Useful life
Plant & Machinery	3 - 15 Years
Vehicle	8 Years
Office Equipment's	5 - 6 Years
Computer	3 Years
Furniture & Fixtures	10 Years
Building	5 - 30 Years
Lab equipment	9-10 Years

g. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over the estimated useful economic life and are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Assets	Useful life
Computer Software	3 Years

h. Leases

The Company assesses that the contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (1) The contract involves the use of an identified asset,
- (2) The Company has substantially all of the economic

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benefits from use of the identified asset, and

(3) The Company has the right to direct the use of the identified asset.

Company as a lessee

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated from the commencement date over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company adopts the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, exercise price of a purchase option and payments of penalties for terminating the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the remeasurement of lease liability as an adjustment to

the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to leases for which the underlying asset is of low value. The lease payments associated with these low value leases are recognised as an expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the right-of-use asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

i. Inventory

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

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

- Raw materials: Cost of raw material comprises of cost of purchase and other cost incurred in bringing the inventory to their present condition and location. Trade discounts, rebates and other similar items are deducted in determining the

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cost of purchase. Cost is determined on a moving weighted average basis..

- Finished goods and work in progress: The cost of finished goods, intermediate products and work-in-progress includes cost of direct materials and labour and a proportion of variable based on the actual use of production facilities and apportionable fixed overhead expenditure based on the normal operating capacity.

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

Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and where necessary, the same are written off or provision is made for such inventories based on management's best estimates of net realisable value.

j. Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources

would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, the related asset is no longer a contingent asset and is recognised as an asset.

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

Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment.

The Company's gratuity scheme and accumulated compensated absences scheme are an unfunded defined benefit plan. The present value of the obligation under the plans are determined based on independent actuarial valuation using 'Projected Unit Credit method'. The gratuity liability and liability for accumulated compensated absences are measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan is based on the market yields on government securities as at the balance sheet date.

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Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

k. 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.

{1} Initial recognition

All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

{2} Subsequent measurement

a Non-derivative financial instruments

i Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model,

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for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

iv Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

{3} Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

{4} Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Impairment

Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b. Derivative financial instruments and hedge accounting

The Company enters into derivative financial instruments, such as foreign exchange forward contracts, to mitigate risks arising from fluctuations in exchange rates on foreign currency exposures, with banks generally acting as counterparties. Further, Risks associated with fluctuation in the price of the product (lead) is minimized by undertaking appropriate derivative instruments on the London Metal Exchange. The instruments are employed either as hedges of transactions included in the financial statements or for highly probable forecast transactions/firm contractual commitments. The Company does not hold derivative financial instruments for speculative purposes.

Initial recognition and subsequent measurement

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss. The Company adopts hedge accounting for forward foreign exchange and commodity contracts wherever possible. At the inception of each hedge, there is a formal, documented designation of the hedging relationship. This documentation includes, inter alia, items such as identification of the hedged item and transaction and nature of the risk being hedged. Hedges that meet the

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strict criteria for hedge accounting are accounted for, as described below:

i. Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the statement of profit and loss. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated or exercised or no longer meets the criteria for hedge accounting.

ii. Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised in OCI are transferred to the statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs.

l. cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

m. Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows

from operating, investing and financing activities of the Company are segregated.

n. Earning per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year. The weighted average number of Equity shares outstanding is adjusted for the effects of stock splits and bonus issues, as these change the number of Equity shares outstanding without a corresponding change in resources.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year, adjusted for the effects of stock splits and bonus issues, plus the weighted average number of Equity shares that would be issued on conversion of all dilutive potential Equity shares into Equity shares.

o. Corporate Social Responsibility (CSR) expenditure

CSR Expenditure as per provisions of section 135 of the Act read with rules issued thereunder, is charged to the statement of profit and loss as an expense.

p. Government Grants

Income includes export and other recurring and non-recurring incentives from Government (referred as "incentives"). Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. The Company is entitled to subsidies from government in respect of manufacturing units located in specified regions. Government grants are recognised when there is a reasonable assurance that the Company will comply with the relevant conditions and the grant will be received. These are recognised in the Statement of Profit and Loss, either on a systematic basis when the Company recognises, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred. Government grants related to assets are deferred and amortised over the useful life of the asset. Government

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grants related to income are presented as an offset against the related expenditure, and government grants that are awarded as incentives with no ongoing performance obligations to the Company are recognised as income in the period in which the grant is received.

q. borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use. Borrowing costs consist of interest calculated using the effective interest method that an entity incurs in connection with the borrowing of funds. All other borrowing costs are charged to the Statement of Profit and Loss as & when incurred.

r. New and amended Standard

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable with effect from April 1, 2025 - 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. We are not impacted by these amendments in our classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable with effect from April 1, 2025 - The amendment in Ind AS 7 requires to inform users of 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 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. We have reviewed the amendment and based on our evaluation has determined that it does not have any significant impact in our financial statements.

3. Ind AS 12, International Tax Reform - Pillar Two Model Rules applicable immediately - the amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after April 1, 2025. We have determined that the rules are not applicable as of now.
4. Ind AS 21 Lack of exchangeability- The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after April 1, 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have an impact on the company's financial statements.

The Ministry of Corporate Affairs ("MCA") through notification dated August 13, 2025, notified amendment to Ind AS 1, Presentation of Financial statements. This amendment removes the carve-outs in Ind AS 1 from IAS 1 when there is a breach of a material covenant that transforms the liability from non-current to current. We will evaluate the requirements and apply these amendments from the effective date. However, presently we do not see any material impact on the financial statements.

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3 Property, Plant and Equipment

Particulars	Freehold Land*	Buildings	Plant & Machinery	Office Equipment	Vehicles**	Computer	Lab Equipments	Furniture and Fixtures	Electrical Fittings	Total
Gross Carrying Value										
As at April 01, 2024	49.71	180.21	250.41	4.24	5.13	1.00	8.23	2.51	14.42	515.86
Addition during the year	-	80.04	196.41	2.84	0.25	0.61	0.11	2.77	16.32	299.35
Disposals during the year	-	-	-	-	-	-	-	-	2.63	2.63
As at March 31, 2025	49.71	260.25	446.82	7.08	5.38	1.61	8.34	5.28	28.11	812.58
Addition during the year	-	63.79	88.01	0.79	-	1.70	0.49	0.60	1.61	156.99
Disposals during the year	-	2.67	6.37	-	-	-	-	-	-	9.04
As at March 31, 2026	49.71	321.37	528.46	7.87	5.38	3.31	8.83	5.88	29.72	960.53
Accumulated Depreciation										
As at April 01, 2024	-	15.84	38.27	1.00	1.51	0.44	2.13	0.47	3.09	62.75
Charges for the year	-	20.20	55.36	1.90	1.16	0.58	1.59	0.72	4.31	85.80
Disposals for the period	-	-	-	-	-	-	-	-	2.04	2.04
As at March 31, 2025	-	36.04	93.61	2.90	2.68	1.02	3.71	1.19	5.37	146.51
Charges for the period	-	25.73	73.49	2.02	0.85	0.86	1.24	1.09	6.03	111.31
Disposals for the period	-	0.66	2.45	-	-	-	-	-	-	3.11
As at March 31, 2026	-	61.11	164.65	4.92	3.53	1.88	4.95	2.28	11.40	254.71
Net Carrying Value										
As at March 31, 2025	49.71	224.21	353.21	4.18	2.70	0.59	4.63	4.09	22.74	666.07
As at March 31, 2026	49.71	260.26	363.81	2.95	1.85	1.43	3.88	3.60	18.32	705.82

* The title deeds of all the immovable properties are held in the name of company.

** Vehicle loan has been taken from Karnataka Bank and is secured by hypothecation of underlying motor vehicle acquired out of such loan. The loan has been settled in the present financial year 2025-26.

*** Refer note 16 for information on PPE provided as collateral or security for borrowings or finance facilities availed by the company.

Note: During the year ended 31 March 2026, the Company has capitalised certain operating expenses directly attributable to the acquisition/construction of Property, Plant and Equipment amounting to INR 8.44 million (31 March 2025: INR 12.75 million).

(All amounts in INR Millions, unless otherwise stated)

4 Right of use asset

Particulars	Building	Total
Gross Carrying Value		
As at April 01, 2024	1.62	1.62
Additions during the period	-	-
Deductions/ Disposals during the period	-	-
As at March 31, 2025	1.62	1.62
Additions during the period	13.41	13.41
Deductions/ Disposals during the period	-	-
As at March 31, 2026	15.03	15.03
ACCUMULATED DEPRECIATION		-
As at April 01, 2024	0.77	0.77
Additions during the period	0.85	0.85
Deductions/ Disposals during the period	-	-
As at March 31, 2025	1.62	1.62
Additions during the period	2.33	2.33
Deductions/ Disposals during the period	-	-
As at March 31, 2026	3.95	3.95
Net Carrying Value		-
As at March 31, 2025	-	-
As at March 31, 2026	11.08	11.08

Note :

The Company has adopted Ind AS 116 'Leases' and applied the Standard to its leases. Further the Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. Payments associated with these leases are recognised as an expense over lease term.

5 Capital Work-in-progress

Particulars	Building	Plant & Machinery	Electrical Fittings	Total
As at April 01, 2024	13.59	83.40	0.35	97.34
Addition during the period	37.22	198.10	7.15	242.47
Capitalised during the period/ year	19.01	262.33	7.50	288.84
As at March 31, 2025	31.80	19.17	-	50.97
Addition during the period	17.65	58.41	0.11	76.17
Capitalised during the period	45.17	64.77	0.11	110.05
As at March 31, 2026	4.28	12.81	-	17.09

(All amounts in INR Millions, unless otherwise stated)

CWIP ageing schedule as at 31/03/2026:

Particulars	Amount in CWIP for a period				
	Less than 1 Years	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	17.09	-	-	-	17.09
Projects temporarily suspended					

Note 1: There has been no CWIP, whose completion is overdue or has exceeded its cost compared to its original plan as at 31/03/25 & 31/03/26.

Note 2: During the year ended 31 March 2026, the Company has capitalised certain operating expenses directly attributable to the acquisition/construction of capital assets amounting to INR 2.44 million under Capital Work-in-Progress (31 March 2025: INR 2.42 million).

CWIP ageing schedule as at 31/03/2025:

Particulars	Amount in CWIP for a period				
	Less than 1 Years	1-2 Years	2-3 years	More than 3 years	Total
Projects in progress	50.97	-	-	-	50.97
Projects temporarily suspended					

6 Intangible assets

Particulars	Computer Software	Total
As at April 01, 2024	0.15	0.15
Addition during the period	-	-
Disposals during the period	-	-
As at March 31, 2025	0.15	0.15
Addition during the period	1.31	1.31
Disposals during the period	-	-
As at March 31, 2026	1.46	1.46
Accumulated Depreciation		
As at April 01, 2024	0.07	0.07
Charges for the period	0.03	0.03
Disposals for the period	-	-
As at March 31, 2025	0.10	0.10
Addition during the period	0.02	0.02
Disposals during the period	-	-
As at March 31, 2026	0.12	0.12
Net Carrying Value		
As at March 31, 2025	0.05	0.05
As at March 31, 2026	1.34	1.34

(All amounts in INR Millions, unless otherwise stated)

7 Other financial assets

Particulars	Non Current Financial Assets		Current Financial Assets	
	As At March 31, 2026	As At March 31, 2025	As At March 31, 2026	As At March 31, 2025
Security Deposits	8.47	7.76	4.50	3.32
Interest Accrued on FDRs	-	-	0.53	0.20
Derivative financial asset	-	-	-	24.45
Interest Accrued on other Deposits*	-	-	0.96	0.59
Accrued interco receivable	-	-	-	2.99
Margin Money Deposits**	-	-	17.72	8.81
Deposits with maturity exceeding 12 months***	10.32	66.85	-	-
Total	18.79	74.61	23.71	40.36

* Interest Accrued on other Deposits includes Income earned on Electricity and other deposits

** Margin money deposits is against Bill discounting Working capital facility availed from DBS bank.

*** Deposits includes INR 10.32 Mns (31st March 2025 : INR 66.85 Mns) towards margin money pledged with banks against Bank Guarantees.

8 Other non current assets

Particulars	As At March 31, 2026	As At March 31, 2025
Capital Advance	59.52	5.22
Prepaid Expense	0.84	1.06
Total	60.36	6.28

9 Inventories

Particulars	As At March 31, 2026	As At March 31, 2025
(Valued at lower of cost and net realizable value)		
Raw Materials (Refer Note 26.1)	529.54	73.33
Raw Material in Transit (Refer Note 26.1)	148.80	271.04
Work in Process (Refer Note 27.1)	267.41	68.36
Finished Goods (Refer Note 27.1)	148.54	6.65
<u>Consumables</u>		
Stores & Spares including in transit (Refer Note 31.2)	62.73	26.16
Fuel & Gas including in transit (Refer Note 31.1)	4.21	3.98
Total	1,161.23	449.52

(All amounts in INR Millions, unless otherwise stated)

10 Trade receivables

Particulars	As At March 31, 2026	As At March 31, 2025
Considered good - secured	-	-
Considered good - unsecured	247.88	599.45
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	-	-
Impairment allowance (allowance for bad and doubtful debt)		
Less: Trade receivable which have significant increase in credit risk	-	-
Less: Trade receivable - credit impaired	-	-
Total	247.88	599.45

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.

The Company has entered into factoring agreements with ICICI Bank, DBS Bank and Axis bank. Receivables factored on a recourse basis have been disclosed under Trade Receivable. For receivables factored on a non recourse basis, the same has not been disclosed as trade receivable.

Trade Receivables Ageing

Ageing Schedule for March 2026:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable - considered good	240.10	7.74	-	0.04	-	-	247.88
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivable - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: allowance for expected credit loss	-	-	-	-	-	-	-
Total	240.10	7.74	-	0.04	-	-	247.88

(All amounts in INR Millions, unless otherwise stated)

Ageing Schedule for March 2025:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivable - considered good	581.70	17.71	-	0.04	-	-	599.45
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivable - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: allowance for expected credit loss	-	-	-	-	-	-	-
Total	581.70	17.71	-	0.04	-	-	599.45

11 Cash and cash equivalents

Particulars	As At March 31, 2026	As At March 31, 2025
Cash in hand	0.01	0.02
Balances with banks :		
a) On Current Accounts*	140.92	2.04
b) Deposits with original maturity upto 3 months	-	-
Total	140.93	2.06

* Includes balance in EEFC account amounting to INR 139.44 Mn (equivalent to USD 1.47 Mn) as at March 31, 2026 (March 31, 2025: Nil).

12 Bank Balance other than cash and cash equivalents

Particulars	As At March 31, 2026	As At March 31, 2025
a) deposits with original maturity for more than 3 months but less than 12 months*	93.81	-
b) deposits with original maturity for more than 12 months but maturity within 1 year from Balance Sheet date*	-	6.69
Total	93.81	6.69

* FDR includes INR 93.81 Mns (March 31, 2025: INR 6.69 Mns) towards margin money pledged with banks against Bank Guarantees.

(All amounts in INR Millions, unless otherwise stated)

13 Other current Assets

Particulars	As At March 31, 2026	As At March 31, 2025
Prepaid Expense*	45.49	10.81
Balance with government authorities**	221.70	135.34
Advances recoverable in cash or in kind or for value to be received	0.56	0.07
Advances to supplier	845.84	410.50
Other receivables (unbilled debtors)	20.87	163.21
Total	1,134.46	719.93

* Includes INR 42.22 Mns (March 31, 2025 - INR 2.10 Mns) incurred in relation to Company's plan of raising funds from capital market through Proposed Initial Public Offer ('IPO').

** Balance with government authorities" includes INR 0.53 Million (March 31, 2025 - INR Nil Mns) deposited towards income tax appeal under protest.

14 Share Capital

Particulars	As At March 31, 2026	As At March 31, 2025	As At March 31, 2026	As At March 31, 2025
	Number	Number	Amount	Amount
a) Authorised shares				
Equity share capital of Rs 2 each as at March 31, 2026 and Rs 100 each as at March 31, 2025				
As at the beginning of the reporting year	5,00,000	5,00,000	50.00	50.00
Add: Effect of sub-division of equity shares from ₹100 each to ₹2 each *	2,45,00,000	-	-	-
Add: Increase in authorised Share Capital*	32,50,00,000	-	650.00	-
As at the end of the reporting year	35,00,00,000	5,00,000	700.00	50.00
Issued, subscribed and paid up				
Equity share capital of Rs 2 each as at March 31, 2026 and Rs 100 each as at March 31, 2025				
As at the beginning of the reporting year	3,18,530	3,18,530	31.85	31.85
Add: Change in Shares due to split **	1,56,07,970	-	-	-
Add: Bonus Issued during the year***	23,88,97,500	-	477.80	-
As at the end of the reporting year	25,48,24,000	3,18,530	509.65	31.85

Note :

* During the period, pursuant to the approval of the shareholders, the authorised share capital of the Company was increased from INR 50 million divided into 2,50,00,000 equity shares of face value ₹2 each to INR 700 million divided into 35,00,00,000 equity shares of face value ₹2 each, by creation of 32,50,00,000 additional equity shares of face value ₹2 each, ranking pari-passu in all respects with the existing equity shares of the Company.

** Pursuant to a resolution passed by the Board dated June 30, 2025 and a resolution passed by the Shareholders dated July 15, 2025, equity shares of face value of ₹100 each of the Company were sub-divided into Equity Shares of face value of ₹2 each. Consequently, the issued and subscribed share capital of our Company comprising 3,18,530 equity shares of face value of ₹100 each was sub-divided into 1,59,26,500 Equity Shares of face value of ₹2 each.

*** further pursuant to the approval of shareholders granted in extra - ordinary general meeting held on July 25, 2025 the company has issued bonus shares amounting to Rs 477.80 Mns (i.e 23,88,97,500 shares @ 2 each) in the ratio of 15 equity shares for every 1 equity share.

(All amounts in INR Millions, unless otherwise stated)

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number (in millions)	Amount (Rs in millions)	Number (in millions)	Amount (Rs in millions)
Equity share capital of Rs 2 each as at March 31, 2026 and Rs 100 each as at March 31, 2025				
Shares outstanding at beginning of the year	0.32	31.85	0.32	31.85
Add : Shares issued during the year*	254.50	477.80	-	-
Less : Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	254.82	509.65	0.32	31.85

* Pursuant to a resolution passed by the Board dated June 30, 2025 and a resolution passed by the Shareholders dated July 15, 2025, equity shares of face value of ₹100 each of the Company were sub-divided into Equity Shares of face value of ₹2 each. Consequently, the issued and subscribed share capital of our Company comprising 3,18,530 equity shares of face value of ₹100 each was sub-divided into 1,59,26,500 Equity Shares of face value of ₹2 each.

** further pursuant to the approval of shareholders granted in extra - ordinary general meeting held on July 25, 2025 the company has issued bonus shares amounting to Rs 477.80 Mns (i.e 23,88,97,500 shares @ 2 each) in the ratio of 15 equity shares for every 1 equity share.

c) Terms/rights attached to equity shares:

The company has only one class of equity share capital of Rs 2 each as at March 31, 2026 and Rs 100 each as at March 31, 2025. Each holder of equity shares is entitled to one vote per share and also eligible for dividend, if any, proposed by the board of directors subject to the approval of shareholders in the annual general meeting.

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

d) Details of Shareholders holding more than 5% equity shares in the company

Names of shareholders	As at March 31, 2026		As at March 31, 2025	
	Number (in millions)	% of Holding	Number (in millions)	% of Holding
Sandeep Aggarwal	127.38	49.99%	0.16	49.99%
Nikunj Aggarwal	126.61	49.69%	0.16	49.69%

(All amounts in INR Millions, unless otherwise stated)

e) Details of shares held by Promoters at the end of the year

Particulars	As at March 31, 2026		As at March 31, 2025	
	% of total shares	% change during the year	% of total shares	% change during the year
Equity share capital of Rs 2 each as at March 31, 2026 and Rs 100 each as at March 31, 2025				
Sandeep Aggarwal				
(12,73,80,000 (March 31, 2025: 1,59,225 equity shares of INR 100 each fully paid up) equity shares of INR 2 each fully paid up)	49.99%	-	49.99%	-
Nikunj Aggarwal				
12,66,12,000 (March 31, 2025: 1,58,265 equity shares of INR 100 each fully paid up) equity shares of INR 2each fully paid up)	49.69%	-	49.69%	-
Mrs. Esha Gupta				
8,000 (March 31, 2025: 10 equity shares of INR 100 each fully paid up) equity shares of INR 2each fully paid up	0.00%	-	0.00%	-

f) The company has issued bonus shares in the ratio of 15 equity shares for every 1 equity share and there is no buy back of shares in the current year and preceding five years.
15 Other Equity

Particulars	As At March 31, 2026	As At March 31, 2025
A. Security Premium		
Balance as per last financial statements	41.37	41.37
Less: Utilised for issue of Bonus shares	(41.37)	-
Balance at the end of the year	-	41.37
B. Surplus in the statement of profit & loss		
Surplus in statement of P&L - Opening balance	551.42	218.71
Add: Net profit for the year transferred from Statement of profit & loss	846.81	332.71
Less: Utilised for issue of Bonus shares	(436.43)	-
Balance at the end of the year	961.80	551.42
C. Item of Other Comprehensive income		
Remeasurement gain loss on DBO		
Balance as per last financial statements	1.37	0.56
Re-measurement gains/ (losses) on defined benefit plans	0.98	0.81
Balance at the end of the year	2.35	1.37
Total	964.15	594.16

(All amounts in INR Millions, unless otherwise stated)

16 Borrowings

Particulars	As At March 31, 2026	As At March 31, 2025
Non Current		
Secured loans		
Secured term loan (refer note A(i) below)	229.59	312.45
Vehicle loan(refer note A(ii) below)	-	0.63
Less- Current maturities of term loan	(80.53)	(81.89)
Less- Current maturities of vehicle loan	-	(0.25)
Total	149.06	230.94
Particulars	As At March 31, 2026	As At March 31, 2025
Current		
Secured loans		
Current maturities of long term borrowings		
Secured term loan (refer note A(i) below)	80.53	81.89
Vehicle loan (refer note A(ii) below)	-	0.25
Working capital loan from banks		
Cash credit (refer note (iv) below)	215.97	626.64
Working Capital Demand Loan (refer note (v) below)	845.36	-
Bill Discounting (refer note (vii) below)	-	176.11
E-trades Purchase Bill Discounting (refer note (viii) below)	72.30	-
Foreign currency Loans		
Buyers Credit(refer note (vi) below)	464.26	499.77
Unsecured Loans		
Loans from body corporate (refer note (iii) below)	-	42.06
Total	1,678.42	1,426.72

[All amounts in INR Millions, unless otherwise stated]

A) Details of interest rates terms and securities
i) Secured Term loans

Particulars	As At March 31, 2026	As At March 31, 2025	Interest rate Range	Terms of Repayment
Karnatak Bank - Term Loan- 1	Nil	47.83	6 Month T bill rate + 6.62% [Actual rate 10.59% to 13.40% in Fy 22-23, 13.40% to 13.74% in fy 23-24, 13.23% to 13.74% in 24-25, 13.23% in Fy 25-26]	Repayable in 78 equal monthly installment of INR 1.45 Mns each and final installment (79th) of INR 1.48 Mns.
Karnatak Bank - Term Loan -2	Nil	19.69	6 Month T bill rate + 6.62% [Actual rate 10.59% to 13.40% in Fy 22-23, 13.40% to 13.74% in fy 23-24, 13.23% to 13.74% in 24-25, 13.23% in Fy 25-26]	Repayable in 80 equal installment of INR 0.56 Mns each and final installment (81st) of INR 0.62 Mns.
Karnatak Bank - Term Loan -3	Nil	2.73	10 year Govt security +0.96% + 2% (Fixed spread) [Actual rate 9.30 % to 10.32% in Fy 22-23, 10.24% to 10.32% in fy 23-24, 9.77% to 10.24% in 24-25, 12.53% in Fy 25-26]	Repayable in 36 equal installment of INR 0.91 Mns each
Karnatak Bank - Term Loan -4	Nil	11.62	6 Month T bill rate + 5.92 % [Actual rate 9.75 % to 12.64% in Fy 22-23, 12.64% to 13.02% in fy 23-24, 12.53% to 13.02% in 24-25, 13.23 % in fy 25-26]	Repayable in 54 EMI after holiday period of 6 months.
Yes Bank -Term Loan 1	41.36	54.09	MCLR 1 month + 1.30% [Actual rate 10.55 % to 10.55% in Fy 23-24, 10.25% to 10.25% in fy 24-25, 9.40% to 9.65% in fy 25-26]	Repayable in 66 equal principal installment after holiday period of 6 months.
Axis Bank -Term Loan 1	31.25	46.25	[Actual rate 8.99% to 11% in fy 22-23, 11% in fy 23-24, 10.75% to 11% in fy 24-25, 9.75% to 10.75% in period April 25 -March 26]	Repayable in 60 equal intsallment after holiday period of 12 Months.
Axis Bank -Term Loan 2	107.56	130.24	[Actual rate 9.5% fy 23-24, 9.25% to 9.5 % in fy 24-25, 8.25% to 9.25% in period April 25 -March 26]	Repayable in 72 equal intsallment after moratorium period of 12 Months.

(All amounts in INR Millions, unless otherwise stated)

Particulars	As At March 31, 2026	As At March 31, 2025	Interest rate Range	Terms of Repayment
RBL Bank -Term Loan 1	30.46	-	Repo rate + Spread (Actual rate 9.00% to 9.25% in period April 25 -March 26)	Repayable in 31 intsallment starting from 29.08.25
RBL Bank -Term Loan 2	12.96	-	Repo rate + Spread (Actual rate 9.00% to 9.25% in period April 25 -March26)	Repayable in 31 intsallment starting from 29.08.25
RBL Bank -Term Loan 3	6.00	-	Repo rate + Spread (Actual rate 9.00% to 9.25% in period April 25 -March 26)	Repayable in 31 intsallment starting from 11.09.25
Grand Total	229.59	312.45		

ii) Vehicles Loans

Particulars	As At March 31, 2026	As At March 31, 2025	Interest rate Range	Terms of Repayment
Karnataka Bank -Vehicle Loan 1	Nil	0.48	6 Months Treasury Bill+ 4.66% (credit risk premium) + 2% (fixed spread) (Actual rate 10.63% to 13.44% in fy 22-23, 13.44% to 13.78% in 23-24, 10.2% to 13.78% in fy 24-25)	Repayable in 84 equal Monthly installment of INR 0.01 Mns
Karnataka Bank -Vehicle Loan 2	Nil	0.15	6 Months Treasury Bill + 0.86%(Credit Risk Premium) + 2.00 (Fixed Spread) (Actual rate 7.34% to 9.64% in fy 22-23, 9.64% to 9.98% in fy 23-24, 9.47% to 9.98% in fy 24-25)	Repayable in 36 equal Monthly installment of INR 0.05 Mns.
Grand Total	-	0.63		

Note: Vehicle Loan is fully repaid during the year

B) The various term loans & vehicle loan are secured by :

- 1) Equitable mortgage of industrial land and building measuring 7.61 acres (30,809 sq. meters) standing in the name of M/s Ardee Industries Ltd.
- 2) Equitable mortgage of residential property consisting of land measuring 360 sq. yards (300.96 sq. meters) and a building comprising basement, ground floor, and two upper floors with total built-up area of 512.92 sq. meters, standing in the name of M/s D.P. Auto Industries Pvt. Ltd.
- 3) Hypothecation of plant and machinery and other fixed assets.
- 4) Personal Guarantee of directors Mr. Sandeep Aggarwal & Mr. Nikunj Aggarwal.
- 5) Corporate Guarantee of M/s D.P. Auto Industries Pvt. Ltd (Related party)

(All amounts in INR Millions, unless otherwise stated)

- 6) Credit Guarantee cover under the National Guarantee Trustee Company Ltd (NCGTC).
- 7) The vehicle loan are secured by hypothecation of respective vehicle.

iii) Loans from body corporate

Particulars	As At March 31, 2026	As At March 31, 2025	Terms of Repayment and Interest rate
Loan from DP auto industries	Nil	42.06	Repayble On Demand with interest @12 % fixed

Note : The lender has waived the interest pertaining to 2024-25. Accordingly, no interest expense has been recognised in the Statement of Profit and Loss for these years in respect of the said borrowings.

iv) Cash credit

1. The Company has a Cash Credit Facility from Karnataka Bank Limited amounting to INR 200 million. The facility carries interest linked to the 6-month T-bill rate plus 3.02% per annum, with the effective interest rate ranging between 9.63% to 10.14%. The outstanding balance as at 31st March 2026 is INR Nil million, (March 31, 2025 is INR 196.40 million).
2. The Company has a Cash Credit Facility from Axis Bank Limited amounting to INR 550 million. The facility carries interest at a floating rate, with the effective interest rate ranging between 8.00% to 9.00% per annum for the year ended 31st March 26. The outstanding balance as at 31st March 31, 2026 is INR 87.15 million (March 31, 2025: INR 243.07 million).
3. The Company has a Cash Credit Facility from Yes Bank Limited amounting to INR 550 million. The facility carries interest at a floating rate linked to the 1-month MCLR plus 0.80%, with the effective interest rate ranging between 9.69% to 11.05% per annum. The outstanding balance as at 31st March, 2026 is INR 62.13 million (March 31, 2025 is INR 187.17 million)
4. The Company has a Cash Credit Facility from Standard chartered bank amounting to INR 10 million. The facility carries interest at a floating rate linked to the MIBOR with the effective interest rate ranging between 8.34% to 8.87% per annum. The outstanding balance as at 31st March 2026 is INR 5.08 million (March 31, 2025 is INR Nil million)
5. The Company has a Cash Credit Facility from RBL Bank amounting to INR 350 million. The facility carries interest at a floating rate linked to the 1- month MCLR + Spread with the effective interest rate ranging between 8.3% to 9.4% per annum. The outstanding balance as at 31st march 2026 is INR 61.60 million (March 31, 2025 is INR Nil million)
- # The Company submits quarterly stock statements to its bankers as part of the requirements for working capital facilities. These stock statements are prepared primarily for the purpose of availing banking limits and may be based on certain estimates, provisional records, or inclusive of goods in transit/at third-party locations, which are not always fully reconciled with the books of accounts at the time of submission. On reconciliation, it has been observed that the stock values reported in such quarterly statements fully agree with the values as per the audited books of accounts maintained under applicable accounting standards.

(All amounts in INR Millions, unless otherwise stated)

v) Working Capital Demand Loan

1. The working capital demand loan has been taken from Yes Bank Limited amounting to INR 550 million (Sublimit of Main Cash credit limit). The facility carries interest linked repo rate + 2.25%, with the effective interest rate of 8.07% to 9.76% The outstanding balance as at as at 31st march 2026 is INR 285 million (March 31, 2025 is INR Nil million).
2. The working capital demand loan has been taken from Axis Bank Limited amounting to INR 550 million (Sublimit of Main Cash credit limit). The facility carries interest linked repo rate, with the effective interest rate of 7.75% to 8.25% The Outstanding balance as at 31st march 2026 is INR 190 million (March 31, 2025 is Nil million).
3. The working capital demand loan has been taken from RBL Bank Limited amounting to INR 350 million (Sublimit of Main Cash credit limit). The facility carries interest linked 1 month MCLR + Spread, with the effective interest rate of 7.95% to 9.25% The Outstanding balance as at 31st March 2026 is INR 250 million (March 31, 2025 is Nil million).
4. The working capital demand loan has been taken from Standard Chartered Bank amounting to INR 27 million (Sublimit of Main Cash credit limit). The facility carries interest linked T Bill rate, with the effective interest rate of 7.95% p.a The Outstanding balance as at 31st march 2026 is INR 24 million (March 31, 2025 is Nil million).
5. The working capital demand loan has been taken from DBS Bank Limited amounting to INR 100 million (Sublimit of Main Cash credit limit). The facility carries interest linked T Bill rate, with the effective interest rate of 7.45% p.a The Outstanding balance as at 31st march 2026 is INR 96.36 million (March 31, 2025 is INR Nil million).

vi) Buyers Credit

1. The company has availed Buyers credit from Axis bank Limited O/s amounting to INR 215.15 Mns (March 31, 2025 is 259.50 million) i.e USD 2.24 MNs (March 31, 2025 USD 3.04 MNs). The facility carries a tenor ranging from 30 to 90 days, with interest rates ranging between 4.35% to 4.43% per annum, linked to 3M term SOFR plus 71 to 75 basis points.
2. The Company has availed Buyers Credit facility from Yes Bank Limited O/s amounting to INR 77.75 million (March 31, 2025 is INR 98.81 million) i.e USD 0.81 Mns (March 31, 2025 USD 1.16 MNs) The facility carries a tenor ranging from 30 to 90 days, with interest rates ranging between 4.49% to 5.51% per annum, linked to 3M Term SOFR plus 55 to 80 basis points.
3. The Company has availed Buyers Credit facility from DBS Bank Limited O/s amounting to INR 117.70 Mns (March 31, 2025 is INR 141.46 million) i.e USD 1.24 Mns (March 31, 2025 USD 1.65 MNs). The facility carries a tenor ranging from 30 to 90 days, with interest rates ranging between 4.77% to 4.85% per annum.
4. The Company has availed Buyers Credit facility from Standard chartered bank Bank O/s amounting to INR 53.66 Mns (March 31, 2025 is INR Nil million) i.e USD 0.58 Mns (March 31, 2025 USD Nil MNs).The facility carries a tenor ranging from 30 to 90 days, with interest rates ranging between 5.15% to 5.82% per annum.

vii) Bill Discounting

1. Bill discounting outstanding amounting to INR Nil Mns from Axis Bank (Recourse basis) with interest ranging from 8.0% to 8.5 %.

(All amounts in INR Millions, unless otherwise stated)

viii) E-trades Purchase Discounting

1. The Company participates in the Trade Receivables Discounting System (TReDS) platform operated by M1xchange for facilitating timely payment to its vendors. Under this facility the company has outstanding loan amounting to INR 72.30 Mns (Previous period INR Nil Mns).The facility carries a interest rates ranging between 8.74% to 8.9% per annum.

The above Working capital facilities are secured by:

- 1) Hypothecation of stock, book debts/trade receivables and all other current assets (present and future) of the Company.
- 2) Equitable mortgage of residential property consisting of land measuring 360 sq. yards (300.96 sq. meters) and a building comprising basement, ground floor, and two upper floors with total built-up area of 512.92 sq. meters, standing in the name of M/s D.P. Auto Industries Pvt. Ltd.
- 3) Equitable mortgage of industrial land and building measuring 7.61 acres (30,809 sq. meters) standing in the name of M/s Ardee Industries Ltd.
- 4) First pari passu charge by way of hypothecation on the entire movable fixed assets (present and future) of the Company.
- 5) Unconditional and irrevocable personal guarantees of Mr. Sandeep Aggarwal and Mr. Nikunj Aggarwal, valid during the tenor of the credit facilities.
- 6) Unconditional and irrevocable corporate guarantee of D P Auto Industries Private Limited.

17 Lease Liabilities

Lease Liabilities recognised against Right of Use Assets are as follows:

Particulars	As At March 31, 2026	As At March 31, 2025
Non Current		
Lease Liabilities	9.93	-
Current		
Lease Liabilities	1.80	-
Total	11.73	-

(a) Lease liability movement

Particulars	As At March 31, 2026	As At March 31, 2025
Opening balance	-	0.91
Add : Addition during the year	13.35	-
Add : Interest on lease liability	1.06	0.05
Less : Deletion during the year	-	-
Less: Rental payments	(2.68)	(0.96)
Balance at the end of the year	11.73	-

(All amounts in INR Millions, unless otherwise stated)

(b) Amount recognised in Statement of Profit and Loss

Particulars	As At March 31, 2026	As At March 31, 2025
Interest on lease liabilities	1.06	0.05
Depreciation charge for the year	2.33	0.85

The weighted average incremental borrowing rate applied to lease liabilities is 9.25 % for March 26, 10.55% for 31st March 2025

18 Other Financial Liabilities (Non current)

Lease Liabilities recognised against Right of Use Assets are as follows:

Particulars	As At March 31, 2026	As At March 31, 2025
Payable for capital goods	4.29	3.43
Total	4.29	3.43

19 Provisions

Particulars	Non current Provision	
	As At March 31, 2026	As At March 31, 2025
Provision for Gratuity	12.48	6.00
Total	12.48	6.00

Particulars	Current Provision	
	As At March 31, 2026	As At March 31, 2025
Provision for Gratuity	1.04	0.03
Provision for Income Tax (net of Advance Tax & TDS)	73.23	49.68
Provision for Leave Encashment	7.21	2.86
Total	81.48	52.57

20 Deferred tax liabilities & Assets

Particulars	As At March 31, 2026	As At March 31, 2025
Deferred tax Assets (net)	16.83	4.61

Particulars	As At March 31, 2026	As At March 31, 2025
Deferred tax Liabilities (net)	-	-

(All amounts in INR Millions, unless otherwise stated)

Particulars	As At March 31, 2026	As At March 31, 2025
Deferred tax Assets		
Provision for gratuity	3.40	1.97
Provision for Leave encashment	1.82	0.72
Bonus	1.04	-
Lease Liability	2.95	-
Timing difference on account of depreciation and amortisation on Intangibles asset	0.08	0.21
Timing difference on account of depreciation property, plant and equipment	7.54	1.71
Sub Total (A)	16.83	4.61

20.1 Income Tax

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
The income tax expense consists of the following:		
Current tax	293.45	116.71
Deferred tax	(12.55)	(3.16)
Tax in respect of earlier years	1.73	0.20
Total tax expense	282.63	113.75

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Profit as per Statement of Profit and loss	1,129.44	446.46
Applicable tax rate	25.17%	25.17%
Expected income tax expense	284.26	112.36
Tax effect of adjustments to reconcile expected Income tax expense at tax rate to reported income tax expense:		
Tax in respect of earlier years	1.73	0.20
Permanent differences:		
CSR Deduction not allowed	0.91	0.26
Interest on Govt dues	1.99	0.33
Others	(6.26)	0.60
Adjusted tax expense	282.63	113.75
Tax as per profit and loss		
Current tax	293.45	116.71
Deferred tax	(12.55)	(3.16)
Tax in respect of earlier years	1.73	0.20
Total	282.63	113.75

(All amounts in INR Millions, unless otherwise stated)

21 Trade payable

Particulars	As At March 31, 2026	As At March 31, 2025
Deferred tax Assets (net)	27.58	13.35
Total outstanding dues of creditor other than micro enterprises and small enterprises	110.44	214.05
Total	138.02	227.40

Ageing Schedule for March 2026

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	23.96	3.62	-	-	-	27.58
(ii) Others	-	95.80	13.61	0.10	0.24	0.69	110.44
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	119.76	17.23	0.10	0.24	0.69	138.02

Ageing Schedule for March 2025

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	12.75	0.60	-	-	-	13.35
(ii) Others	-	205.44	3.85	3.90	0.24	0.62	214.05
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	218.19	4.45	3.90	0.24	0.62	227.40

- * Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below:

(All amounts in INR Millions, unless otherwise stated)

Trade payables - Dues to micro and small enterprises

Particulars	As At March 31, 2026	As At March 31, 2025
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	27.58	13.35
- Interest		
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act 2006)		
The amount of the payments made to micro and small suppliers beyond the appointed day during the year		
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006		
The amount of interest accrued and remaining unpaid at the end of the year		
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006		

22 Other Financial Liabilities

Particulars	As At March 31, 2026	As At March 31, 2025
Interest accrued but not due on borrowings	5.93	5.61
Accrued interco payable	0.29	6.74
Security Deposit received	20.33	1.73
Derivative financial liabilities	7.38	2.99
Total	33.93	17.07

23 Other Current Liabilities

Particulars	As At March 31, 2026	As At March 31, 2025
Advances received from customers	0.43	0.75
Statutory liabilities	6.83	3.83
Payable to employees	29.14	16.15
Expenses payable & others	13.72	9.73
Total	50.12	30.46

(All amounts in INR Millions, unless otherwise stated)

24 Revenue from contracts with customers

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Revenue from :		
- Sale of products		
- Finished Goods (Refer Note 24.1)	10,214.48	6,675.12
Less: discounts		
	10,214.48	6,675.12
- Sale of services		
- Commission		
- Job Work Charges Received	913.28	520.01
- Other operating revenue		
Export incentives including government grant and amortisation	119.44	87.59
Foreign Exchange Fluctuation (Net)	429.33	144.63
Revenue from operations (Net)	11,676.53	7,427.35

24.1 Revenue from contracts with customers

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Lead alloy	3,212.08	3,195.35
Pure Lead	6,594.22	3,145.02
Scrap sale	400.91	258.51
Others	7.27	76.24
Total	10,214.48	6,675.12

24.2 Revenue from contracts with customers

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Job Work Income	913.38	520.01
Total	913.38	520.01

24.3 Revenue from contracts with customers

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Trade receivables	247.88	599.45
Contract assets	20.87	163.21
Contract liabilities	0.43	0.75

- Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days.
- Contract assets include unbilled revenue on account of job work.
- Contract liabilities include amount received from customers to deliver goods and services.

(All amounts in INR Millions, unless otherwise stated)

24.4 Disaggregated Revenue Information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Revenue From contracts with cutomers	11,127.76	7,195.13
Total revenue from contracts with customers	11,127.76	7,195.13

Particulars	For the Year ended March 31, 2026			For the Year ended March 31, 2025		
	Job work	Product sale	Total	Job work	Product sale	Total
Type of goods or service						
Finished Goods	-	10,214.48	10,214.48	-	6,675.12	6,675.12
Job work charges	913.28	-	913.28	520.01	-	520.01
Total revenue from contracts with customers	913.28	10,214.48	11,127.76	520.01	6,675.12	7,195.13
Geographical						
India	913.28	5,563.94	6,477.22	520.01	3,924.49	4,444.50
Outside India	-	4,650.54	4,650.54	-	2,750.63	2,750.63
Total revenue from contracts with customers	913.28	10,214.48	11,127.76	520.01	6,675.12	7,195.13
Timing of revenue recognition						
Goods transferred at a point in time	-	10,214.48	10,214.48	-	6,675.12	6,675.12
Services transferred over time	913.28	-	913.28	520.01	-	520.01
Total revenue from contracts with customers	913.28	10,214.48	11,127.76	520.01	6,675.12	7,195.13

25 Other Income

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Interest income:		
- Banks	5.46	4.56
- Others*	5.45	3.35
	10.91	7.91
Profit & Loss on Sale of Investments	0.04	-
Balance written back	1.35	-
Total	12.30	7.91

* Interest income from others include interest earned on electricity deposits and Margin money with LME brokers.

(All amounts in INR Millions, unless otherwise stated)

26 Cost of Material Consumed

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Opening stock	344.36	199.87
Add: Purchases during the year	9,270.32	5,673.81
Add: Carriage inward & clearing charges	405.89	220.13
	10,020.57	6,093.81
Less: Closing stock - Raw Material	529.54	73.33
Less: Closing stock - In transit	148.80	271.04
Cost of material consumed	9,342.23	5,749.44

26.1 Details of Raw material inventories

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Lead scrap	174.87	125.71
Scrap Battery	340.01	104.16
Remelted lead	117.08	82.78
Elements	31.99	12.72
Other consumables	14.39	19.00
Total	678.34	344.37

27 Changes in inventories of finished goods, stock-in-transit & work-in-progress

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Opening stock		
- Finished goods	6.65	40.01
- Work in Progress	68.36	132.40
Less : Closing Stock		
- Finished goods	148.54	6.65
- Work in Progress	267.41	68.36
(Increase)/decrease in inventories	(340.94)	97.40

27.1 Details of inventory

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Finished goods		
Lead alloy	148.54	6.65
Pure Lead	-	-
	148.54	6.65
Work In Progress	267.41	68.36
	267.41	68.36
Total	415.95	75.01

(All amounts in INR Millions, unless otherwise stated)

28 Employee Benefit Expenses

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Salaries, wages and allowances*	275.57	188.64
Contribution to provident & other employee funds	8.06	5.42
Gratuity Expense	7.26	3.39
Staff welfare expenses	32.35	21.56
Total	323.24	219.01

* During the year ended 31 March 2026, the Company has capitalised certain salary expenses directly attributable to the construction of capital assets amounting to INR 8.40 million under Property, Plant and Equipment and INR 1.84 million under Capital Work-in-Progress (31 March 2025: INR 1.22 million under Property, Plant and Equipment and INR 1.76 million under Capital Work-in-Progress).

29 Depreciation and amortization expenses

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Depreciation on Property, Plant and Equipment	111.31	85.79
Amortisation on Intangible assets	0.02	0.03
Depreciation on Right of use assets	2.33	0.85
Total	113.66	86.67

30 Finance Cost

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Interest on bank loan	130.17	93.80
Interest others		7.27
Bank charges	60.49	29.79
Interest on Lease Liability	1.06	0.05
Foreign exchange Fluctuation on borrowings	48.30	3.21
Total	240.02	134.12

(All amounts in INR Millions, unless otherwise stated)

31 Other Expenses

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Job work charges	53.15	24.42
Casting Labour Charges	127.57	57.48
Power & fuel	-	0.36
Water & Electricity Expenses	51.11	48.43
Traveling & conveyance	16.54	14.23
Communication expenses	1.42	0.24
Rent	33.67	23.92
Rates & taxes	13.48	7.81
Security charges	5.91	4.11
Repair & Maintenance:		
- plant	20.54	12.55
- others	9.37	27.14
Vehicle running & Maintenance	1.93	1.79
Legal & professional charges	17.55	9.31
Insurance charges	3.10	3.02
Fuel & Gas (Refer Note 31.1)	236.35	222.25
Stores & spares consumed (Refer Note 31.2)	134.68	127.99
Audit Fees (Refer Note 31.3)	5.36	1.55
CSR Expenses (Refer Note 31.4)	3.60	1.04
Software usage charges	0.90	1.48
Loss on sale of Fixed Assets	4.10	-
Cartage outward	80.96	78.36
Bad Debts Written Off	-	0.28
Sundry balance written off	0.25	-
Packing and selling	20.82	7.76
Miscellaneous expenses	28.42	26.64
Certification charges	10.40	-
Total	881.18	702.16

(All amounts in INR Millions, unless otherwise stated)

31.1 Fuel and Gas

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Opening stock	3.98	2.80
Add: Purchases during the year (Fuel & Gas)	236.58	223.43
	240.56	226.23
Less: Closing stock	4.21	3.98
Less: Closing stock - in transit	-	-
Fuel and Gas	236.35	222.25

31.2 Fuel and Gas

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Opening stock - Consumable Stores	25.63	43.01
Opening stock - in transit	0.53	0.49
Add: Purchases during the year (Stores & spares)	171.25	110.65
	197.41	154.15
Less: Closing stock - Consumable Stores	58.13	25.63
Less: Closing stock - in transit	4.60	0.53
Stores & spares consumed	134.68	127.99

31.3 Payment to Auditors (excluding GST)*

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Audit fees	2.00	1.40
Tax Audit fees	0.15	0.15
Other services	2.90	-
Out of pocket expenses	0.31	-
Total	5.36	1.55

* excluding amount considered under prepaid expenses 3.95 Millions incurred in relation to Company's plan of raising funds from capital market through Proposed Initial Public Offer ('IPO').

31.4 Corporate Social Expenditure

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
a. Gross amount required to be spent by the Company pursuant to section 135(5) of the Act	4.71	2.00
b. Amount of expenditure incurred:		
PM Cares Fund	2.00	0.39
Clean Ganga Fund	-	0.40
Contribution towards promotion of education	1.00	0.25
Contribution towards rural development project	0.60	
c. Shortfall as at the year end out of the amount required to be spent by the Company during the year	2.86	1.75
d. Shortfall as at the year end out of the amount required to be spent by the Company during the previous year	-	-

(All amounts in INR Millions, unless otherwise stated)

The Company had an unspent CSR amount of INR 1.75 million pertaining to the financial year 2024-25, which has been contributed on 26 August 2025 in compliance with the applicable provisions of the Companies Act, 2013. Out of the total CSR obligation of INR 4.71 million required to be spent during the year, the Company has contributed INR 2 million (1.75 Millions for shortfall of Previous year and 0.25 Millions for the current year) to the PM CARES Fund and has incurred INR 0.60 million towards safe drinking water project in rural areas and INR 1.00 million towards promoting education through financial assistance to meritorious students. The remaining CSR obligation amounting to INR 2.86 million will be spent or transferred towards permitted CSR activities as specified under Schedule VII of the Companies Act, 2013, on or before the due date, i.e., 30th September 2026.

32 Earning Per Share

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Profit after tax as per Statement of Profit & Loss (INR Millions)	846.81	332.71
Face value of shares	2	100
Opening balance of shares (In Millions)	0.32	0.32
Add : effect of Share split (shares from INR 100 each to INR 2 each) (in Millions)*	15.61	15.61
Add : effect of Bonus issue (Bonus shares in the ratio 15:1) (in Millions)**	238.90	238.90
Closing balance of shares (nos.) (in Millions)	254.82	254.82
Face value of shares (Post Subdivision of shares)	2	2
Weighted average number of Equity Shares outstanding (Post bonus & split) (in millions)	254.82	254.82
Basic & Diluted Earnings per share (INR)	3.32	1.31

Reconciliation of the number of equity shares outstanding

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Equity shares of INR 100 each as at March 31, 2025	0.32	0.32
Sub-division of shares from INR 100 each to INR 2 each (effective 15-07-2025)	15.93	15.93
Issue of Bonus shares in the ratio 15:1 (effective 25-07-2025)	254.82	254.82

* Pursuant to the approval of shareholders granted in extra - ordinary general meeting held on July 15, 2025, the company accorded for the subdivision of existing authorised share capital of the company from Rs.50 million consisting of 0.5 million equity shares having face value of Rs100/- each to INR. 50 million consisting of 25 million equity shares having face value of INR 2 each.

** Further, Pursuant to the approval of shareholders granted in extra - ordinary general meeting held on July 25, 2025 the company has issued bonus shares in the ratio of 15 equity shares for every 1 equity share. Considering the bonus issue happened after the reporting date but before the approval of financial statement, the company has presented basic & diluted earning per share on the basis of new numbers of shares for current as well previous years.

(All amounts in INR Millions, unless otherwise stated)

33 Contingent Liabilities (to the extent not provided for):

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
a. Outstanding bank guarantees with - others *	125.00	72.50
b. Disputed income tax demand **	2.61	6.13

* The Company has given a Bank Guarantee amounting to 125 Mns (Previous year: 72.50 Mns) in favour of its customer towards performance/security deposit against the job work arrangements.

** Pertains to the disputed income tax demand in relation to AY 2024-25 amounting to INR 2.61 million (Previous year: INR 6.13 million pertaining to AY 2023-24 and AY 2024-25). The Company is contesting the demand and the management, including its tax advisors, believes that its position is likely to be upheld in the appellate proceedings. Accordingly, no provision has been considered necessary in the financial statements. Further, the disputed income tax demand relating to AY 2023-24 amounting to INR 3.52 million has been allowed by the Income Tax Appellate Tribunal (ITAT) vide order dated 08 May 2026 and accordingly the same is no longer contingent in nature.

34 Current Assets, Loans and Advances

In the opinion of the management, the value on realisation of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet and provisions for all known liabilities has been made.

35 Employee Benefits

Disclosure of gratuity (non-funded)

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Net Asset / (Liability) recognized in the Balance Sheet

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Present Value of the Obligation	13.52	6.03
Fair Value of Plan Assets	-	-
Net Asset / (Liability) recognized in the Balance Sheet	(13.52)	(6.03)

(All amounts in INR Millions, unless otherwise stated)

Reconciliation of Present value of Obligations :

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Present value of the obligation at the beginning of the year	6.03	3.71
Acquisition adjustment (in)	1.71	-
Acquisition adjustment (Out)	(0.16)	-
Interest cost	0.41	0.27
Current service cost	4.61	3.12
Past service cost*	2.23	-
Benefits paid (if any)	-	-
Actuarial (gain)/loss	(1.31)	(1.08)
Present value of the obligation at the end of the year	13.52	6.03

* Consequent to the implementation of the Code on Wages, 2019, the Company has reassessed the definition of wages applicable for employee benefits, resulting in a change impacting past service, the resultant impact has been treated as a past service cost and has been recognised through profit or loss in accordance with Ind AS 19.

Expenses recognized in the statement of Profit and Loss Account :

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Interest Cost	0.41	0.27
Current Service Cost	4.61	3.12
Past Service cost	2.23	-
Expenses recognized in the statement of Profit and Loss Account	7.25	3.39

Current / Non-current bifurcation

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Current Benefit Obligation	1.04	0.03
Non - current Benefit Obligation	12.48	6.00
Liability recognised in Balance Sheet	13.52	6.03

Amount recognised in other comprehensive income:

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Actuarial loss/(gain):		
change in financial assumptions	(0.79)	0.10
change in demographic assumptions	-	-
experience variance (i.e. Actual experience vs assumptions)	(0.52)	(1.18)
Return on plan assets, excluding amount recognised in net interest expense	-	-
Amount recognised in OCI, at the end of the year	(1.31)	(1.08)

(All amounts in INR Millions, unless otherwise stated)

Total Defined Benefit Cost/(Income) included in Profit & Loss and Other Comprehensive Income

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Amount recognized in Profit and loss, End of Year	7.25	3.39
Amount recognized in Other Comprehensive Income, End of Year	(1.31)	1.08
Total Net Defined Benefit Cost/(Income) Recognized at Year-End	5.94	4.47

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Discount Rate	7.90%	7.04%
Rate of increase in Compensation	8.00%	8.00%
Average Outstanding Service of Employees up to Retirement (years)	25.68	26.29

The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.

36 FINANCIAL RISK MANAGEMENT

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor, analyse and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

A MANAGEMENT OF 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 of two types of risks: interest rate risk and currency rate risk. Financial instruments affected by market risk includes borrowings. The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

(i) Management of interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

March 31, 2026

Particulars	Floating Rate borrowings	Fixed rate borrowings	Non-Interest bearing borrowings	Total Borrowings
Financial Liabilities (borrowings)	1,827.48	-	-	1,827.48

(All amounts in INR Millions, unless otherwise stated)

March 31, 2025

Particulars	Floating Rate borrowings	Fixed rate borrowings	Non-Interest bearing borrowings	Total Borrowings
Financial Liabilities (borrowings)	1,615.60	42.06	-	1,657.66

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As At March 31, 2026	As At March 31, 2025
1% Increase in (in Interest rates)	18.27	16.16
1% decrease in (in Interest rates)	(18.27)	(16.16)

(ii) Management of price risk:

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security/margin against guarantee given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

(ii) Management of currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has foreign currency trade receivables and is therefore exposed to foreign exchange risk. The Company mitigates the foreign exchange risk by setting appropriate exposure limits, periodic monitoring of the exposures etc. The exchange rates have been volatile in the recent years and may continue to be volatile in the future. Hence the operating results and financials of the Company may be impacted due to volatility of the rupee against foreign currencies.

Exposure to currency risk (The Company has exposure only in USD converted to functional currency i.e. INR)

The currency profile of financial assets and financial liabilities as at March 31, 2026 and March 31, 2025 are as below.

Particulars	As At March 31, 2026	As At March 31, 2025
Trade Payable (USD)	0.03	1.90
Trade Payable (INR)	3.11	162.24
Trade Receivable (USD)	1.88	2.85
Trade Receivable (INR)	178.36	244.18
Working Capital Loan (Buyers credit)-USD	4.90	5.85
Working Capital Loan (Buyers Credit)-(INR)	464.26	499.77
Other Receivables-USD	5.55	2.50
Other Receivables-(INR)*	524.90	214.25
Advance to Suppliers-USD	3.06	2.08
Advance to Suppliers-(INR)	289.31	177.44
Cash and Cash equivalents -USD	1.47	-
Cash and Cash equivalents -INR **	139.44	-

* Other receivables represent margin money placed with the LME broker and profit receivables on open/settled LME contracts.

** Cash and cash equivalents represent balance held in EEFC account.

(All amounts in INR Millions, unless otherwise stated)

Derivative financial instruments (designated as derivative instruments):

The Company holds derivative financial instruments, such as foreign exchange forward contracts, which are entered to mitigate risks arising from fluctuations in exchange rates on foreign currency exposures. Risks associated with fluctuation in the price of the product (lead) is minimized by undertaking appropriate derivative instruments on the London Metal Exchange. These derivative financial instruments are valued based on inputs that is directly or indirectly observable in the marketplace.

Forward contract outstanding for purpose of hedging as at Balance Sheet date:

Particulars	As At March 31, 2026	As At March 31, 2025
USD	9.95	16.41
INR	935.71	1,404.22

Note : Forward contracts includes contract entered in relation to Buyers credit, export & metal price fluctuation at LME

Unhedged for currency exposures (net of forward contract)

Particulars	As At March 31, 2026	As At March 31, 2025
USD (In Mns)		
Exports Receivables	0.03	2.55
Others Receivables*	5.55	2.51
Advances to suppliers	3.06	1.55
Cash and cash equivalents**	1.47	-
Total Receivables	10.11	6.61
Import Paybles	0.03	1.40
(Buyers Credit)	4.02	2.09
Total payables	4.05	3.49
Net Unhedged currency exposures (USD)	6.06	3.12
INR in Mns		
Exports Receivables	2.98	218.51
Others Receivables*	524.90	214.25
Advances to suppliers	289.31	132.73
Cash and cash equivalents**	139.44	
Total Receivables	956.63	565.49
Import Paybles	3.11	119.88
(Buyers Credit)	380.83	178.56
Total payables	383.94	298.44
Net Unhedged currency exposures (USD)	572.69	267.05

* Other receivables represent margin money placed with the LME broker and profit receivables on open/settled LME contracts.

** Cash and cash equivalents represent balance held in EEFC account.

(All amounts in INR Millions, unless otherwise stated)

Sensitivity Analysis

Particulars	As At March 31, 2026	As At March 31, 2025
Trade Payable		
1% Increase in (in Functional currency)	0.03	1.62
1% decrease in (in Functional currency)	(0.03)	(1.62)
Trade Receivable		
1% Increase in (in Functional currency)	(1.78)	(2.44)
1% decrease in (in Functional currency)	1.78	2.44
Working Capital Loan (Buyers credit)-USD		
1% Increase in (in Functional currency)	4.64	5.00
1% decrease in (in Functional currency)	(4.64)	(5.00)
Other Receivables-USD		
1% Increase in (in Functional currency)	5.25	2.14
1% decrease in (in Functional currency)	(5.25)	(2.14)
Advance to Suppliers-USD		
1% Increase in (in Functional currency)	(2.89)	(1.77)
1% decrease in (in Functional currency)	2.89	1.77
Cash and Cash equivalents -USD		
1% Increase in (in Functional currency)	(1.39)	-
1% decrease in (in Functional currency)	1.39	-

B MANAGEMENT OF CREDIT RISK

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

(All amounts in INR Millions, unless otherwise stated)

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks.

Trade Receivables

Trade receivables are generally unsecured and non interest bearing. There is no significant concentration of credit risk. The Company's credit risk management policy in relation to trade receivables involves periodically assessing the financial reliability of customers, taking into account their financial position, past experience and other factors. The utilization of credit limits regularly monitored. The Company's credit risks mainly confined to the risk of customers defaulting against credit sales made. Outstanding trade receivables are regularly monitored by credit monitoring Company. In respect of trade receivables, the Company recognises a provision for life time expected credit losses after evaluating the individual probabilities of default of its customers which are duly based on the inputs received from the marketing teams of the Company.

Other financial assets measured at amortised cost further other financial assets are considered to have low credit risks since there is a low risk of default by the counter parties owing to their strong capacity to meet contractual cash flow obligations in the near term. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Credit risk exposure

Financial assets (other than trade receivables)

Company provides for expected credit losses on other than trade receivables by assessing individual financial instruments for expectation of any credit losses. -

For cash & cash equivalents, other bank balances and Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low. -

The Company's exposure to credit risk for for security deposits paid primarily to government agencies such as electricity boards, statutory authorities, and regulated entities including etc. These deposits are considered to have low credit risk due to the high creditworthiness and sovereign backing of the counterparties .

For other financial assets Credit risk is evaluated based on Company knowledge of the credit worthiness of those parties and loss allowance is measured. For such financial assets, the Company policy is to provide for 12 month expected credit losses up on initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk.

March 31, 2026

Particulars	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash deposits with banks	140.93	0.00%	-	140.93
Bank Balance other than cash and cash equivalents	93.81	0.00%	-	93.81
Other financial assets	42.50	0.00%	-	42.50

(All amounts in INR Millions, unless otherwise stated)

March 31, 2025

Particulars	Gross carrying amount	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Cash deposits with banks	2.06	0.00%	-	2.06
Bank Balance other than cash and cash equivalents	6.69	0.00%	-	6.69
Other financial assets	114.97	0.00%	-	114.97

Expected credit loss for trade receivables under simplified approach

In Respect of Trade Receivables, the company measures the loss allowance at an amount equal to the lifetime expected credit losses using a simplified approach.

March 31, 2026

Particulars	Gross carrying amount	Significant increase in credit risk	Credit Impaired	Expected credit losses	Carrying amount net of impairment provision
Not due	240.10	-	-	-	240.10
Not more than 6 months	7.74	-	-	-	7.74
More than 6 months but less than 1 year	-	-	-	-	-
More than 1 year	0.04	-	-	-	0.04
Total	247.88	-	-	-	247.88

March 31, 2025

Particulars	Gross carrying amount	Significant increase in credit risk	Credit Impaired	Expected credit losses	Carrying amount net of impairment provision
Not due	581.70	-	-	-	581.70
Not more than 6 months	17.71	-	-	-	17.71
More than 6 months but less than 1 year	0.04	-	-	-	0.04
More than 1 year	-	-	-	-	-
Total	599.45	-	-	-	599.45

C MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities, and 'The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(All amounts in INR Millions, unless otherwise stated)

March 31, 2026

Particulars	Carrying amount	Less than 1 year	1 – 3 year	Above 3 years	Total
Borrowings	1,827.48	1,678.42	106.36	42.70	1,827.48
Trade payable	138.02	136.99	0.34	0.69	138.02
Lease liabilities	11.73	1.80	4.61	5.32	11.73
Other financial liabilities	38.22	37.44	0.78	-	38.22
Total	2,015.45	1,854.65	112.10	48.71	2,015.45

March 31, 2025

Particulars	Carrying amount	Less than 1 year	1 – 3 year	Above 3 years	Total
Borrowings	1,657.66	1,426.69	151.48	79.49	1,657.65
Trade payable	227.40	222.65	4.14	0.62	227.41
Lease liabilities	-	-	-	-	-
Other financial liabilities	20.50	17.07	3.43	-	20.50
Total	1,905.56	1,666.41	159.05	80.11	1,905.57

D FAIR VALUE MEASUREMENT

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices for identical instruments in an active market;

Level 2: Directly (i.e., as prices) or indirectly (i.e., derived from prices) observable market inputs, other than Level 1 inputs; and.

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Financial assets and liabilities measured at fair value - recurring fair value measurements

On the adoption of IndAS for first time Company has not measured its Assets and Liabilities at Fair Value and the same policy has been adopted by the company for all the relevant period.

(All amounts in INR Millions, unless otherwise stated)

Financial assets and liabilities measured at amortised cost

The following table presents the fair value hierarchy of assets and liabilities measured at amortised cost:

Particulars	Fair value hierarchy	Fair Value as at 31 March, 2026	Fair Value as at 31 March, 2025
Financial assets			
a) Measured at amortised cost			
i) Cash and cash equivalent	L3	140.93	2.06
ii) Bank Balance other than cash and cash equivalents	L3	93.81	6.69
iii) Trade receivables	L3	247.88	599.45
iv) Other financial assets	L3	42.50	114.97
Total Financial assets		525.12	723.17
Financial Liabilities			
a) Measured at amortised cost			
(i) Borrowings	L3	1,827.48	1,657.66
(iii) Trade Paybles	L3	138.02	227.40
(iv) Other Financial Liabilities	L3	38.22	20.50
(iv) Lease Liabilities	L3	11.73	-
		2,015.45	1,905.56

- a). All financial assets and financial liabilities are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

37 Segment Reporting

- (a) Primary Segment Reporting (by Business segment)

The Company has evaluated its operating segments in accordance with Indian Accounting Standard (Ind AS) 108 – Operating Segments. Based on the internal organizational structure, the nature of products and services, and the risks and returns associated with them, the management has determined that the Company operates in a single business segment. Accordingly, there are no reportable segments for the purpose of segment reporting.

- (b) Secondary Segment Reporting (by Geographical demarcation):

- i) The secondary Segment is based on geographical demarcation i.e. India and Rest of the world
 ii) Information about secondary segments are as follows:
 a. Revenue from Operation & Capital expenditure based on geography

Particulars	For the Year ended March 31, 2026			For the Year ended March 31, 2025		
	India	Rest of the world	Total	India	Rest of the world	Total
Segment Revenue	6,477.22	4,650.54	11,127.76	4,444.50	2,750.63	7,195.13
Capital Expenditure	234.46	-	234.46	541.82	-	541.82

(All amounts in INR Millions, unless otherwise stated)

b. Non-current assets based on geography

Particulars	For the Year ended March 31, 2026			For the Year ended March 31, 2025		
	India	Rest of the world	Total	India	Rest of the world	Total
Segment Assets	814.48	-	814.48	553.75	244.22	797.97

Note : Non-current assets disclosed above exclude deferred tax balances.

38 Disclosures in respect of related parties pursuant to Ind AS 24

I. List of Related parties & relationships, where control exists:

NIL

II. Other related parties & relationships with whom transactions had taken place during the year:

(a) Key Managerial Personnel and other Directors

Mr. Sandeep Aggarwal (Managing Director)
 Mr. Nikunj Aggarwal (Whole-time director)
 Mrs. Esha Gupta (Whole-time director)
 (w.e.f. March 08, 2025)
 Arun Kumar Mallik (Chief financial officer)
 (w.e.f. June 30, 2025)
 Puneet Verma (Company Secretary)
 (w.e.f. June 30, 2025 & resigned w.e.f. December 11, 2025)
 Manish Kumar Rai
 (w.e.f. December 14, 2025)
 Archana Jain (Independent Director)
 (w.e.f. June 30, 2025)
 Anand Tandon (Independent Director)
 (w.e.f. July 18, 2025)
 Vivek Sarbhai (Independent Director)
 (w.e.f. July 18, 2025)
 Mrs Jaishree Aggarwal

(b) Relatives of Key Managerial Personnel

(c) Other enterprises over which person(s) referred to in (a) & (b) above are able to exercise significant influence

D P Auto Industries Pvt Ltd
 Pilot Industries ltd
 Kanahi Buildcon Pvt. Ltd.

(All amounts in INR Millions, unless otherwise stated)

III. Transaction & Balances with Related Parties

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Key Managerial Personnel and other Directors			
Directors's remuneration	Mr. Sandeep Aggarwal	20.05	12.00
	Mr. Nikunj Aggarwal	20.02	12.00
	Ms. Esha Gupta*	1.60	1.60
Directors's Sitting Fees	Mrs. Archana Jain	0.30	-
	Mr. Anand Tondon	0.30	-
	Mr. Vivek Sarabhai	0.24	-
KMP Remuneration	Mr. Arun Kumar Mallik	4.97	-
	Mr. Puneet Verma	0.59	-
	Mr. Manish Kumar Rai	0.62	-
Interest on Unsecured Loan	Mr. Sandeep Aggarwal	-	6.77
Loan received	Mr. Sandeep Aggarwal	-	34.40
	Mr. Nikunj Aggarwal	-	7.00
Loan Repaid	Mr. Sandeep Aggarwal	-	91.00
	Mr. Nikunj Aggarwal	-	16.00
Reimbursement Paid	Mr. Nikunj Aggarwal	4.50	0.36
	Mr. Sandeep Aggarwal	0.62	-
Rent Paid	Mr. Sandeep Aggarwal	-	0.45
Outstanding as at year end:			
Directors Remuneration Payable	Mr. Sandeep Aggarwal	2.00	-
	Mr. Nikunj Aggarwal	1.30	-
	Ms. Esha Gupta*	0.16	-
Directors's Sitting Fees Payable	Mrs. Archana Jain	0.15	-
	Mr. Anand Tondon	0.15	-
	Mr. Vivek Sarabhai	0.14	-
KMP Remuneration Payable	Mr. Arun kumar Mallik	0.35	-
	Mr. Manish Kumar Rai	0.17	-
Reimbursement payable	Mr. Nikunj Aggarwal	1.38	-

(All amounts in INR Millions, unless otherwise stated)

(b) Relatives of Key Managerial Personnel

		For the year ended March 31, 2026	For the year ended March 31, 2025
Salary Paid	Mrs Jaishree Aggarwal	-	4.00
	Ms. Ridhima Aggarwal	-	1.60

* Note: Ms. Esha Gupta was earlier disclosed as a relative of Key Managerial Personnel in previous years, subsequent to appointment as a Director of the Company with effect from 08 March 2025.

(c) Other enterprises over which person(s) referred to in (a) & (b) above are able to exercise significant influence

		For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase of Goods	Pilot Industries Ltd	5.80	92.46
Purchase of fixed assets	Pilot Industries Ltd	0.51	0.25
Sale of Goods	Pilot Industries Ltd	202.68	100.15
Rodtep Scrip Sale	Pilot Industries Ltd	9.62	18.87
Software usage (Expense)	Pilot Industries Ltd	0.68	1.62
Software usage (Income)	Pilot Industries Ltd	0.05	0.14
Employee Cost (Expense)	Pilot Industries Ltd	-	1.80
Employee Cost recovery (Income)	Pilot Industries Ltd	-	1.41
Amount paid by Pilot Industries on behalf Ardee Industries - Reimbursement	Pilot Industries Ltd	1.69	0.43
Amount paid by Ardee Industries on behalf of Pilot Industries - Reimbursement	Pilot Industries Ltd	0.66	14.11
Advance Paid for Purchase of Goods	Pilot Industries Ltd	218.79	-
Amount Received Back given as advance for Purchase of Goods	Pilot Industries Ltd	218.79	-
Loan received	Pilot Industries Ltd	-	295.00
	D P Auto Industries Pvt Ltd	15.00	-
	Kanahi Buildcon Pvt Ltd	60.00	-
Loan Repaid	Pilot Industries Ltd	-	295.00
	D P Auto Industries Pvt Ltd	57.06	16.50
	Kanahi Buildcon Pvt Ltd	60.00	-
Rent paid	D P Auto Industries Pvt Ltd	-	0.14
	Kanhahi Buildcon Pvt. Ltd.	-	0.22
Outstanding as at year end:			
Unsecured Loan	D P Auto Industries Pvt Ltd	-	42.06
Interest on Unsecured Loan payable	D P Auto Industries Pvt Ltd	-	-
Intercompany Cost payable	Pilot Industries Ltd	0.29	6.74
Intercompany receivable	Pilot Industries Ltd	1.83	2.99
Reimbursement payable	Pilot Industries Ltd	-	0.02

(All amounts in INR Millions, unless otherwise stated)

39 Supplementary statutory information

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) CIF Value of Imports		
i) Raw Materials	8059.78	3,672.92
ii) Capital Goods		
iii) Stores & Spares		
b) Expenditure in Foreign Currency (Accrual basis)		
i) Finance Charges	29.50	23.34
ii) Travelling Expenses	1.42	-
iii) Business Promotion Expenses	1.67	-
iv) Commission Charges	11.49	9.12
v) Fees & Subscription	1.64	-
c) Foreign Exchange Earnings		
i) CIF Value of Exports	4,650.54	2,750.63

40 Imported & Indigenous Raw Materials (including Components) consumption :

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	INR	%	INR	%
a) Imported	8,184.16	87.60%	3,427.14	59.61%
b) Indigenous	1,158.07	12.40%	2,322.30	40.39%
Total	9,342.23	100.00%	5,749.44	100.00%

41 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit. The Company includes within net debt, loans and borrowings, lease liabilities, less cash and cash equivalents.

(All amounts in INR Millions, unless otherwise stated)

Particulars	March 31, 2026	March 31, 2025
Net debt (Refer note (i) below) (A)	1,604.47	1,648.91
Total Equity (Refer note (ii) below) (B)	1,473.80	626.01
Capital and net debt (A+B=C)	3,078.27	2,274.92
Gearing ratio (A/C)	52.12%	72.48%

(i) Net Debt comprises of total borrowings and lease liabilities reduced by Cash and cash equivalents and Other bank balances

(ii) Total Equity comprises of equity share capital and other equity.

42 Capital management

The Company has evaluated subsequent events from the reporting date up to the date on which the financial statements were approved for issue and has determined that there are no material events requiring adjustment or disclosure in these financial statements.

43 Disclosure of Ratios

Type of ratio	Formula for computation	Measure (in times / percentage)	Ratio	
			31-Mar-26	31-Mar-25
(a) Current ratio	Current assets / Current liabilities	Times	1.41	1.04
(b) Debt - Equity ratio	Debt / Net worth	Times	1.25	2.65
(c) Debt service coverage ratio	Earnings available for debt service / (Finance costs + Principal repayment of long term borrowings within one year)	Times	4.28	2.93
(d) Return on equity ratio	Profit after tax / Average Net worth	Percentage	81%	72%
(e) Inventory turnover ratio	Cost of goods sold / Average inventory	Times	11.18	13.47
(f) Trade receivables turnover ratio	Revenue from operations / Average gross trade receivables	Times	27.56	14.91
(g) Trade payables turnover ratio	Net purchases / Average trade payables	Times	50.74	35.28
(h) Net capital turnover ratio	Revenue from operations / Working capital	Times	14.27	116.43
(i) Net profit ratio	Profit after tax / Revenue from operations	Percentage	7.25%	4.48%
(j) Return on capital employed	EBIT / Capital employed	Percentage	38%	24%
(k) Return on investment	Profit before tax / Total assets	Percentage	31%	17%

Notes

- Debt = Non-current borrowings + Current borrowings + Non current & current lease Liabilities.
- Net worth = Paid-up share capital + Other equity
- Earnings available for debt service = Profit before tax + Non cash operating expense + Interest
- Cost of Goods sold = Cost of materials consumed + Purchase of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in-progress

(All amounts in INR Millions, unless otherwise stated)

5. EBIT = Earnings before interest and tax
6. Capital employed = Total tangible net worth+ Total debt + Deferred tax liabilities

Disclosure for change in ratio by more than 25%:

Type of Ratios	Variation in ratio between 31 March 2026 and 31 March 2025	Reasons for Variance
(a) Current ratio	36%	The increase in current ratio from 1.04 to 1.41 is mainly attributable to a higher growth in current assets due to improvement in collection and improvemnet in liquidity position
(b) Debt - Equity ratio	-53%	This is mainly due to higher revenue from operation which has lead to increased profits and higher increase in equity.
(c) Debt service coverage ratio	46%	This was mainly due to higher revenue from operation Owing to increase in profit after tax due to increase in opearations.
(d) Return on equity ratio	11%	Refer Note below
(e) Inventory turnover ratio	-17%	Refer Note below
(f) Trade receivables turnover ratio	85%	The ratio has improved primarily due to higher revenue from operations and improved collection of trade receivables, resulting in a lower average receivable balance during the year.
(g) Trade payables turnover ratio	44%	The change is primarily due to a substantial increase in purchases coupled with lower average trade payable balances arising from faster settlement of vendor dues and improved working capital management.
(h) Net capital turnover ratio	-88%	Due to increase in Working Capital
(i) Net profit ratio	62%	Increased primarily due to increase in operating revenue.better margin realization, and overall improvement in profitability.
(j) Return on capital employed	59%	Due to increase in earning before Interest and taxes
(k) Return on investment	82%	Due to Increase in Profit before taxes

Note: Since the change in ratio is less than 25%, no explanation is required to be furnished.

44 Other statutory information:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency.

(All amounts in INR Millions, unless otherwise stated)

- (v) 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
- (vi) 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
- (vii) The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (x) The Company has not entered into any scheme of arrangement which has an accounting impact on Financial statements.

46 Figures have been disclosed in millions and rounded off to the nearest 2 decimals.

The accompanying notes 1- 46 form integral part of these financial statements.

As per our report of even date

For **Nangia & Co. LLP**

Chartered Accountants

Firm's registration number : 002391C/N500069

For and on behalf of the Board of Directors of

Ardee Industries Limited

Prateek Agrawal

Partner

Membership number : 402826

Place: Gurugram

Date : 30 June 2026

Sandeep Aggarwal

Managing Director

DIN : 00251058

Place : Delhi

Date : 30 June 2026

Arun Kumar Mallik

Chief Financial Officer

Place : Delhi

Date : 30 June 2026

Nikunj Aggarwal

Whole-time Director

DIN : 06909464

Place : Delhi

Date : 30 June 2026

Manish Kumar Rai

Company Secretary

Place : Delhi

Date : 30 June 2026



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