PALRED TECHNOLOGIES

To,

Date: 05.09.2026

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001. **BSE Scrip Code: 532521**	National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No.CI1, G-Block, 13andra-Kurla Complex, Bandra (E), Mumbai 400 051. **NSE Scrip Code: PALREDTEC**

Dear Sir/ Madam,

Sub: Submission of Annual report for the FY 2025-26

In compliance of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) 2015, we are herewith submitting Annual Report of the Company.

This is for the information and records of the Exchange, please.

Yours faithfully,
For Palred Technologies Limited

PALRED TECHNOLOGIES LTD HYD.

SHRUTI MANGESH REGE

Digitally signed by SHRUTI MANGESH REGE
Date: 2026.09.05 17:16:07 +05'30'

Shruti Mangesh Rege
CS & Compliance Officer

PALRED
TECHNOLOGIES

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INNOVATE. LEAD. REPEAT.

Annual Report | 2025-26

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mrs. Palem Supriya Reddy	-	Chairperson & Managing Director (DIN: 00055870)
Ms. Stuthi Reddy	-	Non-Executive Director (DIN: 07072774)
Mr. Srikar Reddy Palem	-	Non- Executive Director (DIN: 00001401)
Ms. Aakanksha Sachin Dubey	-	Independent Director (DIN: 08792778)
Mr. Harmendra Gandhi	-	Independent Director (DIN: 03599975)
Mr. Ravichandran Rajagopal	-	Independent Director (DIN: 00110930)
Mr. P. Harish Naidu	-	Chief Financial Officer (COAPP1465C)
Ms. Shruti Mangesh Rege	-	Company Secretary (ANJPD2148L)

REGISTERED OFFICE
Palred Technologies Limited
Plot No. 2, 8-2-703/2/B, Road No.12,
Banjara Hills, Hyderabad- 500034,
Telangana, India.

CIN: L72200TG1999PLC033131

STATUTORY AUDITORS
M/s. MSKC & Associates
Chartered Accountants
1101/B, Manjeera Trinity Corporate,
JNTU - Hitech City Road, Kukatpally,
Hyderabad - 500 072.

INTERNAL AUDITOR
M/s. Seshachalam & Co,
"Wall Street Plaza", 1-11-256, St. No. 1
Begumpet, Hyderabad - 500 016.
Telangana, India.

SECRETARIAL AUDITOR
Mr. Vivek Surana
Practicing Company Secretary
Plot No. 8-2-603/23/3 & 8-2-603/23, 15,
2nd Floor, HSR Summit, Banjara Hills,
Road No. 10, Hyderabad,
Telangana – 500 034.

BANKERS
Kotak Mahindra Bank Limited
ICICI Bank Limited
Citi Bank

AUDIT COMMITTEE:

Mr. Harmendra Gandhi - Chairman
Mr. Ravichandran Rajgopal - Member
Mr. Srikar Reddy - Member
Ms. Aakanksha Sachin Dubey - Member

NOMINATION & REMUNERATION COMMITTEE:

Mr. Harmendra Gandhi - Chairman
Mr. Ravichandran Rajgopal - Member
Ms. Aakanksha Sachin Dubey - Member
Mrs. P. Supriya Reddy - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Ms. Aakanksha Sachin Dubey - Chairperson
Mr. Harmendra Gandhi - Member
Mr. P. Supriya Reddy - Member

RISK MANAGEMENT COMMITTEE:

Mr. P. Supriya Reddy - Chairperson
Mr. Harmendra Gandhi - Member
Mr. Ravichandran Rajgopal - Member
Ms. Stuthi Reddy - Member

REGISTRAR & SHARE TRANSFER AGENTS:
M/s. KFin Technologies Limited
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032.
Phone: 040-67162222,040-67161526
Website: www.kfintech.com
Email- einward.ris@kfintech.com

LISTED AT:
National Stock Exchange of India Limited
BSE Limited

DEMAT ISIN NUMBER IN NSDL& CDSL:
INE218G01033

WEBSITE:
www.palred.com

INVESTOR E-MAIL ID:
company@palred.com

CHAIRMAN'S MESSAGE

Palred Technologies:
Bridging the Gap between Technology & People

Dear Valued Shareholders,

It is my privilege to present to you the 27th Annual Report of Palred Technologies Limited for the financial year 2025–26.

FY2025–26 continued to be challenging for the consumer electronics industry and for our business. Cautious consumer spending, intense competition and sustained pricing pressure affected demand across value-focused categories. While revenue was lower than the previous year, we achieved a meaningful improvement in margins through sharper product selection, SKU rationalisation, tighter cost control and increased in-house manufacturing. As a result, losses reduced despite the lower topline.

Building Operational Strength

We continued to strengthen our in-house manufacturing capabilities at our Nacharam facility, Hyderabad. Several products across our existing and newly introduced categories are now manufactured in-house, providing better control over quality, costs, lead times and supply-chain responsiveness.

Audio products, including TWS, speakers and over-the-ear headphones, remained our largest category, while Power Banks continued to be an important utility-led category. We also expanded into IT accessories, auto accessories and personal care accessories, broadening our portfolio and creating new opportunities for growth.

We continued to rationalise underperforming SKUs and focus on products with sustainable demand and healthier contribution margins. Our objective is to build a stronger and more sustainable business, rather than pursue scale without profitability.

Channel Innovation and Consumer Access

Amazon and Flipkart continued to be our largest sales channels. We also maintain our presence across other online, offline and B2B channels to improve consumer access and diversify distribution.

Our focus is on building a channel mix that supports efficient distribution, sustainable margins and disciplined growth.

Looking Ahead with Realism and Resolve

The market environment remains competitive and recovery will require consistent execution. However, the improvement in margins and reduction in losses demonstrate that our actions on manufacturing, product mix and cost control are moving the business in the right direction.

Our focus in the coming year will be on:
- Improving margins while progressively increasing the top line.
- Strengthening in-house manufacturing and operational efficiency.
- Building relevant new categories and improving the product portfolio.
- Strengthening efficient distribution and B2B opportunities.

The business is not capital intensive, and our existing manufacturing infrastructure is adequate for the current operating plan. Any capital expenditure will be targeted and linked to efficiency or capability enhancement. Contract manufacturing remains a potential future opportunity; however, our immediate priority is to strengthen the core branded business and improve profitability.

Gratitude and Commitment

I thank our employees, customers, suppliers, channel partners and shareholders for their continued trust and support. We remain committed to rebuilding momentum and creating sustainable value for all stakeholders.

Thank you,

Palem Supriya Reddy
Chairperson & Managing Director

NOTICE

Notice is hereby given that the 27th Annual General Meeting of Members of M/s. Palred Technologies Limited will be held on Wednesday, the 30th day of September, 2026 at 10.00 A.M. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon; and
   b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, together with the Report of the Auditors thereon.
2. To appoint a director in place of Ms. Stuthi Reddy (DIN: 07072774) who retires by rotation and being eligible, offers herself for re-appointment.

For and on behalf of the Board of Directors
For Palred Technologies Limited
Sd/-

Place: Hyderabad **P. Supriya Reddy**
Date: 04.09.2026 Chairperson & Managing Director
(DIN: 00055870)

NOTES

1. Pursuant to the MCA Circulars and SEBI Circulars permitting Companies to conduct AGM through VC/OAVM. the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 05, 2020 in conjunction with Circular No. 14/2020 dated April 08, 2020 and Circular No. 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 08, 2021, Circular No. 03/2022 dated 05.05.2022, Circular No. 09/2023 dated September 25, 2023, Circular No. 09/2024 dated September 19, 2024 (collectively referred to as "MCA Circulars") and SEBI Circular No. 03/2025 dated September 22, 2025 SEBI/ HO/ CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/ CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, circular no. SEBI/ HO/ CFD/ PoD-2/P/ CIR/ 2023/ 4 dated January 5, 2023 and Circular No. 03/2025 dated September 22, 2025. Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the MCA Circulars granted certain relaxations and thus permitted the holding of Annual General Meeting ("AGM") of the companies through VC/OAVM viz. without the physical presence of the Members at a common venue. Hence in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA / SEBI Circulars, as applicable, the AGM of the Company is being held through VC / OAVM (e-AGM).
2. The Deemed Venue of the 27th AGM of the Company shall be its Registered Office.
3. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL"), as the authorized agency for conducting the AGM and providing remote e-Voting and e-Voting facility for/during the AGM of the Company. The instructions for participation by Members are given in the subsequent notes.
4. Since the AGM will be held through VC, the Route Map is not annexed to this Notice. The registered office of the Company shall be deemed to be the venue for the AGM.
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum of the AGM under Section 103 of the Act.
6. Compliance with the MCA Circulars and SEBI Circular dated January 15, 2021 as aforesaid, Notice of the AGM along with the Annual Report (viz. Financial Statement) for Financial Year 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories/R&T Agent. Members may note that the Notice and Annual Report for Financial Year 2025-26 will also be available on the Company's website www.palred.com , 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 on the website of R&T Agent of the Company viz. KFin at https://kfintech.com.

Alternatively, Member may send signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy, DP ID (in case of electronic mode shares), folio No (in case of physical mode shares) via e-mail at the Email Id – einward.ris@kfintech.com for obtaining the Annual Report and Notice of e-AGM of the Company electronically.

7. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

8. The facility of joining the e-AGM through VC / OAVM will be opened 15 minutes before and will remain open upto 15 minutes after the scheduled start time of the e-AGM, and will be available for 1000 members on a first-come first-served basis. This rule would however not apply to participation in respect of large Shareholders (Shareholders holding 2% or more shares of the Company), Promoters, Institutional Investors, Auditors, Key Managerial Personnel and the Directors of the Company including Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

9. The Register of Members and Share Transfer Books of the Company will remain closed from 23.09.2026 to 30.09.2026 (both days inclusive) for the purpose of AGM.

10. Mr. Vivek Surana, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the remote e-Voting/e-Voting process in a fair and transparent manner. The Scrutinizer will submit the report to the Chairperson, or any person authorised by her after completion of the scrutiny and the results of voting will be announced after the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM. The results will also be displayed on the website of the Company at www.palred.com, on the websites of BSE Limited and National Stock Exchange of India Limited, where the Company is listed, and on www.evotingindia.com, the agency providing the e-Voting facility.

11. Members of the Company under the category of Institutional/ Corporate Shareholders are encouraged to attend and vote at the AGM through VC. Corporate Members intending to authorize their representatives to participate and vote are requested to send a certified copy of the Board resolution / authorization letter to the Scrutinizer by email at cspalredtec@gmail.com and the same should also be uploaded on the VC portal / e-Voting portal of CDSL.

12. Members who have not yet registered their e-mail addresses are requested to register the same with their DP in case the shares are held by them in demat mode and with RTA in case the shares are held by them in physical mode.

13. To register e-mail address for all future correspondence and update the bank account details, please follow the below process:

    a. Members holding shares in Demat mode can get their details registered/updated only by contacting their respective DP.

    b. Members holding shares in physical mode may register their email address and mobile number with the RTA by sending an e-mail request to the email ID einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address and mobile number, self-attested copy of Permanent Account Number Card ("PAN") and copy of a share certificate for registering their email address. Additional details like name and branch of Bank along with bank account type, bank account number, 9-digit MICR code, 11-digit IFSC code and scanned copy of cancelled cheque will be required for updating bank account details.

14. SEBI has mandated submission of PAN by every participant in the securities market. Members holding shares in demat mode are, therefore, requested to submit their PAN to their DP. Members holding shares in physical mode are required to submit their PAN details to the RTA.

15. As per the provisions of Section 72 of the Companies Act, 2013 ("the Act"), the facility for submitting nomination is available for Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same with their DP in case the shares are held by them in demat mode, and to the RTA, in case the shares are held in physical mode.

16. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM:

A. VOTING THROUGH ELECTRONIC MEANS

i. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations and applicable circulars, the Members are provided with the facility to cast their vote electronically (through remote e-Voting as well as the e-Voting system on the date of the AGM), through the e-Voting services provided by CDSL, on all the resolutions set forth in this Notice.

ii. The remote e-Voting period commences on Sunday, the 27th day of September, 2026 (9.00 A.M. IST) and ends on Tuesday, the 29th day of September, 2026 (5.00 P.M. IST). During this period, Members holding shares either in physical mode or in demat mode, as on Wednesday, the 23rd day of September, 2026 i.e. cut-off date, may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter. A person who is not a Member as on the Cut-off date should treat Notice of this Meeting for information purposes only.

iii. The Members who have cast their vote by remote e-Voting prior to the AGM may attend/ participate in the AGM through VC but shall not be entitled to cast their vote again.

iv. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e., 23.09.2026

v. Any person or non-individual Shareholders (in physical mode/ demat mode) who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow the steps mentioned below.

vi. Login method for e-Voting and voting during the meeting for Individual Shareholders holding securities in demat mode.

In terms of the SEBI circular dated December 9, 2020 on the e-Voting facility provided by listed companies and as part of increasing the efficiency of the voting process, e-Voting process has been enabled to all individual Shareholders holding securities in demat mode to vote through their demat account maintained with depositories / websites of depositories /

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 CDSL	a. Users who have opted for 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 URL for users to login to Easi / Easiest is https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. b. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider ("ESP") i.e. CDSL, for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all ESP i.e. CDSL/NSDL/ KFin, so that the user can visit the ESP website directly. c. If the user is not registered for Easi/Easiest, option to register is available at https://web. cdslindia. com/myeasi/Registration/EasiRegistration. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/ EvotingLogin. 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 provided links for the respective ESP i.e. CDSL where the e-Voting is in progress.
Individual Shareholders holding securities in Demat mode with NSDL	a. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com. b. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. c. 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- CDSL and you will be re-directed to the CDSL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. d. If the user is 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. e. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www. evoting.nsdl.com/. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. f. A new screen will open. You will have to enter your User ID (i.e. your 16 digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. g. 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- CDSL and you will be redirected to e-Voting website of CDSL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in Demat mode) login through their **Depository Participants**	d. You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. e. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. f. Click on Company name or e-Voting service provider name -CDSL and you will be redirected to e-Voting website of CDSL 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. CDSL and NSDL

Login type	Helpdesk details
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 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

vii. **Login method for e-Voting and voting during the meeting for Shareholders holding securities in physical mode and Shareholders other than Individual Shareholders holding securities in demat mode.**

a) The shareholders should log on to the e-voting website www.evotingindia.com.

b) Click on Shareholders tab/ module.

c) Now Enter your User ID

- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Members holding shares in Physical Form should enter Folio Number registered with the Company.

d) Next enter the Image Verification as displayed and Click on Login.

e) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

f) If you are a first time user follow the steps given below:

Login type	For Shareholders holding securities in physical mode and Shareholders other than Individual Shareholders holding securities in demat mode.
PAN	Enter your 10-digit alpha-numeric "PAN" issued by Income Tax Department. Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by RTA or contact RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

g) After entering these details appropriately, click on "SUBMIT" tab.

h) Shareholders holding shares in physical mode will then directly reach the Company selection screen. However, Shareholders holding shares in Demat mode will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat account holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

i) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

j) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

k) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

m) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

o) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

p) If a Demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot password and enter the details as prompted by the system.

q) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote e-Voting only.**

- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney ("POA") which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual Shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address viz; ssrfcs@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

B.INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC AND E-VOTING DURING THE AGM:

i. The procedure for attending AGM and e-Voting on the day of AGM is same as the instructions mentioned above for e-Voting.

ii. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

iii. The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM.

iv. The link for VC to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.

v. Shareholders who have voted through remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

vi. Shareholders are encouraged to join the Meeting through Laptops / iPad for better experience.

vii. Further Shareholders will be required to allow Camera (in case of speakers) and use Internet with a good speed to avoid any disturbance during the AGM.

viii. 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.

ix. Members (holding shares as on Cut-off date) who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request, on or before 23.09.2026, from their registered e-mail address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at company@palred.com. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM..

x. Only those Shareholders, who are present in the AGM through VC facility and have not cast 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 available during the AGM.

xi. If any Votes are cast by the Shareholders through the e-Voting available during the AGM and if the same Shareholders have not participated in the meeting through VC facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the Shareholders attending the AGM.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

17. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Act and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act, shall be available for inspection during the AGM at e-Voting portal.

18. Statement pursuant to Section 102(1) of the Act, in respect of the Special Business to be transacted at the AGM along with details pursuant to SEBI Regulations and other applicable laws are annexed hereto. All documents referred to in the accompanying Notice and the Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to company@palred.com.

19. The term 'Members' or 'Shareholders' has been used to denote Shareholders of Palred Technologies Limited.

20. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.Palred.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the National Stock Exchange of India Limited and BSE Limited.

For and on behalf of the Board of Directors
For Palred Technologies Limited
Sd/-

Place: Hyderabad **P. Supriya Reddy**
Date: 04.09.2026 Chairperson & Managing Director
(DIN: 00055870)

DIRECTORS' REPORT

To the Members,
Palred Technologies Limited,
Hyderabad, Telangana, India

The Board of Directors hereby submits the report of the business and operations of your Company ('the Company' or 'Palred') along with the audited financial statements for the financial year ended March 31, 2026. The Consolidated performance of the Company and its subsidiaries have been referred to where required.

1. Financial summary/highlights:

The performance during the period ended 31st March, 2026 has been as under:

(Amount in Lakhs)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Turnover/Income (Gross)	150.00	150.00	7,720.47	8,566.56
Other Income	384.52	388.60	479.99	410.06
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	380.50	387.75	(45.31)	(175.90)
Less: Depreciation/ Amortisation/ Impairment	4.95	5.04	108.17	123.35
Profit /loss before Finance Costs, Exceptional items and Tax Expense	375.55	382.71	(153.48)	(299.25)
Less: Finance Costs	0.95	1.34	490.16	562.83
Profit /loss before Exceptional items and Tax Expense	374.60	381.37	(643.64)	(862.09)
Add/(less): Exceptional items	0	0	0	0
Profit /loss before Tax Expense	374.60	381.37	(643.64)	(862.09)
Less: Tax Expense (Current & Deferred)	100.77	174.56	100.77	174.56
Profit /loss for the year (1)	273.83	206.81	(744.41)	(1036.64)
Total Comprehensive Income/loss (2)	0.46	(3.03)	(7.41)	3.45
Total (1+2)	274.29	203.78	(751.82)	(1033.19)
Balance of profit /loss for earlier years	(5593.71)	(5800.52)	(7520.35)	(6732.91)
Less: Transfer to Debenture Redemption Reserve	0	0	0	0
Less: Transfer to Reserves	0	0	0	0
Less: Dividend paid on Equity Shares	0	0	0	0
Less: Dividend paid on Preference Shares	0	0	0	0
Less: Dividend Distribution Tax	**0**	**0**	**0**	**0**
Balance carried forward	**(5319.89)**	**(5593.71)**	**(8052.36)**	**(7520.35)**

2. Overview & state of the company's affairs:

Revenues – standalone

During the year under review, the Company has recorded an income of Rs. 534.52 Lakhs and profit of Rs. 274.29 Lakhs as against the income of Rs. 538.60 Lakhs and profit of Rs. 203.78 Lakhs in the previous financial year ending 31.03.2025.

Revenues – Consolidated

During the year under review, the Company has recorded an income of Rs. 8200.46 Lakhs and loss of Rs. 744.41 Lakhs as against the income of Rs. 8976.62 Lakhs and loss of Rs. 1036.65 Lakhs in the previous financial year ending 31.03.2025.

The Company is looking forward for good profit margins in near future.

3. Dividend:

Keeping the Company's growth plans in mind, your directors have decided not to recommend dividend for the year.

4. Transfer to reserves:

Pursuant to provisions of Section 134 (3) (j) of the Companies Act, 2013, the company has not proposed to transfer any amount to general reserves account of the company during the year under review.

5. Investor Relations:

The Company continuously strives for excellence in its Investor Relations engagement with International and Domestic investors through structured conference-calls and periodic investor/analyst interactions like individual meetings, participation in investor conferences, quarterly earnings calls and analyst meet from time to time. The Company ensures that critical information about the Company is available to all the investors, by uploading all such information on the Company's website.

6. Material changes & commitment affecting the financial position of the company:

There have been no material changes and commitments affecting the financial position of the Company which have occurred during the end of the Financial Year of the Company to which the financial statements relate and the date of the report.

7. Significant & material orders passed by the regulators or courts or tribunals:

No significant or material orders have been passed against the Company by the Regulators, Courts or Tribunals, which impacts the going concern status and company's operations in future.

8. Transfer of un-claimed dividend to Investor Education and Protection Fund:

The Company has not transferred any amount against un-claimed dividend to Investor Education and Protection Fund during the period under report.

9. Details of Nodal Officer:

The Company has designated Mr. Harish Naidu as a Nodal Officer for the purpose of IEPF.

10. Investor Education and Protection Fund (IEPF):

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

During the Year, the Company has not transferred any amount to Investor Education and Protection Fund.

11. Revision of financial statements:

There was no revision of the financial statements for the year under review.

12. Change in the nature of business, if any:

The Company has not undergone any change in the nature of business during the FY 2025-26.

13. Deposits from public:

The Company has not accepted any public deposits during the Financial Year ended March 31, 2026 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2026, there has been no non-compliance with the requirements of the Act.

14. Depository System:

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2026, 99.02% of the Company's total paid up capital representing 1,22,32,566 shares are in dematerialized form.

SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandate that the transfer, except transmission and transposition, of securities shall be carried out in dematerialized form only with effect from 1st April 2019. In view of the numerous advantages offered by the Depository system as well as to avoid frauds, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the depositories. The Company has, directly as well as through its RTA, sent intimation to shareholders who are holding shares in physical form, advising them to get the shares dematerialized.

15. Subsidiary companies:

Your Company has three subsidiaries namely Palred Technology Services Private Limited, Palred Electronics Private Limited and Palred Retail Private Limited as on March 31, 2026.

In accordance with Section 129(3) of the Act, Consolidated Financial Statements have been prepared which form part of this Annual Report. As required under Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the subsidiaries in the prescribed form AOC-1 is enclosed as **Annexure – B** to this Report.

In accordance with Section 136 of the Act, the separate audited accounts of the subsidiary companies will be available on the website of the Company, www.palred.com and the Members desirous of obtaining the accounts of the Company's subsidiaries may obtain the same upon request. These documents will be available for inspection by the members, till the date of AGM during business hours at registered office of the company.

The Policy for determining Material Subsidiaries, adopted by your Board, in conformity with the SEBI Listing Regulations can be accessed on the Company's website at www.palred.com.

16. Performance highlights of key operating subsidiaries:

Palred Electronics Private limited:

Palred Electronics Private Limited ("PEP") owns and operates the consumer electronics brand pTron, a leading player in India's value-focused digital accessories market. The brand offers a wide range of affordable and innovative products, including TWS, headphones, Power Banks, Bluetooth Speakers, Cables, Chargers, IT accessories, auto accessories and personal care accessories. pTron serves customers through online marketplaces, offline channels, quick-commerce platforms and B2B partnerships.

Economic and Industry Overview

The Indian consumer electronics industry continued to face a challenging environment during FY2025–26. Cautious consumer spending, pricing pressure across e-commerce platforms and intense competition in value-focused categories affected demand and margins. While demand remained uneven in discretionary categories, utility-led accessories continued to show relatively better resilience.

Quick-commerce channels continued to gain relevance for fast-moving accessories, offering an opportunity to reach consumers faster and more efficiently.

Performance Overview

FY2025–26 was a year of continued consolidation and focused execution for pTron. Revenue was lower than the previous year, largely due to weakness in certain core categories and continued market pressure. However, margins improved through sharper product selection, SKU rationalisation, tighter cost control and increased in-house manufacturing. Consequently, losses reduced despite the lower topline.

Audio products, including TWS, speakers and over-the-ear headphones, continued to be the largest category for pTron, followed by Power Banks and newly introduced categories.

Manufacturing Capabilities

During the year, PEP further strengthened its in-house manufacturing capabilities at its Nacharam facility, Hyderabad. Several products across both existing and new categories are now manufactured in-house. This has enabled better control over quality, costs, lead times and supply-chain responsiveness.

The Company continues to focus on improving manufacturing efficiency and reducing dependency on imports where commercially viable.

Revenue and Profitability

The Company recorded lower revenue compared with the previous year. Despite the decline in revenue, margins improved through a better product mix, cost optimization and increased in-house manufacturing. As a result, the net loss for the year reduced compared with the previous year.

Segment Performance:

Audio products continued to be the largest category for the Company. Power Banks continued to show relatively stable demand, supported by utility-led consumption. The Company also ventured into IT accessories, auto accessories and personal care accessories, with the objective of broadening its portfolio and creating new growth opportunities.

Channel Expansion:

Amazon and Flipkart continued to be the largest sales channels for pTron. The Company also increased its presence through quick-commerce platforms such as Swiggy Instamart and Zepto, along with other online, offline and B2B channels.

These channels support wider consumer access and efficient distribution, particularly for fast-moving accessories and utility-led products.

Business Strategy

The Company's strategy during FY2025–26 remained focused on improving margins while progressively increasing the top line. Key focus areas include:

- Enhancing in-house manufacturing efficiencies and reducing import dependence where feasible.
- Rationalising SKUs to focus on profitable, high-conversion and high-demand products.
- Expanding the portfolio through relevant new categories.
- Improving channel mix through marketplaces, quick commerce, offline distribution and B2B partnerships.
- Managing marketing investments through targeted and ROI-driven campaigns.
- Focusing on products with sustainable demand and contribution potential.

Risks and Concerns

The Company continues to monitor key risks that could impact its performance going forward:

- Demand saturation, aggressive discounting and pricing pressure in value-focused consumer-electronics categories.
- Depreciation of the Indian Rupee, which may increase the cost of imported components, raw materials and finished goods.
- Increase in logistics and freight costs arising from exchange-rate movements, fuel prices and supply-chain conditions.
- Fluctuations in the prices of electronic components, batteries, packaging materials and other raw materials.
- Inventory and product-obsolescence risk due to changing consumer preferences and short product cycles.
- Product returns, quality concerns and marketplace policy changes that may affect margins and customer experience.

Outlook

The Company remains focused on strengthening margins, improving the product and channel mix, expanding relevant new categories and progressively increasing revenue. While the market environment remains competitive, the Company believes that its manufacturing capabilities, broader portfolio and presence across marketplaces, quick commerce and B2B channels provide a stronger foundation for sustainable improvement.

Conclusion

FY2025–26 was a year of continued challenge as well as focused improvement for pTron. Although revenue declined, the improvement in margins and reduction in losses reflect the benefits of the Company's actions on portfolio rationalization, cost control and in-house manufacturing. The Company remains committed to building a stronger, more efficient and sustainable business.

Palred Retail Private Limited:

Palred Retail Private Limited operates through e-commerce websites, which offer technology and mobile accessories, including Bluetooth speakers, headsets, cables, Power Banks, Smart Watches and fashion accessories.

The Company continues to evaluate its online retail operations with emphasis on cost-efficient customer acquisition, inventory discipline and contribution margins. Given the relatively low average selling prices of several products, direct B2C selling requires careful control over marketing, fulfilment and service costs. Accordingly, the Group's focus remains on using owned platforms selectively while leveraging larger marketplaces and strategic channel partners for efficient reach.

Palred Technology Services Private Limited:

Palred Technology Services Private Limited ("PTS") operated the Xmate brand, which was exclusively available on Amazon.in. The brand offered products such as Bluetooth headsets, Bluetooth speakers, wired headsets, chargers, cables, computer accessories and camera accessories.

The Xmate business continued to face challenges arising from high advertising costs and intense competition from established brands. The business was unable to achieve the desired scale and continued to incur losses. Accordingly, the Company has decided to exit the Xmate brand business and focus its resources on more sustainable growth opportunities within the Group.

17. Companies which have become or ceased to be subsidiaries:

During the FY 2025-26, there was no change in subsidiaries. For further analysis on the consolidated performance, the attention is invited to the section on Management Discussion and Analysis and notes to the consolidated financial statements.

18. Investment in subsidiaries:

During financial year 2025-26, the Company had not infused any capital in Subsidiary Companies.

19. Brand protections:

Your Company has taken appropriate actions against counterfeits, fakes and other forms of unfair competitions/ trade practices.

PALRED, PTRON, #BELOUDBEPROUD, DaZon, Xmate and LATESTONE are key intangible assets of the Company and its subsidiaries.

20. Independent director's familiarization programmes:

Independent Directors are familiarized about the Company's operations, businesses, financial performance and significant development so as to enable them to take well-informed decisions in timely manner. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company are also made to the directors. Direct meetings with the Chairperson are further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2025-26 are also disclosed on the Company's website and its web link is http://www.palred.com

21. Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc..

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India. In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of Executive and Non-Executive Directors. The Board and the NRC reviewed the performance of individual directors on the basis of criteria such as contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. At the Board meeting that followed the meeting of the Independent Directors and meeting of NRC, the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board.

The evaluation process reinforced the Board's confidence in the Company's ethical standards, the cohesiveness among Board members, the agility of the Board and the Management in responding to challenges, and the transparency of the Management in sharing strategic information with the Board.

The detailed procedure followed for the performance evaluation of the Board, Committees and Individual Directors is enumerated in the Corporate Governance Report.

22. Meetings of the Board:

The Board of Directors duly met Five (5) times on 12.05.2025, 28.05.2025, 08.08.2025 12.11.2025 and 13.02.2026 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

One resolution was passed by the Board of Director through Circular resolution dated 08.07.2025 for Prepone the Time of 26th Annual General Meeting from 2:00 pm to 11: 30 AM

23. Committees of the Board:

There are various Board constituted Committees as stipulated under the Act and Listing Regulations namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship and Risk Management Committee. Brief details pertaining to composition, terms of reference, meetings held and attendance thereat of these Committees during the year have been enumerated in Corporate Governance Report forming part of this Annual Report.

24. Audit Committee Recommendations:

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

25. Declaration by the Company

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Act read with Rule 14 of Companies (Appointment and Qualifications of Directors) Rules, 2014

26. Directors and key managerial personnel:

As on date of this report, the Company has Six Directors, out of those three are Independent Directors including one Woman Independent Directors.

a) Appointment/Re-appointment of Directors of the Company: Pursuant to the recommendations of the Nomination & Remuneration Committee ("NRC"), the Board of Directors, at its meeting held on May 13, 2025, approved appointment of Ravichandran Rajagopal (DIN: 00110930) as Independent Directors and Mr. Harmendra Gandhi (DIN: 03599975) as Independent Director of the Company for a term of five years with effect from May 13, 2025. The aforesaid appointments were subsequently approved by the members of the Company by way of special resolutions through its Annual General Meeting held on August 12, 2025.

Re-appointment of Mrs. Aakanksha Sachin Dubey (DIN: 08792778) as Independent Director of the company with effect from June 25, 2025

b) Resignation/ Cessation of Directors of the Company:

During the year, no Director resigned or ceased to be Director of the Company.

The term of the Independent Directors, namely Mr. Atul Sharma and Mr. S. Vijaya Saradhi, ended effective 13.05.2025. Consequently, these Directors have ceased to act as Independent Directors of the Company from 13.05.2025.

c) Key Managerial Personnel:

Key Managerial Personnel for the financial year 2025-26

- Mrs. Palem Supria Reddy, Chairperson & Managing Director of the company.
- Mr. P. Harish Naidu, Chief financial officer of the company.
- Mrs. Shruti Mangesh Rege, Company Secretary & Compliance Officer of the Company.

27. Statutory audit and auditors report:

The members of the Company at their Annual General Meeting held on 25th September, 2024 have appointed M/s. MSKC & Associates, as statutory auditors of the Company to hold office until the conclusion of 30th Annual General meeting of the Company.

The Auditors' Report for fiscal year 2025-2026 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report. The Company has received audit report with unmodified opinion for both Standalone and Consolidated Audited Financial Results of the Company for the Financial Year ended March 31, 2026 from the statutory auditors of the Company.

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

28. Internal auditors:

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014; during the year under review, the Internal Audit of the functions and activities of the Company was undertaken by M/s Seshachalam & Co., the Internal Auditor of the Company.

Deviations are reviewed periodically and due compliance was ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to the Board. There were no adverse remarks or qualification on accounts of the Company from the Internal Auditor.

29. Secretarial Auditor & Audit Report:

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed Mr. Vivek Surana, Practicing Company Secretary (CP No. 12901) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2026.

The Secretarial Audit was carried out by Mr. Vivek Surana, Practicing Company Secretary (CP No. 12901) for the financial year ended March 31, 2026. The Report given by the Secretarial Auditor is annexed herewith as Annexure-L and forms integral part of this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

30. Annual Secretarial Compliance Report:

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/ guidelines issued thereunder. Further, Secretarial Compliance Report dated May 29, 2026, was given by Mr. Vivek Surana, Practicing Company Secretary which was submitted to Stock Exchanges within 60 days of the end of the financial year.

31. Secretarial Audit of Material Unlisted Indian Subsidiaries:

M/s. Palred Electronics Private Limited (PEP) is a material subsidiary of the Company undertake Secretarial Audit every year under Section 204 of the Companies Act 2013. The Secretarial Audit of PEP for the Financial Year 2025-26 was carried out pursuant to Section 204 of the Companies Act 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Secretarial Audit Report of PEP, submitted by Mr. Vivek Surana, Practicing Company Secretary.

The Reports given by the Secretarial Auditor is annexed herewith and forms integral part of this Report.

As required under Regulation 16(1) (C) of Listing Regulations, the Company has formulated and adopted a policy for determining 'Material' Subsidiaries, which has been hosted on its website at: https://www.palred.com

32. Cost records and cost audit:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

33. No Frauds reported by statutory auditors

During the Financial Year 2025-26, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) (ca) of the Companies Act, 2013.

34. Declaration by the Company

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164 (2) of the Act read with Rule 14 of Companies (Appointment and Qualifications of Directors) Rules, 2014.

35. Conservation of energy, technology absorption and foreign exchange outgo:

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder and Rule 8 of Companies (Accounts) Rules, 2014::

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

C. Foreign Exchange Earnings and Out Go:

1. Foreign Exchange Earnings: Nil
2. Foreign Exchange Outgo: Nil

36. Management discussion and analysis report:

Management discussion and analysis report for the year under review as stipulated under Regulation 34(2) (e) read with schedule V, Part B of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is annexed herewith as **Annexure- G** to this report.

37. Risk management policy:

The Board of Directors had constituted Risk Management Committee to identify elements of risk in different areas of operations and to develop policy for actions associated to mitigate the risks. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

38. Corporate governance:

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Listing Regulations. A separate section on Corporate Governance, forming a part of this Report and the requisite certificate from the Company's Auditors confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance as Annexure E.

39. Annual Return:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company, prepared in accordance with Section 92(1) of the Act and Rule 11 of the Companies (Management and Administration) Rules, 2014, for the financial year 2025-26, is available in Form MGT-7 on the Company's website at the following URL: https://www.palred.com.

40. Authorised and paid-up capital of the company:

The authorized capital of the company stands at Rs. 35,00,00,000/- divided into 2,80,38,800 equity shares of Rs.10/- each and 6,96,120 redeemable optionally convertible cumulative preference shares of Rs. 100/- each. The company's paid up capital is Rs. 12,23,25,660/- divided into 1,22,32,566 equity shares of Rs. 10/- each.

41. Declaration of independence:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with both the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) read with Regulation 25 of the Listing Regulations.

In compliance with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014, all the PIDs of the Company have registered themselves with the India Institute of Corporate Affairs (IICA), Manesar and have included their names in the databank of Independent Directors within the statutory timeline.

The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

In terms of Regulations 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

42. Director's Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that for the financial year ended March 31, 2026

a) in the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of March 31, 2026, and of the profit of the Company for the financial year ended March 31, 2026;

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

d) The Directors have prepared the annual accounts on a going concern basis;

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

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

43. Vigil Mechanism/Whistle Blower Policy:

The Company has formulated a Vigil Mechanism / Whistle Blower Policy pursuant to Regulation 22 of the Listing Regulations and Section 177(10) of the Act, enabling stakeholders to report any concern of unethical behaviour, suspected fraud or violation.

The said policy inter-alia provides safeguard against victimization of the Whistle Blower. Stakeholders including directors and employees have access to the Managing Director and Chairperson of the Audit Committee.

During the year under review, no stakeholder was denied access to the Chairperson of the Audit Committee.

The policy is available on the website of the Company at www.palred.com.

44. Employee stock option scheme:

The Company has an Employee Stock Option (ESOP) scheme, namely "Employee Stock Option Scheme 2016-" (PALRED ESOP Scheme) which helps the Company to retain and attract right talent. The Nomination and Remuneration Committee (NRC) administers the Company's ESOP scheme. There were no changes in the ESOP scheme during the financial year under review. The ESOP scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Disclosure in compliance with the SEBI (Share Based Employee Benefits) regulations, 2014 are available on the company website of the company at www.palred.com

45. Corporate social responsibility policy:

Since your Company does not have net worth of Rs. 500 Crore or more or turnover of Rs. 1000 Crore or more or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

46. Secretarial Standards:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively. During the year under review, the Company was in compliance with the Secretarial Standards (SS) i.e., SS-1 and SS- 2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively.

47. Insurance:

The properties and assets of your Company are adequately insured.

48. Particulars of Loans, Guarantees or Investments

During the year under review, the Company has given a pledge of fixed assets against the overdraft facility to Palred Electronics Private Limited (a Subsidiary Company) amounting to Rs. 46.98 Crores. Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements.

During the year under review, the Company has given a pledge on fixed assets against the overdraft facility to Palred Technology Services Private Limited (a Subsidiary Company) amounting to Rs. 2.16 Crores. Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements

49. Internal Financial Control Systems:

Your Company has well laid out policies on financial reporting, asset management, adherence to Management policies and also on promoting compliance of ethical and well-defined standards. The Company follows an exhaustive budgetary control and standard costing system. Moreover, the management team regularly meets to monitor goals and results and scrutinizes reasons for deviations in order to take necessary corrective steps. The Audit Committee which meets at regular intervals also reviews the internal control systems with the Management and the internal auditors.

The internal audit is conducted at the Company and covers all key areas. All audit observations and follow up actions are discussed with the Management as also the Statutory Auditors and the Audit Committee reviews them regularly.

50. Related Party Transactions:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. During the financial year 2025-26, there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

In line with the provisions of Section 177 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, omnibus approval for the estimated value of transactions with the related parties for the financial year is obtained from the Audit Committee. The transactions with the related parties are routine and repetitive in nature.

The summary statement of transactions entered into with the related parties pursuant to the omnibus approval so granted are reviewed & approved by the Audit Committee and the Board of Directors on a quarterly basis. The summary statements are supported by an independent audit report certifying that the transactions are at an arm's length basis and in the ordinary course of business

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure- C to this report.

51. Policy on director's appointment and remuneration:

In adherence to the provisions of Section 134(3)(e) and 178(1) & (3) of the Companies Act, 2013, the Board of Directors upon recommendation of the Nomination and Remuneration Committee approved a policy on Director's appointment and remuneration, including, criteria for determining qualifications, positive attributes, independence of a Director and other matters. The said Policy extract is covered in Corporate

Governance Report which forms part of this Report and is also uploaded on the Company's website at www.palred.com.

52. Particulars of Employees and related Disclosure:

Disclosure pertaining to remuneration and other details as 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 is given in Annexure–D to this Report.

The Statement containing the particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) and other applicable rules (if any) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding

During the year none of the employees is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- per month and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act,2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

53. Shares transferred to investor education and protection fund:

No shares were transferred to the Investor Education and Protection Fund during the year under review.

54. Ratio of remuneration to each director:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mrs. Palem Supriya Reddy, Managing Director of the Company to the median remuneration of the employees is 1.12:1 and of Mr. P. Harish Naidu, CFO of the Company is 2.98:1.

55. Non-executive directors' compensation and disclosures:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

56. Industry based disclosures as mandated by the respective laws governing the company:

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

57. Failure to implement corporate actions:

During the year under review, no corporate actions were done by the Company which were failed to be implemented.

58. Corporate insolvency resolution process initiated under the insolvency and bankruptcy code, 2016.

During the financial year under review, no application was admitted and no Corporate Insolvency Resolution Process (CIRP) was initiated or pending against the Company under the Insolvency and Bankruptcy Code, 2016. Further, the Company has not made any application for initiation of CIRP against any other corporate debtor during the year under review, wherever such disclosure is applicable.

59. Details of difference between valuation amount on one time settlement and valuation while availing loan from banks and Financial institutions:

During the year under review, there has been no one time settlement of loans taken from banks and financial institutions.

60. Policies:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website (https:// www.palred.com/investors/ policies). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

Name of the policy	Brief Description	Website link
Board Diversity Policy	At Palred Technologies Limited, we believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors.	https://www.palred.com
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the Directors, key managerial personnel and other employees.	https://www.palred.com
Policy on Material Subsidiaries	The policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the Company and to provide the governance framework for them.	https://www.palred.com
Related Party Transaction Policy	The policy regulates all transactions between the Company and its related parties	https://www.palred.com
Vigil Mechanism/ Whistle Blower Policy	The said policy inter alia provides safeguard against victimization of the Whistle Blower. Stakeholders, including Directors and Employees, have direct access to the Chairperson of the Audit Committee	https://www.palred.com

61. Statutory compliance:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

62. Statement on Maternity Benefit Compliance:

The provisions of the Maternity Benefit Act, 1961 were applicable to the Company during the financial year 2025-26. However, no maternity benefits were claimed or availed by any female employee during the said financial year.

63. Designated person for furnishing information and extending co-operation to ROC in respect of beneficial interest in shares of the company:

The Company has appointed Mr. P. Harish Naidu, Chief Financial Officer as designated person, for furnishing information and extending co-operation to ROC in respect of beneficial interest in shares of the Company to ensure compliance with MCA notification on this matter.

64. Code of conduct for the prevention of insider trading:

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has formulated a Code of Conduct for Prevention of Insider Trading ("Insider Trading Code") and a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information ("UPSI").

The Code of Practices and Procedures for fair disclosure of UPSI is available on the website of the Company at https:// www. Palred.com

65. CEO/CFO Certification:

As required Regulation 17(8) read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/CFO certification is attached with the annual report as **Annexure I**.

66. Prevention of sexual harassment at workplace:

The Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has adopted a policy on Prevention of Sexual Harassment at Workplace which aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. An Internal Complaints Committee ("ICC") has been set up by the senior management (with women employees constituting the majority). The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

During the financial year ended March 31, 2026, no complaints pertaining to sexual harassment have been received.

67. Green Initiatives:

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copies of the Notice of 27th Annual General Meeting of the Company are sent to all Members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their e-mail addresses, physical copies are sent through the permitted mode.

68. Event Based Disclosures

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share: NA
2. Issue of shares with differential rights: NA
3. Issue of shares under employee's stock option scheme: NA
4. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: NA
5. Buy back shares: NA
6. Disclosure about revision: NA
7. Preferential Allotment of Shares: NA

69. Other Disclosures/reporting:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

a. Issue of equity shares with differential rights as to dividend, voting or otherwise.

b. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.

c. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

70. Appreciation & acknowledgement:

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thanks the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

Your Directors also wish to place on record their appreciation of business constituents, banks and other "financial institutions and shareholders of the Company like SEBI, BSE, NSE, NSDL, CDSL, ICICI Bank, Kotak Mahindra Bank and CITI Bank etc. for their continued support for the growth of the Company.

For and on behalf of the Board of Directors
Palred Technologies Limited

Sd/-	Sd/-
P. Supriya Reddy	**Aakanksha Sachin Dubey**
Chairperson & Managing Director	Director
(DIN: 00055870)	(DIN: 08792778)

Place: Hyderabad
Date: 04.09.2026

Annexure-A to the Director's Report

Pursuant to the provisions of Securities and Exchange Board of India Regulation 14 of SEBI (Share based Employee Benefits) Regulations, 2014 as amended and the provisions of the Companies Act 2013 the details of stock options as on March 31, 2026 under company's Employee Stock Option Schemes are as under:

Si. No.	Details Related to ESOPS	PALRED ESOP Scheme 2016
1.	Description of each ESOP that existed at any times during the year, including the general terms and conditions of each ESOPS including:	4,00,000
	a. Date of Shareholders Approval	N.A
	b. Total no. of options approved under ESOPS	N.A
	c. Vesting Requirements	N.A
	d. Exercise price or Pricing Formula	N.A
	e. Maximum term of options granted	N.A
	f. Source of shares (primary, secondary or combination)	N.A
	g. Variation in terms of options	N.A
2.	Method used to account for ESOPS	N.A
3.	Option movement during the year :	4,00,000
	a. Number of options outstanding at the beginning of the period	N.A
	b. Adjustment on account of bonus issue (if any)	N.A
	c. No. of options granted during the year	N.A
	d. No. of options forfeited/lapsed during the year	N.A
	e. No. of options vested during the year	N.A
	f. No. of options exercised during the year	N.A
	g. No. of shares arising as a result of exercise of options	N.A
	h. Money realized by exercise of options (INR), if scheme is implemented directly by the company	N.A
	i. Loan repaid by the trust during the year from exercise price received	N.A
	j. No. of option outstanding at the end of the year	N.A
	k. No. of options exercisable at the end of the year	N.A
4.	Weighted average exercise prices and weighted average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock	N.A

For and on behalf of the Board of Directors
Palred Technologies Limited

Sd/-

P. Supriya Reddy
Chairperson & Managing Director
(DIN: 00055870)

Sd/-

Aakanksha Sachin Dubey
Director
(DIN: 08792778)

Place: Hyderabad
Date: 04.09.2026

Annexures-B to the Director's Report

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

For the financial year ended 31st March, 2026

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/ Joint Ventures:

PART A- Subsidiaries

Sl. No.	Particulars	Details	Details	Details
1.	Name of the subsidiary	Palred Electronics Private Limited	Palred Technology Services Private Limited	Palred Retail Private Limited
2.	The date since when subsidiary was acquired	18th November, 2014	6th February, 2015	17th May, 2018
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01st April, 2025 to 31st March, 2026	01st April, 2025 to 31st March, 2026	01st April, 2025 to 31st March, 2026
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable
	Share capital	Authorized – 4300.00 Paid Up Capital – 3264.36	Authorized – 1301.00 Paid Up Capital – 1301.00	Authorised- 363.15 Paid-up Capital- 310.81
6.	Reserves & surplus	(4656.60)	(1535.26)	(463.27)
7.	Total assets	5833.20	53.18	46.80
8.	Total Liabilities (Excluding Share Capital, Reserves and Surplus)	7255.44	271.10	199.26
9.	Investments	-	-	-
10.	Turnover	7795.59	NIL	18.78
11.	Profit before taxation	(891.51)	(22.09)	4.67
12.	Provision for taxation / Deferred Tax	-	-	-
13.	Profit after taxation	(896.09)	(22.09)	4.67
14.	Proposed Dividend	NIL	NIL	NIL
15.	Extent of shareholding	78.17%	100%	83.71%

Note:

1. Name of the Subsidiaries which are yet to commence operations: NIL
2. Name of Subsidiaries liquidated or sold or strike off during the year: NIL

PART B – Associates and Joint Ventures

The Company does not have any Associate or Joint Venture.

For and on behalf of the Board of Directors
Palred Technologies Limited

Sd/-

P. Supriya Reddy
Chairperson & Managing Director
(DIN: 00055870)

Sd/-

Aakanksha Sachin Dubey
Independent Director
(DIN: 08792778)

Place: Hyderabad
Date: 04.09.2026

Annexures-C to the Director's Report

Form No. AOC-2

Particulars of contracts/arrangements made with related parties

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis –Nil
2. Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2026 are as follows:

	Name(s) of the related party	Nature of relationship	Duration of the contracts	Salient terms	Date(s) of approval by the Board, if any:	Amount (Rs. In Lakhs)
1.	Palred Electronics Private Limited	Subsidiary Company	Running contract	Sale of goods or services	Refer Note 1	Rs. 150.00
2.	Mrs. Palem Supriya Reddy	Managing Director (KMP)	Running Contract	Managerial Remuneration	NA	Rs.15.00
3.	Ms. Stuthi Reddy	Director	Running Contract	Purchase of goods and services	NA	Rs. 6.00
4.	Palred Electronics Private Limited	Subsidiary Company	Running Contract	Inter corporate Deposit	NA	Rs. 4,698.00
5.	Mr. S. Vijaya Saradhi	Independent Director	Running Contract	Director Sitting Fees	NA	Rs. 0.10
6.	Mr. Atul Sharma	Independent Director	Running Contract	Director Sitting Fees	NA	Rs. 0.15
7.	Ms. Aakanksha	Independent Director	Running Contract	Director Sitting Fees	NA	Rs. 0.75
8.	Mr. P. Harish Naidu	CFO (KMP)	Running Contract	Salary Expenses	NA	Rs. 40.00
9.	Ms. Shruti Rege	CS & Compliance Officer (KMP)	Running Contract	Salary Expenses	NA	Rs. 11.07
10.	Palred Technology Services Private Limited	Subsidiary Company	Running Contract	Loan	NA	Rs. 216.16
11.	Mrs. Palem Supriya Reddy	Managing Director (KMP)	Running Contract	Reimbursement of Expenses	NA	Rs. 0.87
12.	Mr. Harmendra Gandhi	Independent Director	Running Contract	Director Sitting Fees	NA	Rs. 0.75
13.	Mr. Ravichandran Rajagopal	Independent Director	Running Contract	Director Sitting Fees	NA	Rs. 0.75

Notes:

1) The Board of Directors of Palred Technologies Limited has taken omnibus approval from Audit Committee vide meeting conducted dated 28.05.2025 for recurrent Related Party Transactions to be conducted during the F.Y. 2025-26.

For and on behalf of the Board of Directors
Palred Technologies Limited

Sd/-

P. Supriya Reddy
Chairperson & Managing Director
(DIN: 00055870)

Sd/-

Aakanksha Sachin Dubey
Independent Director
(DIN: 08792778)

Place: Hyderabad
Date: 04.09.2026

Annexures-D to the Director's Report

PARTICULARS OF EMPLOYEE

(As per Sub-section (12) of section 197 of the Act and rules made thereof as amended from time to time)

A. Statement of particulars as per Rule 5 of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014.

The remuneration and perquisites provided to the employees and Management are at par with the industry levels. The remunerations paid to Whole-time Directors and Senior Executives are reviewed and recommended by the Nomination and Remuneration Committee.

i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

S No.	Name of the Director(s)	Designation	Ratio of remuneration to MRE*	Amount
Remuneration				
1.	Palem Supriya Reddy	Managing Director	1.12	15,00,000
2.	Harish Naidu	CFO	2.98	40,00,000
3.	Shruti Rege	Company Secretary & Compliance Officer	0.88	11,88,000

*MRE: Median Remuneration of Employees

Note:

a) S No. 1 to 4 are related to sitting fees paid to Non-Executive Director

a) S No. 5 & 6 Remuneration includes monthly salary, perquisites and annual/performance pay

b) "Median" means:

i. the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one;

ii. if there is an even number of observations, the median shall be the average of the two middle values.

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

S No.	Name of the Director(s)	Designation	Remuneration		% Increase/ (Decrease) in
			FY 2025-26	FY 2024-25	
Remuneration					
1.	Palem Supriya Reddy	Managing Director	15,00,000	15,00,000	NA
2.	Harish Naidu	CFO	40,00,000	40,00,000	Nil
3.	Shruti Rege	Company Secretary & Compliance Officer	11,88,000	10,80,000	10%

iii. The percentage decrease in the median remuneration of employees in the financial year:

S No.	Particulars	Remuneration		% Increase/ (Decrease) in
		FY 2025-26	FY 2024-25	
1.	*Median Remuneration of all the employees per annum	13,44,000	15,00,000	(10.4%)

*Employees who have served for whole of the respective financial years have been considered.

iv. The number of permanent employees on the rolls of company: 4 Employees.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

a) The average percentile increase already made in the salaries of employees excluding key managerial personnel - NA

b) There was no increase in the remuneration of the Key Managerial Personnel.

S No.	Particulars	Details (in %)	Justification (in case of increase in point no.2)
1.	Average percentage increase in the remuneration of all Employees* (Other than Key Managerial Personnel)	-	On account of event based Compensation revisions.
2.	Average Percentage increase in the Remuneration of Key Managerial Personnel	-	On account of event based Compensation revisions.
	Supriya Reddy P -Managing Director		
	Shruti Mangesh Rege - Company Secretary & Compliance Officer	10%	
	Harish Naidu - CFO	-	

vi.Affirmation that the remuneration is as per the remuneration policy of the company: Yes, the remuneration is as per the remuneration policy of the company.

vii. The Names of the top ten employees in terms of remuneration drawn and the name of every employee:

S No	Names of the Employees	Remuneration drawn (in Rs.)	Designation	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employees	Date of commencement of employment and age of such employee	The last employment held by such employee before joining the company	% of equity shares held by the employee in the company	Whether any such employee is a relative of any director/ manager of the company and if so, name of such director or manager
01	Harish Naidu	40,00,000	CFO	Permanent	Chartered Accountant with more than 15 years experience	25/03/2019 42 years	-	-	No
02	Supriya Reddy P	15,00,000	Managing Director	Permanent	Post Graduate with more than 5 years experience	31/08/2020 59 years	-	16,02,261	No
03	Shruti Mangesh Rege	11,88,000	Company Secretary & Compliance officer	Permanent	Company Secretary with experience of more than 8 years	05/08/2019 37 years	-	-	No
04	B Prabhakar	7,73,830	Accountant	Permanent	Graduate with experience of more than 10 years	16/11/2017 38 Years	-	-	No

For and on behalf of the Board of Directors
Palred Technologies Limited

Sd/-

P. Supriya Reddy
Chairperson & Managing Director
(DIN: 00055870)

Sd/-

Aakanksha Sachin Dubey
Director
(DIN: 08792778)

Place: Hyderabad
Date: 04.09.2026

Annexure-E to the Director's Report

Report on Corporate Governance

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Palred Technologies Limited as follows:

1. Company's Philosophy on Corporate Governance

Company's endeavour is to maximize shareholder value. Palred is committed to adopt best governance practices and its adherence in true spirit at all times. It has strong legacy of fair, transparent and ethical governance practices.

Company has adopted a code of conduct which is applicable to all employees and is posted on the website of the Company. The Company also has in place a code for preventing insider trading.

Company is fully compliant with the requirements of the listing regulations and applicable corporate governance norms and is committed to ensuring compliance with all modifications within the prescribed time.

2. Governance Structure:

Board of Directors: Provides strategic direction, formulates and ensures long-term business strategy, enhances shareholder value, and safeguards stakeholder interests.

Board Committees: Leverage specialized expertise to provide insightful recommendations, ensure effective oversight, and guide strategic direction across key operational areas.

Management: Implements policies, procedures, and oversees day-to-day operations, driving effective execution

3. Board diversity:

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website, www.palred.com.

4. Compliance with SEBI (listing obligations and disclosure requirements) regulations, 2015

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company framed the following policies which are available on Company's website i.e. www.palred.com

- Board Diversity Policy
- Policy on preservation of Documents
- Risk Management Policy
- Whistle Blower Policy
- Familiarization programme for Independent Directors
- Sexual Harassment Policy
- Related Party Policy
- Code of Conduct for Board of Directors and Senior Management Personnel

5. Palred' code of conduct for the prevention of insider trading

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website www.palred.com

6. Board of Directors

The composition of the Board of Directors of the Company is an appropriate combination of Executive and Non-Executive Directors with the right element of independence. As on **31st March, 2026**, the Company's Board comprised **Six Directors,** out of which **Two are Promoter Directors, including One Woman Director, One is a Non-Executive Director and Three are Independent Directors**. In terms of Regulation 17(1)(b) of the SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act, 2013, wherever applicable, the Company is required to have **one-half of the total number of Directors as Independent Directors**. The Non-Executive Directors are appointed or re-appointed based on the recommendation of the Nomination and Remuneration Committee, wherever applicable, considering their overall experience, expertise and industry knowledge. **One-third of the Directors liable to retire by rotation** shall retire at every Annual General Meeting and, being eligible, may offer themselves for re-appointment, subject to the approval of the shareholders.

7. Number of Board Meetings

During the Financial Year 2025-26, Five (5) meetings of the Board of Directors were held and the maximum time gap between two consecutive meetings did not exceed one hundred and twenty (120) days.

S. No.	Date(s) on which meeting(s) was held
1.	12.05.2025
2.	28.05.2025
3.	08.08.2025
4.	12.11.2025
5.	13.02.2026

None of our Directors are related to each other, except Mr. Srikar Palem Reddy, Mrs. P. Supriya Reddy and Ms. Stuthi Reddy.

The number of directorships, Committee Chairmanships and memberships of each director is in compliance with the relevant provisions of the Companies Act, 2013 ("Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

8. Attendance and directorships held

As mandated by the SEBI (LODR) Regulations, 2015, none of the Directors are members of more than ten Board-level committees nor are they chairman of more than five committees in which they are members. Further all the Directors have confirmed that they do not serve as an independent director in more than seven listed companies or where they are whole-time directors in any listed company, then they do not serve as independent director in more than three listed companies.

The names and categories of the Directors on the Board, their attendance at Board meeting during the year and at last Annual General Meeting, as also the number of Directorships and Committee memberships held by them in other companies are shown in **Table 1**.

Table-1

Name of Director	Relationship with other Directors	Category	No. of Meetings Held	No. of Meetings Attended	Whether Attended Last AGM	No. of Outside Directorships of Public Companies	No. of Committee Memberships	No. of Committee Chairmanships
Sribhashyam Vijaya Saradhi	None	Independent Director	1	1	Yes	3 Deemed Public Companies	4	2
Atul Sharma	None	Independent Director	1	1	Yes	0	3	0
Ms. Aakanksha Sachin Dubey	None	Independent Director	5	5	Yes	0	0	0
Mr. Srikar Palem Reddy	Brother-in –Law of Chairperson & Managing Director	Director	5	5	Yes	3 Public Companies	9	0
Mrs. P. Supriya Reddy	Mother of Director	Promoter Director	5	5	Yes	0	3	1
Ms. Stuthi Reddy	Daughter of Chairperson & Managing Director	Promoter Director	5	5	Yes	3 Deemed Public Companies	1	0
Mr. Ravichandran Rajagopal	None	Independent Director	5	5	No	4 Listed Companies	8	0
Mr. Harmendra Gandhi	None	Independent Director	5	5	No	0	0	0

The Name of other listed entities where directors of the company are directors and the category of directorship are shown in following table:

Sr . No.	Name of Director	Name of the Listed Companies in Which Director is Director	Nature of Directorship
1.	Mr. Srikar Reddy	Sonata Software Limited	Executive Vice Chairman & Whole-time Director
		Visaka Industries Limited	Director
2.	Mr. Harmendra Gandhi	NIL	NIL
3.	Mr. Ravichandran Rajagopal	Anjani Foods Limited Anjani Vishnu Holdings Limited Andhra Cements Limited Sagar Cements Limited	Director for: Anjani Vishnu Holdings Limited - Director Anjani Foods Limited - Director Andhra Cements Limited - Director Sagar Cements Limited - Director
4.	Sribhashyam Vijaya Saradhi	NIL	NIL
5.	Atul Sharma	NIL	NIL
6.	Ms. Aakanksha Sachin Dubey	NIL	NIL
7.	Mrs. P. Supriya Reddy	NIL	NIL
8.	Ms. Stuthi Reddy	NIL	NIL

9. Shareholding of Non-Executive Directors of the Company as on March 31, 2026

S. No.	Name of the Director	Category#	No. of Equity Shares held
1.	Mr. Harmendra Gandhi	IDNE	Nil
2.	Mr. Ravichandran Rajagopal	IDNE	Nil
3.	Sribhashyam Vijaya Saradhi	IDNE	Nil
4.	Atul Sharma	IDNE	Nil
5.	Ms. Aakanksha Sachin Dubey	IDNE	Nil
6.	Ms. Stuthi Reddy	PNED	10,00,000

PNED – Promoter Non-Executive Director, IDNE - Independent Non-Executive Director

10. Familiarization program for independent directors

The Company conducts Familiarization Programme for Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities. They have full opportunity to interact with Senior Management Personnel and are provided all documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part.

The details of familiarization programme imparted to the Independent Directors of the Company has been disclosed on the website of the Company and can be accessed through the following link at: https://www.palred.com.

11. Core Skills / Expertise / Competencies of the Board of Directors;

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

Si. No.	Skills / Expertise / Competence	Brief Descriptions
1.	Leadership Experience	Strong management and leadership experience in leading well-governed large organization in the areas of business development, strategic planning and mergers & acquisitions and have visionary with strategic goal for the Company to identify possible road maps, inspire and motivate the strategy, approach, processes and other such key deliverables and mentor the leadership team to channelize its energy/ efforts in appropriate direction and thought to be a leader and a role model in good governance and ethical conduct of business, while encouraging the organisation to maximise stakeholders value having hands on experience of leading an entity at the highest level
2.	Industry knowledge and experience	Indepth knowledge in the Healthcare Industry.
3.	Information Technology	Information Technology expertise with knowledge of current and emerging technologies
4.	Governance including legal compliance	Experience in developing and implementing good corporate governance practices, maintaining accountability of Board and its management, managing stakeholders' interest and responsibility towards customers, employees, suppliers, regulatory bodies etc. to support the Company's legal compliance systems and governance policies/ practices
5.	Expertise/ Experience in Finance/ Risk Management areas	Knowledge and skills in accounting and finance, business judgment, general management practices and processes, crisis response and management, industry knowledge, macro-economic perspectives, human resources, labour laws, international markets, sales and marketing, and risk management.
6.	Human Resource management	Experience in the Human Resource Management with understanding of employment laws.

Given below is a list of core skills, expertise and competencies of the individual Directors

Name of Director(s)	Leadership Experience	Industry knowledge and experience	Information Technology	Governance including legal compliance	Expertise/ Experience in Finance/ Risk Management areas	Human Resource management
Mrs. P. Supriya Reddy	√	√	√	√	√	√
Mr. S. Vijaya Saradhi	√	√	√	√	√	√
Mr. Atul Sharma	√	√	√	√	√	√
Mrs. Aakanksha	√	√	√	√	√	√
Mr. Srikar Reddy	√	√	√	√	√	√
Mrs. Stuthi Reddy	√	√	√	√	√	√
Mr. Harmendra Gandhi	√	√	√	√	√	√
Mr. Ravichandran Rajagopal	√	√	√	√	√	√

12. Appointment/Re-appointment of Directors:

Details of Director seeking appointment/ reappointment at the forthcoming Annual General Meeting as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") is annexed to the Notice convening the Annual General Meeting and forming part of this Annual Report

13. Information supplied to the board:

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report by the Managing Director is presented in the quarterly Board meeting, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy.

- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Annual business plan
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Expansion projects and its status monitoring.
- Fatal or serious accidents, injuries or any material environmental problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any
- Significant labour problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any
- Quarterly review of compliance status under various laws applicable to the Company
- Substantial non-payment of goods sold by the Company except disputes
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. Committees of the board:

The Company has four Board-level Committees - Audit Committee, Stakeholder Relationship Committee, Nomination & Remuneration Committee and Risk Management Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

15. Performance Evaluation of Board, Committees and Directors:

Pursuant to provisions of Regulation 17(10) of the SEBI Listing Regulations and the provisions of the Act, an annual Board effectiveness evaluation was conducted for FY 2025-26 on February 13, 2026, involving the following:

i. Evaluation of IDs, in their absence, by the entire Board was undertaken, based on their performance and fulfilment of the independence criteria prescribed under the Act and SEBI Listing Regulations; and

ii. Evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board Chairman.

An IDs' meeting, in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and 25(4) of the SEBI Listing Regulations, was convened on February 13th, 2026, mainly to review the performance of Independent Directors and the Chairman & Managing Director as also the Board as a whole. All IDs were present at the said meeting.

(i) Board: Composition, responsibilities, stakeholder value and responsibility, Board development, diversity, governance, leadership, directions, strategic input, etc.

(ii) Executive Directors: Skill, knowledge, performance, compliances, ethical standards, risk mitigation, sustainability, strategy formulation and execution, financial planning & performance, managing human relations, appropriate succession plan, external relations including CSR, community involvement and image building, etc.

(iii) Independent Directors: Participation, managing relationship, ethics and integrity, Objectivity, brining independent judgement, time devotion, protecting interest of minority shareholders, domain knowledge contribution, etc.

(iv) Chairman: Managing relationships, commitment, leadership effectiveness, promotion of training and development of directors etc.

(v) Committees: Terms of reference, participation of members, responsibility delegated, functions and duties, objectives alignment with company strategy, composition of committee, committee meetings and procedures, management relations.

Performance evaluation was done on the scale of 1 to 5, 1 being very poor and 5 being outstanding. The outcome of performance evaluation is given below:

Categories	Rating (out of 5)
Board as a whole	4.6
Individual Directors	
Mrs. P. Supriya Reddy	4.8
Mr. S. Vijaya Saradhi	4.7
Mr. Atul Sharma	4.25
Mrs. Aakanksha	4.80
Mr. Srikar Reddy	4.8
Mrs. Stuthi Reddy	4.68
Audit Committee	4.62
Stakeholder Relationship Committee	4.23
Nomination & Remuneration Committee	4.64
Risk Management Committee	4.61

Disclosures as prescribed under SEBI circular dated May 10, 2018 are given below:

Observations of Board evaluation carried out for the year	No observations.
Previous year's observations and actions taken	Since no observations were received, no actions were taken.
Proposed actions based on current year observations	Since no observations were received, no actions were taken.

16. Declaration by Independent Directors:

All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 read with Section 149(6) of the Act.

17. Declaration by Board:

The Board has confirmed that in its opinion, the independent directors fulfill the conditions specified in these regulations and are independent of the management. During the year under review, no Independent Director has resigned before expiry of his tenure.

18. Audit committee:

Terms of reference of Audit committee covers all the matters prescribed under Regulation 18 of the Listing Regulations and Section 177 of the Act, 2013.

The Audit Committee acts as an interface between the Statutory and Internal Auditors, the Management, and the Board. It assists the Board in fulfilling its responsibilities of monitoring financial reporting processes; reviewing the Company's established systems and processes for internal financial controls and governance; and reviews the Company's statutory and internal audit processes.

A. Brief Description of Terms of Reference: -

Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.

(1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) Review and monitor the auditor's independence and performance, and effectiveness of audit process.

(5) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

(b) changes, if any, in accounting policies and practices and reasons for the same;

(c) major accounting entries involving estimates based on the exercise of judgment by management;

(d) significant adjustments made in the financial statements arising out of audit findings;

(e) compliance with listing and other legal requirements relating to financial statements;

(f) disclosure of any related party transactions;

(g) modified opinion(s) in the draft audit report;

(6) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(7) To review the financial statements, in particular, the investments made by the unlisted subsidiary Company.

(8) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement], and making appropriate recommendations to the board to take up steps in this matter;

(9) To formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor.

(10) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

(11) 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.

(12) Discussion with internal auditors any significant findings and follow up there on.

(13) 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.

(14) 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.

(15) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

(16) To review the functioning of the Whistle Blower mechanism.

(17) Approval of appointment of CFO (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.

(18) Valuation of undertakings or assets of the Company, wherever it is necessary.

(19) Scrutiny of inter-corporate loans and investments.

(20) Evaluation of internal financial controls and risk management systems.

(21) Approval or any subsequent modification of transactions of the Company with related parties

(22) To appoint a person having such qualifications and experience and registered as a valuer in such manner, on such terms and conditions as may be prescribed and appointed by the audit Committee for valuation, if required to be made, in respect of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of a Company or its liabilities.

(23)To ensure proper system for storage, retrieval, display or printout of the electronic records as deemed appropriate and such records shall not be disposed of or rendered unusable, unless permitted by law provided that the back-up of the books of account and other books and papers of the Company maintained in electronic mode, including at a place outside India, if any, shall be kept in servers physically located in India on a periodic basis.

(24)Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances / investments existing as on the date of coming into force of this provision.

(25) Reviewing the compliances under SEBI (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.

(26)To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

(27)Carrying out any other function as is mentioned in the terms of reference of the Committee.

B. The Audit Committee shall have powers, which should include the following:

a. To investigate any activity within its terms of reference.

b. To seek information from any employee.

c. To obtain outside legal or other professional advice.

d. To secure attendance of outsiders with relevant expertise, if it considered necessary.

C. The audit committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses; and
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
5. statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

D. Internal Audit:

The Company has adequate internal control and Internal Audit system commensurate with its size and nature of its business. The Internal Audit Plan is approved by the Audit Committee and the Internal Auditors directly present their report to the Audit Committee for their consideration.

E . Composition, Meetings & Attendance:

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the Listing Regulations and the provisions of Section 177 of the Act. All members of the Committee are financially literate, with Mr. S. Vijaya Saradhi, as Chairman of the Committee, having the relevant accounting and financial management expertise.

The composition of the Audit Committee and the details of the meetings attended by its members during the financial year ended 31st March 2026 are as under:

Name	Designa-tion	Category	No of Meetings held	No of Meetings attended
Mr. S. Vijaya Saradhi	Chairman	NED(I)	1	1
Mr. Atul Sharma	Member	NED(I)	1	1
Ms. Aakanksha	Member	NED(I)	4	4
Mr. P. Srikar Reddy	Member	NED	4	4
## Mr. Harmendra Gandhi	Chairman	NED(I)	4	4
##Mr. Ravichandran Rajagopal	Member	NED(I)	4	4

Tenure expired on 13.05.2025; ## Appointed on 13.05.2025

The Audit Committee met 4 times during the financial year 2025-26 and the gap between any two meetings did not exceed 120 days. The dates on which the Audit Committee Meetings held were: 28th May 2025, 08th August 2025, 12th November 2025 and 13th February 2026. Requisite quorum was present at the above Meetings.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

During the year, the Audit Committee inter alia reviewed key audit findings covering Operational, Financial and Compliance areas, Risk Mitigation Plan covering key risks affecting the Company which were presented to the Committee. The Chairman of the Audit Committee briefed the Board members on the significant discussions which took place at Audit Committee Meetings.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 09th August, 2025.

19. Nomination and remuneration committee:

The Nomination and Remuneration Committee ('NRC') functions in accordance with Section 178 of the Act, Regulation 19 of the Listing Regulations and its Charter adopted by the Board.

The NRC is vested with all the necessary powers, authority to identify persons who are qualified to become Directors, Key Managerial Personnel and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal, and shall carry out evaluation of every Director's performance.

Terms of Reference : The terms of reference of the Nomination & Remuneration Committee, inter alia, includes the following:

a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

b. Formulation of criteria for evaluation of performance of independent directors and the Board;

c. Devising a policy on Board diversity;

d. Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

e. Analysing, monitoring and reviewing various human resource and compensation matters, including the compensation strategy;

f. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment.

g. Recommending the remuneration, in whatever form, payable to non-executive directors and the senior management personnel and other staff (as deemed necessary);

h. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

i. Determining 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;

j. 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;

k. Administering the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/plan ("ESOP Scheme") including the following:

   i. Determining the eligibility of employees to participate under the ESOP Scheme.

   ii. Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

   iii. Date of grant;

   iv. Determining the exercise price of the option under the ESOP Scheme;

l. Construing and interpreting the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the terms of such scheme/ plan ("ESOP Scheme") and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

m. Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

   i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and

   ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the Company and its employees, as applicable;

n. Performing such other activities as may be delegated by the Board of Directors and/ or are statutorily prescribed under any law to be attended by the Nomination and Remuneration Committee; and

o. Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations or other applicable laws or by any other regulatory authority.

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay, reflecting the short and long term performance objectives appropriate to the working of the Company and its goals

(iv) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

(v) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

(vi) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

(vii) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

(viii) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

(ix) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

(x) The grant, vest and exercise of option in case of employees who are on long leave;

(xi) Allow exercise of unvested options on such terms and conditions as it may deem fit; xii. The procedure for cashless exercise of options;

(xii) Forfeiture/ cancellation of options granted;

(xiii) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the employee who is granted such option

Composition of the committee, meetings and attendance during the year:

There was one Nomination and Remuneration Committee Meeting held during the financial year 2025-26 on 12.05.2025

Name	Designa-tion	Category	No of Meetings held	No of Meetings attended
Mr. S. Vijaya Saradhi	Chairman	NED(I)	1	1
Mr. Atul Sharma	Member	NED(I)	1	1
Mrs. Aakanksha	Member	NED(I)	1	1
Mrs. Supriya Reddy Palem	Member	ED	1	1
## Harmendra Gandhi	Chairman	NED(I)	1	1
## Ravichandran Rajagopal	Member	NED(I)	1	1

Tenure expired on 13.05.2025; # Appointed w.e.f. 13.05.2025

20. Stakeholder's relationship committee:

Terms of reference of the committee comprise of various matters provided under Regulation 20 of the Listing Regulations and section 178 of the Act, 2013 which inter-alia include:

(a) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, dematerialisation and re-materialisation of shares, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc., assisting with quarterly reporting of such complaints and formulating procedures in line with statutory guidelines to ensure speedy disposal of various requests received from shareholders;

(b) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(c) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(d) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time

(e) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(f) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of our Company and to recommend measures for overall improvement in the quality of investor services;

(g) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority;

(h) To approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;

(i) To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialisation etc. of shares, debentures and other securities;

(j) To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company; and

(k) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations

The Committee comprises of 3 Directors out of which 2 are independent. In the financial year 2025-26, 4 meetings of the Committee were held on 28th May 2025, 08th August 2025, 12th November 2025 and 13th February 2026. Composition of committees and member's attendance at the meetings during the year are as under:

Name	Designation	Cate-gory	No of Meetings held	No of Meetings attended
Mrs. Aakanksha	Chairperson	NED(I)	4	4
#Mr. S. Vijaya Saradhi	Member	NED(I)	4	1
Mrs. Supriya Reddy Palem	Member	ED	4	4
##Mr. Harmendra Gandhi	Member	ED	4	4

Tenure expired on 13.05.2025; ## Appointed w.e.f. 13.05.2025

21. Name and designation of compliance officer

Ms. Shruti Mangesh Rege is the Company Secretary & Compliance Officer of the Company.

22. Details of complaints/requests received, resolved and pending during the year 2025-26:

Number of complaints	Number
Number of complaints received from the investors comprising non-receipt of securities sent for transfer and transmission, complaints received from SEBI / Registrar of Companies / Bombay Stock Exchange / National Stock Exchange / SCORE and so on	0
Number of complaints resolved	0

Number of complaints	Number
Number of complaints not resolved to the satisfaction of the investors as on March 31, 2026	0
Complaints pending as on March 31, 2026	0
Number of Share transfers pending for approval, as on March 31, 2026	0

23. Performance evaluation criteria for independent directors:

The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

Policy:

1. The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

2. In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

2.1 The proposed appointee shall also fulfil the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and other relevant laws.

3. Criteria of independence

3.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the companies Act, 2013.

4. Other directorships/ committee memberships

4.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of and the time involved in a director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

4.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

4.4 A Director shall not be a member in more than 10 committees or act as chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

24. Pecuniary Relationship or Transactions Of The Non-Executive Directors Vis-À-Vis The Listed Company:

Ms. Stuthi Reddy, Non-Executive Director of the Company has pecuniary relationship with Company. Following are transaction details:

Sr. No.	Name of Non-Executive Director	Nature of Transaction	Amount (Rs.)
1.	Ms. Stuthi Reddy	Lease of Premises	6,00,000/-

A. CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:

Policy:

1. Remuneration to Executive Director and key managerial personnel

1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall limit approved by the shareholders.

1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

(i) Basic pay

(ii) Perquisites and Allowances

(iii) Stock Options
(iv) Commission (Applicable in case of Executive Directors)
(v) Retirement benefits
(vi) Annual performance Bonus

1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

2. Remuneration to Non – Executive Directors

2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders.

2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3. Remuneration to other employees

3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

25. Independent directors' meeting:

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 13.02.2026, to discuss:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc. The details of the familiarization program is given at company's website (www.palred.com/ Investor Relations).

i) Remuneration policy:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities should and individual performance.

Policy for selection of directors and determining directors' independence:

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 "Director" means a director appointed to the Board of a Company.

2.2 "Nomination and Remuneration Committee means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

2.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Remuneration policy for Directors, key managerial personnel and other employees:

1. Scope:

1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:
In this policy the following terms shall have the following meanings:

2.1 "Director" means a director appointed to the Board of the company.

2.2 "Key Managerial Personnel" means

(i) The Chief Executive Officer or the Managing Director or the Manager;
(ii) The Company Secretary;
(iii) The Whole-Time Director;
(iv) The Chief Financial Officer; and
(v) Such other office as may be prescribed under the companies Act, 2013

2.3"Nomination and Remuneration committee" means the committee constituted by Board in accordance with the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

26. Risk Management Committee: -

The Company has an effective risk management procedure, which is governed at the highest level by the Board of Directors. However, to further strengthen & streamline the procedures about risk assessment and minimization procedures, the Board of Directors voluntarily constituted a Board level Risk Management Committee (RMC).

a) Terms of Reference: - The terms of reference of the Risk Management Committee, includes the following:

i) To periodically review the risk management policy at least once in two years, including by considering the changing industry dynamics and evolving complexity;

ii) To formulate a detailed risk management policy covering risk across functions and plan integration through training and awareness programmes;

b) Composition:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mrs. Supriya Reddy Palem	Chairperson	ED
#Mr. Atul Sharma	Member	NED(I)
#Mr. S. Vijaya Saradhi	Member	NED(I)
Ms. Stuthi Reddy	Member	NED
##Mr. Ravichandran Rajagopal	Member	NED(I)
##Mr. Harmendra Gandhi	Member	NED(I)

Tenure expired on 13.05.2025; ## Appointed on 13.05.2025

c) The policy shall include:

i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, environment, social and governance related risks), information, cyber security risks or any other risk as may be determined by the committee;

ii. Measures for risk mitigation including systems and processes for internal control of identified risks;

iii. Business continuity plan.

d) To approve the process for risk identification and mitigation;

e) To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;

f) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;

g) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

h) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

i) To approve major decisions affecting the risk profile or exposure and give appropriate directions;

j) To consider the effectiveness of decision making process in crisis and emergency situations;

k) To balance risks and opportunities;

l) To generally, assist the Board in the execution of its responsibility for the governance of risk;

m) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

n) To consider the appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee;

o) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;

p) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;

q) To attend to such other matters and functions as may be prescribed by the Board from time to time; and

r) Such terms of reference as may be prescribed under the Companies Act and SEBI Listing Regulations.

27. Monitoring Governance of Subsidiary Companies:

Pursuant to regulation 16(1)(c) of the Listing Regulations, the Company has one material subsidiary as on 31st March, 2026, i.e. Palred Electronics Private Limited and. The Company has material subsidiary pursuant to regulation 24 of the Listing Regulations and is required to appoint Independent Director on the Board of its material subsidiary. The Company has appointed Mr. Harmendra Gandhi & Ms. Aakanksha Sachin Dubey on the Board of Palred Electronics Private Limited, Palred Technology Services Private Limited, Palred Retail Private Limited.

The financial statements of the subsidiaries are reviewed by the Audit Committee. The minutes of the meetings of the subsidiaries are placed before the Board of Directors of the Company, and the Board has periodically noted and reviewed all significant transactions entered into by the subsidiaries. Investment proposals beyond threshold values are executed by the subsidiary companies only after positive recommendation by the Board/Investment and Risk Management Committee of the Company.

28. Non-executive directors' compensation and disclosures:

None of the Independent Directors or Non-Executive Directors of the Company has any pecuniary relationship or transactions with the Company which, in the opinion of the Board of Directors, may affect their independence, except as disclosed in the financial statements and the related party disclosures forming part of this Annual Report.

29. Number of shares and convertible instruments held by non-executive directors:

Ms. Stuthi Reddy, Non-executive Director of the Company holds 10,00,000 fully paid-up equity shares of the Company.

30. Disclosure of commodity price risks and commodity hedging activities:

Price and demand of the Company's finished products are inherently volatile and remain strongly influenced by global economic conditions. Any fluctuation in finished product prices or currency has direct impact on the Company's revenue and profits.

The Company considers exposure to commodity price fluctuations to be an integral part of our business and its usual policy is to sell its products at prevailing market prices. The Company has a well-defined policy framework wherein no speculative positions are taken and limited commodity hedging is done with endeavours to achieve month-average rates both in currency and metal prices. The Company follows the policy of taking forward cover for net foreign exposure, if the net is payable in foreign currency, with negligible exposure in non USD currencies All policies are periodically reviewed basis local and global economic environment.

31. Senior management:

Particulars of Senior Management as on March 31, 2026:

S. No.	Name of Senior Management	Designation	Change (Appointment/ Resignation) during FY 2025-26
1.	Mrs. P. Supriya Reddy	Chairperson & Managing Director	NA
2.	Mr. P. Harish Naidu	CFO	NA
3.	Mrs. Shruti Rege	Company Secretary & Compliance Officer	NA

32. Remuneration of directors:

Name of the Director	Salary(Rs)	Sitting fees(Rs)	Number of shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Supriya Reddy Palem	15,00,000	--	16,02,261	--	--	--	--
Sribhashyam Vijaya Saradhi	--	10,000	--	--	--	--	--
Atul Sharma	--	15,000	--	--	--	--	--
Mr. Srikar Reddy	--		--	--	--	--	--
Aakanksha	--	75,000	--	--	--	--	--
Stuthi Reddy	--	--	10,00,000	--	--	--	--
Ravichandran Rajagopal	--	60,000	--	--	--	--	--
Harmendra Gandhi	--	60,000	--	--	--	--	--

33. Details on general body meetings:

A. Location, date and time of last three AGMs and special resolutions there at as under:

Financial Year	Date	Time	Location	Special / Ordinary Resolution
2024-25	09.08.2025	11.30 AM	Plot No.2, 8-2-703/2/B, Road No.12, Banjara Hills, Hyderabad-500034	2 Ordinary Resolutions & 5 Special Resolutions
2023-24	25.09.2024	10.30 AM	Plot No.2, 8-2-703/2/B, Road No.12, Banjara Hills, Hyderabad-500034	3 Ordinary Resolutions & 2 Special Resolution
2022-23	09.09.2023	9.00 AM	Plot No.2, 8-2-703/2/B, Road No.12, Banjara Hills, Hyderabad-500034	2 Ordinary Resolutions & 1 Special Resolution

34. Passing of Resolutions by Postal Ballot

There were no resolutions passed by the Company through Postal Ballot during the financial year 2025-26.

35. Means Of Communication:

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management-shareholder relations. The Company regularly interacts with Members through multiple channels of communication such as results announcement, annual report, media releases, Company's website and subject specific communications.

The quarterly, half yearly and annual results of the Company's performance are published in leading newspapers such as Business Standard and Navatelangana. These results are also made available on the website of the Company https:// www.palred,com/investor-relations/ quarterly-results/. The website also displays vital information relating to the Company and its performance, official press releases and presentation to analysts.

All price sensitive information and matters that are material to Members are disclosed to the respective Stock Exchanges where the securities of the Company are listed. The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, for dissemination on their respective websites. The stock exchange filings are also made available on the website of the Company https://www.palred.com.

36. General shareholder information:

A. Annual general meeting:

The 27th Annual General Meeting of the Company will be held as per the following schedule:

Day	**Wednesday**
Date	**30.09.2026**
Time	**10.00 AM**
Venue	**Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM'). The AGM shall be deemed to be held at Plot No.2, 8-2-703/2/B, Road No.12, Banjara Hills, Hyderabad- 500034.**

B. Financial Year Calendar 2026-27 (Tentative Schedule)

The financial calendar (tentative) shall be as under:

Financial Year	2026-27
First Quarterly Results	14.08.2026
Second Quarterly Results	14.11.2026
Third Quarterly Results	14.02.2027
Fourth Quarterly Results	29.05.2027
Annual General Meeting for year ending 31st March, 2027	30.09.2027

C. Dividend Payment Date: No Dividend was declared during the Financial Year 2025-26.

D. Listing on stock exchanges & address:

The equity shares of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company has paid the listing fees for the year 2026-27 to both the Stock Exchanges.

Name of Exchanges	
NSE Limited	BSE Limited
PALREDTEC	PALRED
Address: National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	Address: BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

E. Registrar and share transfer agents:

M/s. KFin Technologies Limited
(previously known as KFin Technologies Private Limited)

Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Serilingampally,
Nanakramguda, Hyderabad – 500032

Phone Number: 040-67162222, 33211000,
Website: www.kfintech.com
Email- einward.ris@kfintech.com

F. Share transfer system:

The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects. The Company Secretary has been empowered to approve the transfer of shares.

Effective April 1, 2019, SEBI has amended Regulation 40 of the SEBI Listing Regulations, which deals with transfer, transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

Shares received for transfer by the Company or its Registrar and Share Transfer Agent in physical mode are processed and all valid transfers are approved. The share certificate(s) is/are duly transferred and dispatched within a period of 15 days from the date of receipt.

According to SEBI, this amendment will bring the following benefits:

- It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities.
- Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors.

G. Distribution of Shareholding as on 31st March, 2026:

CATEGORY	No. of Cases	% of Cases	Amount	% of Amount
1 – 5000	14222	91.24	1,17,35,720	9.59
5001 – 10000	659	4.23	50,85,120	4.16
10001 – 20000	359	2.30	52,36,990	4.28
20001 – 30000	132	0.85	33,38,140	2.73
30001 – 40000	47	0.30	16,90,850	1.38
40001 – 50000	38	0.24	17,22,400	1.41
50001 – 100000	74	0.47	54,17,560	4.43
100001 and above	56	0.36	8,80,98,880	72.02
TOTAL	15,587	99.99	122325660.00	100

H. Dematerialisation & liquidity of shares:

Palred Shares are tradable in Electronic Form. The Company has established electronic connectivity through KFin Technologies Limited (previously known as KFin Technologies Private Limited) with both the depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) The International Securities Identification Number (ISIN) allotted to our shares under the Depository System is INE218G01033. As on March 31, 2026 99.92% of the shares were held in Dematerialised form and the rest in physical form.

Particulars	No. of Shares	% Share Capital
NSDL	97,09,969	79.38
CDSL	25,12,920	20.54
PHYSICAL	9677	0.08
Total	1,22,32,566	100.00

We request the shareholders whose shares are held in physical mode to dematerialize the shares and update their bank accounts with the depository participants.

I. Outstanding GDRs/ ADRs/ Warrants or Convertible Instruments

No GDRs/ ADRs/Warrants has been issued by the Company or Convertible Instruments has been issued by the Company.

J. Commodity price risk or foreign risk and hedging activities

The Company does not have commodity price risk nor does the Company engage in hedging activities

K. Plant locations: Not Applicable

L. Address for Correspondence: Not Applicable

M. Electronic connectivity:

Demat ISIN Number: INE218G01033

N. National Securities Depository Limited

Trade World, Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai – 400 013.

O. Central Depository Services (India) Limited

Marathon Futurex, A-Wing, 25th floor,
NM Joshi Marg,Lower Parel, Mumbai 400013

P. Extraordinary General Meeting

There was no Extraordinary General Meeting held during F.Y. 2025-26.

Q. Shareholding Pattern as on 31st March, 2026:

Sl. No.	CATEGORY OF SHAREHOLDER	No. of shares held	Percentage of shareholding
(A)	PROMOTER AND PROMOTER GROUP		
1)	INDIAN:		
a)	Individual	36,77,080	30.06
b)	Others	--	--
	Sub-Total A(1) :	36,77,080	30.06
2)	FOREIGN:	--	--
a)	Individuals	--	--
	Sub-Total A(2) :	--	--
	Total A=A(1)+A(2)	36,77,080	30.06
(B)	PUBLIC SHAREHOLDING		
1)	INSTITUTIONS:		
a)	Financial Institutions / Banks	60	0
b)	Foreign Institutional Investors	0	0
	Sub-Total B(1) :	60	0

Sl. No.	CATEGORY OF SHAREHOLDER	No. of shares held	Percentage of shareholding
2)	NON-INSTITUTIONS:		
a)	Bodies Corporate	3,34,084	2.73
b)	Individuals	72,20,792	59.03
	Sub-Total B(2) :	75,54,876	61.76
(C)	OTHERS:		
1)	HUF	1,84,601	1.51
2)	Employees	10,340	0.08
3)	Clearing Members	0	0
4)	Foreign Bodies	2,16,948	1.77
5)	Foreign Nationals	3,05,647	2.50
6)	Corporate Body - Others	740	0.01
7)	Non Resident Indians	1,32,816	1.08
8)	Trusts	1,49,458	1.22
	Sub-Total C:	10,00,550	8.17
	Total B=B(1)+B(2) :	75,54,936	60.17
	Total (A+B) :	1,12,32,016	90.24
	GRAND TOTAL (A+B+C):	1,22,32,566	100.00

37. Other Disclosures:

a) **disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;**

All Related Party Transactions ("RPTs") entered into during the financial year 2025–26 were in the ordinary course of business and on an arm's length basis, and were in compliance with the applicable provisions of the Companies Act, 2013 ("the Act") and the Listing Regulations.

There were no materially significant RPTs entered into by the Company during the year that had a potential conflict with the interests of the Company at large or that required shareholders' approval under Regulation 23 of the Listing Regulations.

Further, none of the transactions with related parties fell within the scope of Section 188(1) of the Act, and accordingly, the disclosure of RPTs in Form AOC 2 under Section 134(3)(h) of the Act is not applicable to the Company for the financial year 2025–26.

The Company complies with the disclosure requirements prescribed under Regulation 23 of the Listing Regulations and follows Indian Accounting Standard (Ind AS) 24 on Related Party Disclosures, as issued by the Institute of Chartered Accountants of India ("ICAI"). All RPTs are placed before the Audit Committee for approval in accordance with the applicable regulatory framework.

b) Non-Compliances by the Company

During the last three years and during the Financial Year 2025-26, there were no strictures or penalties imposed on the Company either by the Stock Exchanges or SEBI, or any other statutory authority for non-compliance of any matter related to capital markets.

c) Vigil Mechanism and Whistle Blower Policy

In Compliance with the provisions of section 177 of the Act and Regulation 22 of SEBI Listing Regulations, the Company has in place the Whistle Blower Policy and Vigil Mechanism for Directors, employees and other stakeholders which provides a platform to them for raising their voice about any breach of code of conduct, financial irregularities, illegal or unethical practices, unethical behaviour, actual or suspected fraud. Adequate safeguards are provided against victimization to those who use such mechanism and direct access to the Chairman of the Audit Committee in appropriate cases is provided. During the year under review, no employee was denied access to the Audit Committee.

The policy on Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company and can be accessed through the following link: https://www.palred.com

d) Details of compliance with mandatory requirements on Corporate Governance under the SEBI Listing Regulations

The Company has complied with the mandatory requirements on Corporate Governance under the SEBI Listing Regulations.

e) web link where policy for determining 'material' subsidiaries is disclosed; https://palred.com/investorrelations/

f) web link where policy on dealing with related party transactions; https://palred.com/wp-content/uploads/2024/06/5.Related_Party_Transaction_Policy.pdf

g) disclosure of commodity price risks and commodity hedging activities: NA

h) Details of utilisation 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 and qualified institutions placement.

i) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listing entity involving mobilization of funds, whether in India or abroad: Not Applicable

j) Practicing company secretary certification:

A certificate from Practicing Company Secretary confirming that none of the Directors on the Board of the Company were debarred or disqualified from being appointed or re-appointed under retirement by rotation and/or continuing as Directors of the Company by SEBI, Ministry of Corporate Affairs, or any other statutory authority is attached as **Annexure H.**

k) Recommendation of Committee(s) of the Board of Directors

During the year, all recommendations of Committees of Board of Directors, were accepted by the Board

l) Total fee for all services paid by the listed entity 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;

Payment to Auditors	Amount in Rs.(INR)
Statutory Audit fees including limited review	24,00,000
Certification & other attest services	1,00,000
Non-audit services	NIL
Outlays and Taxes	NIL

m) Disclosure Of Loans / Guarantees / Comfort Letters / Securities.

The details of loans and advances in the nature of loans to firms/ companies in which Directors are interested, being disclosed in Note 27 to the Standalone and Consolidated Financial Statements of the Company forming part of the Annual Report.

n) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has established an appropriate mechanism for dealing with complaints in relation to Sexual Harassment of Women at Workplace, in accordance with its Policy on Prevention of Sexual Harassment at Workplace ('POSH') which is available on the website of the Company. There were no complaints received during the financial year.

o) Loans and Advances in the nature of Loans to Firms/ Companies in which Directors are interested by name and amount.

The details of loans and advances in the nature of loans to firms/ companies in which Directors are interested, being disclosed in Note 27 to the Standalone and Consolidated Financial Statements of the Company forming part of the Annual Report.

p) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

Sr. No.	Name of Subsidiary	Date of Incorporation	Place of Incorporation	Name and date of appointment of Statutory Auditors
1.	Palred Electronics Private Limited	18.11.2014	Hyderabad	MSKC & Associates 25.09.2024
2.	Palred Technology Services Private Limited	06.02.2015	Kurnool, Andhra Pradesh	MSKC & Associates 25.09.2024
3.	Palred Retail Private Limited	17.05.2018	Kurnool, Andhra Pradesh	MSKC & Associates 25.09.2024

38. Non-compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V:

The company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V of the Securities Exchange Board of India (LODR) Regulations, 2015.

39. Adoption of discretionary requirements as specified in Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

With regard to discretionary requirements, the Company has adopted clauses relating to the internal auditor directly reporting to the Audit Committee.

40. The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of Regulations	Compliance status (Yes/ No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirement with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes. Regulation 46(2)(b) to (i) Functional Website

41. Disclosure with respect to Demat suspense account/ unclaimed suspense account

There are no shares which are lying in demat suspense account/ unclaimed suspense account as on March 31, 2026

42. Disclosure of certain types of agreements binding listed entities

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

43. Insider Trading

In terms of the SEBI (Prohibition of Insider Trading) Regulations 2015 ("PIT Regulations"), the Company has a comprehensive Code of Conduct for regulating, monitoring and reporting of trading by Insiders. The said Code lays down guidelines which provide for the procedure to be followed and disclosures whilst dealing with shares of the Company. Further, in terms of the PIT Regulations, the Company has in place a Code of Practices and Procedures of Fair Disclosures of Unpublished Price Sensitive Information.

44. Board Procedures

The Board meets at least once in a quarter to review financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the businesses of your Company

The Board Meetings are governed by a structured Agenda. The agenda along with detailed explanatory notes and supporting material are circulated in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The Board has access to any information within your Company which includes the information as specified in Schedule II of the SEBI Listing Regulations.

45. Independent Directors' Meeting

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25 of the SEBI Listing Regulations, a meeting of the Independent Directors of the Company was held on February 13, 2026 without the presence of Non-Independent Directors and Company's Management.

The Company Secretary was an invitee to the said meeting and acted as a facilitator to the Independent Directors.

46. Mandatory requirements

To the extent applicable, during the year under review the Company has complied all the mandatory requirements of the SEBI Listing Regulations.

47. Disclosure of Accounting Treatment

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 read with relevant rules.

48. Non- mandatory requirements:

The Company has adopted the following non-mandatory requirements on Corporate Governance:-

i. Audit qualifications

There was no audit qualification on your Company's financial statements, during the year under review.

ii. Reporting of Internal Auditor

The Internal Auditors of the Company i.e. M/s. Deloitte Touche Tohmatsu India LLP directly reports to the Audit Committee of the Company

49. Code of Conduct

The Board of Directors has laid down a Code of Conduct, which is applicable to all Directors and Senior Management Personnel of the Company. The Code has also been posted on the website of the Company

All Board Members and Senior Management Personnel have affirmed with the compliance of Code of Conduct for the Financial Year 2025-26.

An annual declaration signed by the Chairman & Managing Director of the Company affirming compliance to the Code by the Board of Directors and the Senior Management is annexed to this Report as Annexure - F. The Code of Conduct is available on website of the Company and can be accessed through the following link: https:// www.palred.com.

50. CEO/ CFO Certification

In terms of regulation 17(8) of the Listing Regulations, the CFO made a certification to the Board of Directors which has been reviewed by the Audit Committee and taken on record by the Board and enclosed as Annexure-I to this Annual Report.

For and on behalf of the Board of
Palred Technologies Limited

Sd/-

Palem Supriya Reddy
Chairperson &Managing Director
(DIN: 00055870)

Place: Hyderabad
Date: 04.09.2026

Annexure-F

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has obtained from all the Members of the Board and Senior Management Personnel affirmation that they have complied with the Code of Conduct for Directors and Senior Management Personnel as required under Regulation 26(3) of the Listing Regulations for the FY 2025-26.

For and on behalf of the Board of
Palred Technologies Limited

Sd/-

Palem Supriya Reddy
Managing Director
(DIN: 00055870)

Place: Hyderabad
Date: 04.09.2026

Annexures-I

COMPLIANCE CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI LODR, 2015

To
The Board of Directors
Palred Technologies Limited

We, Palem Supriya Reddy, Chairperson & Managing Director and P. Harish Naidu, Chief Financial Officer of Palred Technologies Limited ("Company") to the best of our knowledge and belief certify that:

1. We have reviewed standalone as well as consolidated financial statements and the cash flow statement of the Company for the quarter/year ended 31st March, 2026 and to the best of their knowledge and belief:
   a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b. 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.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

4. We have indicated to the auditors and the Audit committee
   a. There have not been any significant changes in internal control over financial reporting during the year;
   b. There have not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   c. There have not been any instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-	Sd/-
P. Supriya Reddy	**P. Harish Naidu**
Chairperson & MD	Chief Financial Officer (CFO)

Place: Hyderabad
Date: 04.09.2026

Annexure-G to the Director's Report

Management Discussion & Analysis Report

FOR THE YEAR 25-26

The Company has three subsidiaries, Palred Electronics Private limited (formerly known as Palred Online Technologies Private Limited} (PEP), Palred Technology Services Private Limited (PTS) and Palred Retail Private limited (PRP). Palred together with its subsidiaries, is hereinafter referred to as "the Group."

The Company is a Public Limited Company incorporated and domiciled in India having its registered office in Hyderabad, Telangana. The Company is listed on Bombay Stock Exchange and National Stock Exchange of India Limited.

1. SUBSIDIARIES:

Palred Electronics Private Limited (PEP)

Palred Electronics Private Limited, through its flagship brand pTron, continues to build on its vision of delivering smart digital accessories to Indian consumers at value-driven prices. The Company operates across product categories including TWS, wired and wireless headphones, Bluetooth Speakers, Power Banks, Cables, Chargers, IT accessories, auto accessories and personal care accessories. pTron products are distributed through a mix of online marketplaces, offline retail channels, quick-commerce platforms and B2B partnerships.

FY2025–26 was a year of continued consolidation and operational improvement, as the Company navigated a challenging market environment while strengthening its focus on margins, in-house manufacturing, product portfolio optimisation and channel diversification.

Economic and Industry Overview

The Indian consumer electronics industry continued to face a challenging environment during FY2025–26. Cautious consumer spending, intense competition and significant pricing pressure across e-commerce platforms affected demand and margins in value-focused categories. The audio category, particularly TWS, continued to experience saturation, aggressive discounting and price-led commoditisation.

At the same time, utility-led accessories such as Power Banks, Cables and Chargers remained relatively resilient. Quick-commerce platforms also continued to gain relevance for fast-moving accessories, offering an efficient route to meet immediate and need-based consumer demand.

Against this backdrop, pTron continued to focus on product quality, cost control, in-house manufacturing and disciplined channel expansion.

Performance Overview

The performance of pTron in FY2025–26 reflected continued pressure on the top line. Revenue was lower than the previous year, primarily due to demand and pricing pressure in certain core categories. However, the Company achieved a meaningful improvement in margins through sharper product selection, SKU rationalisation, tighter cost control and increased in-house manufacturing.

As a result, losses reduced despite lower revenue. Audio products, including TWS, speakers and over-the-ear headphones, remained the largest category for pTron. Power Banks continued to be an important utility-led category. During the year, the Company also ventured into IT accessories, auto accessories and personal care accessories to broaden its portfolio and create additional growth opportunities.

The Company further strengthened its in-house manufacturing capabilities at its Nacharam facility, Hyderabad. Several products across existing and newly introduced categories are now manufactured in-house, enabling better control over quality, costs, lead times and supply-chain responsiveness.

Amazon and Flipkart continued to be the largest sales channels for pTron. The Company also increased its presence through quick-commerce platforms such as Swiggy Instamart and Zepto, along with other online, offline and B2B channels.

Key Financial Highlights:

- **Revenue:** Total revenue declined by 8.64% year-on-year, reflecting weaker performance in certain core segments
- **Profitability:** The Company reported a consolidated net loss of Rs.751.82 lakhs, compared to Rs.1033.20 Lakhs in the previous year. Despite the decline in revenue, the loss reduced due to improved margins, tighter cost control, SKU rationalisation and increased in-house manufacturing.
- **Margins:** Margins improved during the year, supported by better product mix, local assembly, sourcing efficiencies and reduction in low-contribution products.

Business Strategy

In FY2025–26, pTron continued to focus on the following core pillars:

1. Manufacturing Efficiency: Strengthening in-house manufacturing to improve quality, cost control, supply-chain responsiveness and lead times.
2. Channel Diversification: Expanding through major marketplaces, quick-commerce platforms, offline distribution and B2B partnerships.
3. Product Portfolio Optimisation: Rationalising low-performing SKUs, strengthening relevant categories and expanding into IT accessories, auto accessories and personal care accessories.
4. Cost and Marketing Rationalisation: Managing procurement, inventory, logistics and marketing expenditure with focus on return on investment and contribution margins.

Segment-wise Performance

- Audio: Audio products, including TWS, speakers and over-the-ear headphones, remained the largest category. The TWS category continued to face high competition, lower average selling prices and aggressive discounting.
- Power Banks: Power Banks continued to show relatively stable demand, supported by utility-led consumption and demand for fast-charging products.
- Speakers: Speakers continued to contribute to the portfolio through value-focused offerings and product improvements.

- Cables and Chargers: Demand remained relatively steady, supported by replacement and upgrade cycles.
- New Categories: IT accessories, auto accessories and personal care accessories were introduced to broaden the product portfolio and create new growth opportunities.

Marketing and Promotional Activities

Marketing efforts were managed in a targeted and ROI-driven manner. Focus areas included digital campaigns, marketplace visibility, quick-commerce campaign alignment, influencer-led product promotion and selective offline activity.

The Company continued to balance brand visibility with disciplined expenditure and focused on improving returns from marketing investments.

Risks and Concerns

The Company continues to monitor key risks that could impact its performance going forward:

- Demand saturation and aggressive discounting in value-focused consumer-electronics categories.
- Depreciation of the Indian Rupee, which may increase the cost of imported components, raw materials and finished goods.
- Increase in logistics and freight costs due to exchange-rate movements, fuel prices and supply-chain conditions.
- Fluctuations in the prices of electronic components, batteries, packaging materials and other raw materials.
- Inventory and product-obsolescence risk arising from changing consumer preferences and short product cycles.
- Product returns, quality concerns and marketplace policy changes that may affect margins and customer experience.

Outlook

pTron will continue to focus on improving margins while progressively increasing revenue. The Company will strengthen in-house manufacturing, improve the product and channel mix, scale relevant new categories and deepen its presence across quick commerce, offline distribution and B2B channels.

While the market environment remains competitive, the Company believes that the operational measures implemented during the year provide a stronger foundation for sustainable improvement.

Conclusion

FY2025–26 was a year of continued challenge as well as operational improvement for pTron. While revenue was lower than the previous year, improved margins and reduced losses reflect the benefits of the Company's actions on portfolio rationalisation, cost control and in-house manufacturing. The Company remains committed to building a stronger, more efficient and sustainable business.

Palred Technology Services Private Limited (PTS)

PTS offers a bouquet of Products through its brand "Xmate" that is exclusively available on Amazon.in. Xmate Sells products like Bluetooth headsets, Bluetooth speakers, wired headsets, chargers and cables, Computer Accessories, Cameras & Camera Accessories etc. The brand faced many challenges since inception because of high advertisement costs and competition from other big brands. The Company was not able to achieve desired growth and it continues to make losses. Hence, the Company has decided to exit "Xmate" brand business.

Palred Retail Private Limited (PRP)

Palred Retail Private Limited owns ecommerce website, ptron.in and www.LatestOne.com that specialize in selling of tech and mobile accessories such as Bluetooth speakers and headsets, cables, power banks, headsets, smart watches, fashion accessories etc.

FINANCIAL PERFORMANCE:

A. Sources of Funds

1. Equity Share Capital

As on 31st March 2026, the Company has only one class of issued shares – Equity Shares of Par value of Rs. 10/- per share. The Authorised Capital of the Company is Rs. 35,00,00,000/- (Thirty Five Crores) divided into (a) 2,80,38,800 (Two Crore Eighty Lacs Thirty Eight Thousand Eight Hundred Only) shares of Rs. 10/- (Rupees Ten Only) each and (b) 6,96,120 (Six Lakhs Ninety Six Thousand One Hundred and Twenty) Preference Shares of Rs.100/- each. The Paid up Equity Share Capital of the Company as on date of this report is Rs. 12,23,25,660 (Twelve Crores Twenty Three Lakhs Twenty Five Thousand Six Hundred and Sixty) divided into 1,22,32,566 Equity Share of Rs. 10/- per share.

2. Other Equity:

2.1. Securities Premium Account:

The balance in Securities Premium Account as on March 31, 2026 was Rs. 9670.30 Lakhs as compared to the balance in Securities Premium Account as on March 31, 2025 was Rs. 9670.30Lakhs.

2.2. Capital reserve:

On a Standalone and Consolidated Basis, the Balance as at March 31, 2026, amounted to Rs. 142.80 Lakhs which was the same as previous year.

2.3. General Reserve:

On a Standalone and Consolidated Basis, the balance as at March 31, 2026 stood at Rs. 1325.24 Lakhs which is the same as previous year.

2.4. Retained Earnings:

On a Standalone Basis, the balance as at March 31, 2026 stood at Rs. (5385.23) as compared to Rs. (5600.11) Lakhs in previous year. On a Consolidated Basis, the balance as at March 31, 2026 stood at Rs. (8052.36) as compared to Rs. (7520.35) as Lakhs in previous year.

3. Liabilities:

3.1. Non-current Liabilities:

Particulars	Standalone		Consolidated	
	2026	2025	2026	2025
Other Financial liabilities	3.65	8.70	105.09	148.10
Employee benefit obligations	14.71	11.63	69.52	66.56
Total	**18.36**	**20.33**	**174.61**	**214.66**

The Company provides for gratuity for employees in India as per the Payment of the 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 proportionally for 15 days salary multiplied for the number of the years of service. The gratuity plan is unfunded.

3.2. Current Liabilities:

Particulars	Standalone		Consolidated	
	2026	2025	2026	2025
Financial Liabilities				
Borrowings	0	0	6084.22	5587.78
Lease Liabilities	6.00	6.00	59.03	95.82
Trade payables	0	0	57.28	0
Other Financial liabilities	178.98	126.27	1079.42	905.90
Other Current liabilities	46.25	98.23	60.44	124.39
Employee benefit obligations	0.47	2.51	18.87	3.63
Total Current Liabilities	231.70	233.01	7359.26	6,717.52

On standalone basis, the Company has increased its total current liabilities to Rs. 231.70 Lakhs stood as on 31st March, 2026 as compared to Rs. 233.01 Lakhs in the previous year.

On consolidated basis, the Company has decreased its total current liabilities to Rs. 7359.26 Lakhs stood as on 31st March, 2026 as compared to Rs. 6717.51 Lakhs in the previous year.

B. Application of Funds:

1. Non- Current Assets:

Particulars	Standalone		Consolidated	
	2026	2025	2026	2025
Property plant & Equipment	2.34	2.43	85.44	110.82
Right of use of Assets	8.52	13.39	138.05	216.94
Goodwill (Consolidation)	0	0	0	0
Intangible Assets	0	0	12.23	1.86
Financial Assets Investments Deposits	1100.00	1100.00	41.49	64.24
Other non- current assets	313.43	366.29	386.19	439.91
Total Non-Current Assets	1424.29	1482.11	663.40	833.76

Investments in Subsidiaries/ associates

Palred Electronics Private Limited (formerly known as Palred Online Technologies Private Limited):

During the period under report, the Company has not invested in Palred Electronics Private Limited.

The Company holds 78.17% stake in the said subsidiary.

Palred Technology Services Private Limited:

During the period under report, the Company has not invested in Palred Technology Services Private Limited.

The Company holds 100% stake in the said subsidiary.

Palred Retail Private Limited:

During the period under report, the Company has not invested in Palred Retail Private Limited.

The Company holds 83.71% stake in the said subsidiary.

2. Current Investments, Cash and Cash Equivalents:

On a standalone basis, balance in current investments is Rs. NIL Lakhs as at March 31, 2026 and March 31, 2025. The cash and bank balance stand at Rs. 5856.38 Lakhs as at March 31, 2026 as compared to Rs. 5528.77 Lakhs as at March 31, 2025.

On a consolidated basis, balance in current investments is Rs. NIL Lakhs as at March 31, 2026 and March 31, 2025. The cash and bank balance stand at Rs. 5922.25 Lakhs as at March 31, 2026 as compared to Rs. 5582.77Lakhs as at March 31, 2025.

III. RESULTS OF OUR OPERATIONS:

1. Income:

On a standalone basis, the Company has earned Rs. 150.00 Lakhs as Income from Operations & Rs. 384.52 Lakhs as Other Income from Dividend and interest from non-trade investments.

On a Consolidated basis, the Company has earned revenues of Rs. 7720.47 Lakhs from operations and Rs. 479.99 Lakhs from other income sources.

As on date of this report, the Company did not invest anything in Palred Electronics Private Limited, Palred Retail Private Limited & Palred Technology Services Private Limited. The Investment in Subsidiaries has Net carrying Value Rs. 1100.00 Lakhs as on date.

Palred Electronics Private Limited (formerly known as Palred Online Technologies Private Limited) has earned a total revenue of Rs. 7795.59 Lakhs in FY 2025-26 as compared to Rs. 8587.29 Lakhs in FY 2024-25 resulting in 10.16% decrease in net revenue year on year basis.

Palred Technology Services Private Limited has earned a total Revenue of Rs. 15.75 Lakhs as compared to NIL in FY 2024-25 resulting in 100% increase in net revenue year on year basis.

Palred Retail Private Limited has earned a total Revenue of Rs. 18.78 Lakhs in F.Y. 2025-26 as compared to Rs. 0.87 Lakhs in FY 2024-25 resulting in to increase of 95.37% in Net Revenue.

Thus on a consolidated basis, the total revenue of the Company is Rs. 8,200.46 Lakhs compared to Rs. 8,976.62 Lakhs in previous year.

2. Expenditure:

On a Standalone Basis, the expenditure incurred towards employee benefit expenses is Rs. 74.87 Lakhs as against Rs. 73.88 Lakhs of previous year and Other Expenses are Rs. 79.15 Lakhs as against Rs. 76.97 Lakhs of previous year.

On a Consolidated Basis, the Total Expenditure is Rs. 8844.10 Lakhs as against Rs. 9838.71 Lakhs of previous year.

3. Operating Profit:

On a standalone basis, the company has earned operating profit of Rs.374.60 Lakhs as against profit of Rs. 381.37Lakhs in previous year.

On a Consolidated Basis, the company has incurred operating loss of Rs. (744.41) Lakhs as compared to Loss of Rs. (1,036.65) Lakhs of previous Year.

4. Depreciation and Amortisation:

On a standalone basis, we provided Rs. 4.95 Lakhs and Rs. 5.04 Lakhs for the years ended March 31, 2026 and March 31, 2025 respectively.

On a consolidated basis, we provided Rs. 108.17Lakhs and Rs. 123.35 Lakhs for the years ended March 31, 2026 and March 31, 2025 respectively.

5. Net Profit/Loss after tax:

On a standalone basis, the company has earned net profit of Rs.274.29 Lakhs as against Profit of 203.78 lakhs in previous year. On a Consolidated Basis, the company has incurred net loss of Rs. (751.82) Lakhs as compared to loss of Rs. (1033.20) Lakhs of previous Year.

6. Liquidity:

On a standalone basis, the company has operations in F.Y. 2025-26. The Company has utilized Rs. 43.58 Lakhs from investing activities during 2025-2026 compared to generation of Rs. 38.80 Lakhs during 2024-2025. The Company has also gained Rs. (50.91) Lakhs from operating activities during 2025-2026 compared to Rs. (27.42) Lakhs utilized during 2024-2025.

On a Consolidated Basis, the net cash used in operations is Rs. 45.59 Lakhs as against 1353.72 Lakhs net cash used in previous Year.

7. Related Party Transactions:

These have been discussed in detail in notes to the standalone Financial Statements in Annual report.

8. Events occurring after Balance Sheet Date- NIL

IV. STRATERGY, OUTLOOK, OPPORTUNITIES AND THREATS:

A. Objective and Strategy:

Palred Group aims to become a market leader in various products of Consumer Electronics business in India. The Company aims to achieve this unique position by combination of following factors:

i. Creation of Innovative Products that are geared towards customer needs and that can be produced economically
ii. Focus on enhancing customer benefit in terms of products and services as well as on close consumer contact
iii. Proactive identification of future needs and technical applications
iv. High value addition through combination of technology, systems & processes
v. Simplification of a complex business involving continuously changing products and thousands of stock keeping units (SKU)/items.
vi. End-to-end integration and implementation of Systems, Processes and Automation for efficient and scalable operations.
vii. High quality Products backed by warranty
viii. Steady and continuous development of brand (PTron)

b. Outlook, Risks and Concerns:

The Consumer Products Industry has been experiencing very intense competition for many years and we are operating in a market that is changing very quickly. The Customers have many options to choose from large and established brands and this may result in loss of our market share affecting the profitability. We are dependent on number of contract manufacturers and component suppliers. There may be a situation where these manufacturers and component suppliers may fail to supply the required products / parts which may adversely impact our cash flows and profitability. We are also subject to risks associated with geographical tensions & foreign exchange fluctuations. The Company is taking all appropriate measures to mitigate and safeguard the Company from above risks.

B. Intellectual Property Infringement:

As product development depends on the intellectual property created by its employees, we need to ensure that the same do not infringe any other proprietary technology rights. We have intellectual property rights to take care of trade secrets, copyright and trademark laws and confidentiality agreements for our employees, third parties offering only limited protection. The steps taken by us as well as laws of most advanced countries do not offer effective protection of intellectual property rights. Third parties could claim infringement of property rights against the Company or also assert the same against our customers, which would require protracted defence and costly litigations on behalf of our customers.

C. Risks and risk management and their implementation:

The systematic analysis, evaluation and management of potential risks are decentralized within the Palred Group. Every organizational unit is responsible for detailing its own risk register, which it must then use to establish countermeasures for managing risks. The purpose is to identify and avert potential damage to the company at an early stage. All registers are centrally coordinated and aggregated so the Management Team has an overview at all times of the most significant risks and the measures being taken to manage them. Within the scope of independent audits, the Audit Department monitors the individual corporate entities with regard to early risk identification and compliance management by performing random inspections. The Management Team is informed directly and immediately of the findings.

The risks of procuring certain parts and components, product compliance and IT security are among the most important issues for which the Palred Group is taking countermeasures. IT security risks are addressed through technical and organizational measures. Effective customer management minimize the impact of potential defaults on receivables.

Financial Performance

Prudent Financial Planning, effective resource allocation and tight financial control have ensured that the cash flows of the Company remain healthy. The ability of the Company to raise credit remains unimpaired.

V. INTERNAL CONTROL SYSTEMS AND ADEQUACY:

The Company has adopted strong and automated internal business controls and a process framework that is not only adequate for its current size of operations but can effectively support increases in growth and complexity across our business operations. A well established and empowered system of internal financial audits and automated control procedures ensures prudent financial control, flexibility in terms of process changes to enable course correction.

Internal auditors submits reports and updates to the audit committee of the Board, which conducts frequent reviews and provides direction and operational guidance on new processes to be implemented to further enhance efficiencies within the Company.

The Company is in the process of implementing Enterprise Resource Planning along with various business controls which would have automatic internal control systems to identify errors and also provide better MIS.

VI. HUMAN RESOURCES:

A. Objective and Strategy:

Capability building, Talent Management and Employee Engagement remain the key focus of your company's Human Resource Strategy. Your Company has continued to build on its capabilities in getting the right talent to support the different technology areas. They are backed by robust management training schemes, hiring of key management personnel, and sales training.

Human Resources are the most valuable asset for the Company and Palred Technologies continues to seek, retain and enrich the best available talent. The Human Resource plays an important role in the growth and success of the Organization. Your Company has maintained cordial and harmonious relations with all the employees.

The Company provides an environment which encourages initiative, innovative thinking and rewards performance. The Company ensures training and development of its personnel through succession planning, job rotation, on-the-job training and various trainings and workshops.

B. Culture, Values and Leadership

Your Company has a written code of conduct and ethics to make employees aware of ethical requirements and Whistle Blower Policy for reporting violations, if any.

Your Company has internal structured succession planning to take care of loss of any member of senior management or other key management personnel. Since inception your Company is committed to developing next generation leaders and conduct personality development and development work of skills acquired by them over the years. Your Company encourages an "Equal Employment Opportunity Policy" which discourages discrimination for employment on account of sex, race, colour, religion, physical challenge and so on.

As the Company operates in a niche industry that requires high techno functional expertise. The employees constantly need to enhance their technical and functional knowledge and so regular training sessions on specific technical skills and domain knowledge were conducted.

VII. CAUTIONARY STATEMENT:

Statements in the "Management Discussion and Analysis" describing the company's objectives, estimates, expectations or projections may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations; include Government regulations, patent laws, tax regimes, economic developments within India and countries in which the Company conducts business, litigation and other allied factors.

VIII. DETAILS OF SIGNIFICANT CHANGES (I.E., CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN THE KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREOF:

Particulars	Standalone basis		Remarks
	2025-26	2024-25	
Debtors Turnover Ratio	0	0	There are no trade receivables as at the balance sheet date.
Inventory Turnover Ratio	0	0	There is no Inventory
Interest Coverage Ratio	0	0	There is no Finance Cost.
Current Ratio	25.30	23.74	Improvement in current ratio is due to creation of additional fixed deposits.
Debt Equity Ratio	0	0	
Operating Profit Margin Ratio	(0.06)	2.54	During the year, there is no exceptional adjustments like reversal of impairment on Investments held by the Company.
Net Profit Margin Ratio	1.83	0.38	Impairment on Non-current assets has led to Decrease in profits in previous year

Particulars	Consolidated basis		Remarks
	2025-26	2024-25	
Debtors Turnover Ratio	2.91	3.70	The decrease in the ratio was primarily due to lower revenue during the year.
Inventory Turnover Ratio	1.15	3.09	The decrease in the ratio was primarily due to higher inventory levels and lower turnover during the year.
Interest Coverage Ratio	-0.31	-0.53	The ratio improved primarily due to a reduction in finance costs and lower losses during the year.
Current Ratio	1.46	1.60	There was no significant change in the ratio compared to the previous year.
Debt Equity Ratio	1.41	1.15	The increase was primarily due to higher borrowings and a reduction in equity.
Operating Profit Margin Ratio	-0.68	-0.03	The decline was primarily due to lower revenue and deterioration in operating profitability.
Net Profit Margin Ratio	-0.10	-0.12	The ratio improved primarily due to a reduction in net losses during the year.

Return on Net Worth:

Particulars	Standalone basis		Consolidated Basis	
	2025-26	2024-25	2025-26	2024-25
Return on Net Worth	3.97	5.64	-0.18	-0.20

There is decrease in Return in Return on Net Worth ratio on standalone basis is due to increase in shareholders' net worth. On Consolidated basis, the ratio improved marginally due to a reduction in losses compared to the previous year.

IX. DISCLOSURE OF ACCOUNTING TREATMENT:

During the preparation of Financial Statement of F.Y. 2025-26 the treatment as prescribed in an Accounting Standard has been followed by the Company. There is no discrepancy in Accounting Treatment as followed by the Company in current financial year as compared to previous financial year.v

Annexures-H

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 Board of Directors
Palred Technologies Limited
H. No. 8-2-703/2/b, Plot.No.2
Road.No.12, Banjara Hills,
Hyderabad, Telangana-500034

I have examined the relevant registers, records, forms, returns and disclosures received from Palred Technologies Limited having CIN L72200TG1999PLC033131 and having registered office at Plot No 2, 8-2-703/2/B, Road No 12, Banjara Hills, Hyderabad, Telangana, 500034 (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31st, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No	DIN No	Name of the Director	Designation
1.	00055870	Mrs. Palem Supriya Reddy	Chairperson & Managing Director
2.	00001401	Mr. Palem Srikar Reddy	Non-Executive Director
3.	07072774	Ms. Stuthi Reddy	Non-Executive Director
4.	03089889	Mr. Harmendra Gandhi	Independent Director
5.	00110930	Mr. Ravichandran Rajagopal	Independent Director
6.	08792778	Ms. Aakanksha Sachin Dubey	Independent Director

Ensuring the eligibility of for 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 Vivek Surana & Associates
Practicing Company Secretaries

Vivek Surana
Proprietor
M.No. 24531 & C.P. No. 12901
PR: 1809/2022

Place: Hyderabad
Date: 04.09.2026
UDIN:A024531H001377278

Annexures-I

COMPLIANCE CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI LODR, 2015

To
The Members of
Palred Technologies Limited
Hyderabad

We, Palem Supriya Reddy, Chairperson & Managing Director and P. Harish Naidu, Chief Financial Officer of Palred Technologies Limited ("Company") to the best of our knowledge and belief certify that:

1. We have reviewed standalone as well as consolidated financial statements and the cash flow statement of the Company for the quarter/year ended 31st March, 2026 and to the best of their knowledge and belief:
   a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b. 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee
   a. There have not been any significant changes in internal control over financial reporting during the year;
   b. There have not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   c. There have not been any instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

	Sd/-	Sd/-
Place: Hyderabad	**P. Supriya Reddy**	**P. Harish Naidu**
Date: 04.09.2026	Chairperson & MD	Chief Financial Officer (CFO)

Annexure-J to Directors Report

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Palred Technologies Limited
Hyderabad

I have examined the compliance of conditions of Corporate Governance by Palred Technologies Limited ('the Company'), for the Financial Year ended 31st March 2026, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

I have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on financial statements of the Company.

In my opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management of the Company, we certify that the Company has in all material respect complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations, as applicable.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Vivek Surana & Associates
Practicing Company Secretaries

Sd/-
Vivek Surana
Proprietor
M.No. 24531 & C.P. No. 12901
PR: 1809/2022

Place: Hyderabad
Date: 04.09.2026
UDIN:A024531H001377344

Annexures-K

FORM MR-3
SECRETARIAL AUDIT REPORT

(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

To
The Members of
M/s. Palred Electronics Private Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Palred Electronics Private Limited (hereinafter called "the Company") for the financial year ended 31st March 2026, ('the year'/ 'audit period'/ 'period under review').

Secretarial Audit was conducted in a manner that provided us 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, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2025 and ended 31st March, 2026, complied with the statutory provisions and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period according to the applicable provisions / clauses of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
3. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;
4. Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.
5. I have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial auditor and other designated professionals.

I further report that:-

a. Company has a Managing Director namely Mr. Ameen Ashik Khwaja.
b. The company has Company Secretary namely Mrs. Shruti Mangesh Rege

The company is an unlisted private limited company and a subsidiary of a listed company.

I further report that the Board of Directors of the Company is duly constituted with proper balance of executive, nonexecutive and independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that based on the review of the compliance/ certificates of the Company Secretary which were taken on record by the Board of Directors, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there was no event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Vivek Surana & Associates
Practicing Company Secretaries

Sd/-

Vivek Surana
Proprietor
M.No. 24531 & C.P. No. 12901
PR: 1809/2022

Place: Hyderabad
Date: 04.09.2026
UDIN:A024531H001377377

Annexure- A to Secretarial Audit Report

To
The Members of
M/s. Palred Electronics Private Limited

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. I have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. 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 the affairs of the company.

For Vivek Surana & Associates
Practicing Company Secretaries

Sd/-

Vivek Surana
Proprietor
M.No. 24531 & C.P. No. 12901
PR: 1809/2022

Place: Hyderabad
Date: 04.09.2026
UDIN:A024531H001377377

FORM MR-3

SECRETARIAL AUDIT REPORT

(Pursuant to section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

To
The Members of
M/s. Palred Technologies Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Palred Technologies Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us 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, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2025 and ended 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Palred Technologies Limited ("The Company") for the financial year ended on 31st March, 2026, according to the provisions of:
   a. The Companies Act, 2013 (the Act) and the rules made there under;
   b. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
   c. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
   d. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;

2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') is furnished hereunder for the financial year 2023-24: -
   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Amended Regulations 2018; The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e., www.palred.com
   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not Applicable as there was no reportable event during the financial year under review;
   d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not Applicable as the Company has not issued any Employee Stock Options during the year under review.
   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021: Not Applicable as the Company has not issued any debt securities during the year under review.
   f. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review.
   g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.
   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.
   i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. I have also examined compliance with the applicable clauses of the following:
   a. Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.
   b. Securities and Exchange Board of India Act, 1992 & Circulars, Master Circulars and Regulations issued by SEBI and applicable to the Company.
   c. Listing Agreements entered into by the Company with BSE Limited.

4. The Management has identified and confirmed the following laws as being specifically applicable to the Company:
   - The Code on Social Security, 2020
   - The Occupational Safety, Health and Working Conditions Code, 2020

- The Code on Wages, 2019
- Shops and Establishments Act, 1948
- Clearance from Various Local Authorities.
- Information Technology Act, 2000 and the rules made thereunder.
- Software Technology Parks of India rules and regulations.

5. We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial auditor and other designated professionals.

6. As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that

   a. As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

   b. The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:
   - External Commercial Borrowings were not attracted to the Company under the financial year under report;
   - Foreign Direct Investment (FDI) was compiled by the company under the financial year under report;
   - Overseas Direct Investment by Residents in Joint Venture/ Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.

We further report that: -
- The Company has Chairperson & Managing Director Namely, Mrs. Palem Supriya Reddy.
- The company has a Company Secretary namely Ms. Shruti Mangesh Rege.
- The Company has the internal auditors namely M/s. Seshachalam & Co., Chartered Accountants, Hyderabad.
- The company has a chief financial officer namely Mr. P. Harish Naidu,

7. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above including the following:

   a. During the year the Company has conducted 5 meetings of the Board of Directors, 4 Meetings of Audit Committee meeting, 2 Nomination and Remuneration Committee Meetings, 4 meeting of Stakeholders and Relationship Committee Meeting and 1 meeting of Independent Directors Committee Meeting.

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

   c. Adequate notice of board meeting is given to all the directors along with agenda at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

   d. As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

   e. I further report that during the year under report, the Company has not undertaken event/action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. other than those already disclosed to Stock Exchange i.e., BSE.

   f. I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Vivek Surana & Associates
Practicing Company Secretaries

Sd/-

Vivek Surana
Proprietor
M.No. A24531 & C.P. No. 12901
PR: 1809/2022

Place: Hyderabad
Date: 04.09.2026
UDIN:A024531H001377289

Annexure- A to Secretarial Audit Report

To
The Members of
M/s. Palred Electronics Private Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. I have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. 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 the affairs of the company.

For Vivek Surana & Associates
Practicing Company Secretaries

Sd/-

Vivek Surana
Proprietor
M.No. A24531 & C.P. No. 12901
PR: 1809/2022

Place: Hyderabad
Date: 04.09.2026
UDIN:A024531H001377289

STANDALONE
FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of **Plared Technologies Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Palred Technologies Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended, notes to the standalone financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with 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 March 31, 2026, 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 standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the Key Audit Matter was addressed in our audit
Impairment of Investments in Equity Shares of Subsidiaries: (Refer to the disclosures related to Investments in Note 5 of the standalone financial statements.) Investments in equity shares of subsidiaries are accounted for at cost less accumulated impairment in accordance with Ind AS 27, Separate Financial Statements. The Company had made investment in three subsidiaries, out of which the carrying value of the investment was fully impaired for Palred Retail Private Limited and Palred Technology Services Private Limited in earlier years. Further, investment in the third subsidiary (Palred Electronics Private Limited) amounts to Rs. 4,453.00 Lakhs and has a carrying value of Rs. 1,100 Lakhs as on March 31, 2026 (net of accumulated impairment). Based on the net worth and turnover of the Palred Electronics Private Limited, during the current year the management has not provided any impairment. At the year end, management of the company has performed the testing of impairment in relation to the investment as per the requirements of Ind AS 36 "Impairment of Assets" by obtaining valuation report from an independent registered valuer. The Company assesses the recoverable amount of the investment when impairment indicators exist, by comparing the fair value (less costs of disposal) and carrying amount of the investment as on the reporting date. The process for measuring and recognising impairment loss is complex and requires management judgement. The key assumptions underlying management's assessment of valuation includes, but are not limited to, estimation of recoverable amounts of the recognised assets and liabilities, revenue projections and market valuation of the company. Considering the materiality, complexity, significance of the management judgement involved and the estimation uncertainty in assessing impairment on these investments, this has been considered to be a key audit matter.	**Our audit procedures in respect of this area included:** 1. Assessed whether the Company's accounting policies relating to the impairment of equity investments in subsidiaries are in compliance with IND AS 36 - Impairment of Assets. 2. Obtained an understanding and assessed management's process and controls w.r.t impairment assessment. 3. Obtained the valuation report of Palred Electronics Private Limited as at March 31, 2026. 4. Evaluated the competence and objectivity of the valuation specialist engaged by the management. 5. Involved the Internal experts with specialised skills and knowledge to assist in evaluating the valuation model used and the underlying assumptions including the computations performed to arrive at the fair valuation. 6. Verified the Company's valuation methodology, assumptions and arithmetical accuracy for determining the fair value of the investment as obtained from the management assessment. 7. Verified arithmetical accuracy of the computation by comparing the pro-rata share of net assets of each of the subsidiaries to the investment held by the Company to consider reversal of impairment. 8. Evaluated the reasonableness of the future revenue and margins, the historical accuracy of the Company's estimates and its ability to produce accurate long-term forecasts. 9. Evaluated the appropriateness of the disclosures made in the financial statements in relation to such investments and impairment thereon as required by applicable accounting standards.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information.'

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors of the Company 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

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 sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 of the aforesaid standalone financial statements.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).
   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements.
   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
   g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
   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, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company does not have any pending litigations which would impact its financial position.
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There were no amounts which are required to be

transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

iv.

a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard 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 mis-statement.

v. The Company has neither declared nor paid any dividend during 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, that has not been enabled in the accounting software throughout the year as explained in Note 43 to the financial statements. Accordingly, we are unable to comment whether the audit trail feature has operated throughout the year for all relevant transactions recorded in the software or whether there is any instance of audit trail feature being tampered with or whether the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention.

3. In our opinion, according to information, explanations given to us, the remuneration paid or provided by the Company to its directors is within the limits laid prescribed under Section 197 of the Act.

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S / S000168

Tarun Kumar Jain
Partner
Membership No. 231741
UDIN: 26231741KOTILD2693

Place: Da Nang, Vietnam
Date: May 29, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PALRED TECHNOLOGIES LIMITED

Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended March 31, 2025, and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S / S000168

Tarun Kumar Jain
Partner
Membership No. 231741
UDIN: 26231741KOTILD2693

Place: Da Nang, Vietnam
Date: May 29, 2026

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PALRED ELECTRONICS LIMITED FOR THE YEAR ENDED MARCH 31, 2026.

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.

B. The Company has no intangible assets. Accordingly, the provisions stated under clause 3(i)(a)(B) of the Order are not applicable to the Company.

b) All the Property, Plant and Equipment of the Company have not been physically verified by the management during the year. Accordingly, material discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether such material discrepancies have been properly dealt with in the books of account.

c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the provisions stated under clause 3(i)(c) of the Order are not applicable to the Company.

d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use Assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.

e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii.

a) The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.

b) During any point of time of the year, the Company has not been sanctioned working capital limits from Banks and financial institutions on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii)(b) of the Order are not applicable to the Company.

iii. According to the information explanation provided to us, the Company has not made any investments in, or provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions stated under clause 3(iii) 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 Act are applicable and accordingly, the requirement to report under 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 neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

vi. The provisions of sub-Section (1) of Section 148 of the Act, are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii.

a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, income-tax, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

b) According to the information and explanation given to us and the records examined by us, there are no dues relating to goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.

ix.

a) The Company does not have any loans or borrowings or interest thereon due to any lenders during the year. Accordingly, the requirement to report under clause 3(ix)(a) to (c) and sub-clause (e) and (f) of the Order is not applicable to the Company.

b) According to the information and explanations provided to us, there are no funds raised during the year. Accordingly, the requirement to report under clause 3(ix)(d) of the Order is not applicable to the Company.

x.

a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.

xi.

a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.

b) During the year no report under Section 143(12) of the Act, has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv.

a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi.

a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.

b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.

c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.

d) The Group does not have any Core Investment Company as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.

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. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 37 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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. According to the information and explanations given to us and based on our verification, provisions of Section 135 of the Act, are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S / S000168

Tarun Kumar Jain
Partner
Membership No. 231741
UDIN: 26231741KOTILD2693

Place: Da Nang, Vietnam
Date: May 29, 2026

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PALRED TECHNOLOGIES LIMITED

[Referred to in paragraph 2 (g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Palred Technologies Limited on the Standalone Financial Statements for the year ended March 31, 2026]

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Palred Technologies Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent Limitations of Internal Financial Controls With reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S / S000168

Tarun Kumar Jain
Partner
Membership No. 231741
UDIN: 26231741KOTILD2693

Place: Da Nang, Vietnam
Date: May 29, 2026

Standalone Balance Sheet as at 31 March 2026

(All amounts are in Rs. Lakhs except share data or unless otherwise stated)

	Note	As at March 31, 2026	As at March 31, 2025
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	2.34	2.43
(b) Right-of-use-assets	4 (a)	8.52	13.39
(c) Financial assets			
Investments	5	1,100.00	1,100.00
(d) Other non-current assets	6	313.43	366.29
Total non-current assets		**1,424.29**	**1,482.11**
2. Current assets			
(a) Financial assets			
(i) Cash and cash equivalents	7	4.80	18.13
(ii) Bank balances other than cash and cash equivalents	8	5,851.58	5,510.64
(iii) Other financial assets	9	5.17	-
(b) Other current assets	10	-	3.95
Total current assets		**5,861.55**	**5,532.72**
Total assets		**7,285.84**	**7,014.83**
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	11	1,223.26	1,223.26
(b) Other equity	12	5,812.52	5,538.23
Total equity		**7,035.78**	**6,761.49**
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
Lease liabilities	4 (b)	3.65	8.70
(b) Provisions	13	14.71	11.63
Total non-current liabilities		**18.36**	**20.33**
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4 (b)	6.00	6.00
(ii) Other financial liabilities	14	178.98	126.27
(b) Other current liabilities	15	46.25	98.23
(c) Provisions	13	0.47	2.51
Total current liabilities		**231.70**	**233.01**
Total liabilities		**250.06**	**253.34**
Total equity and liabilities		**7,285.84**	**7,014.83**
See accompanying notes to the financial statements	1-43		

The accompanying notes are an integral part of the financial statements.
As per our report of even date
For **MSKC & Associates LLP**
(Formerly known as MSKC & Associates)
Chartered Accountants
Firm Registration No.:001595S/S000168

Tarun Kumar Jain
Partner
Membership No: 231741

Place: Da Nang, Vietnam
Date: May 29, 2026

For and on behalf of the Board of Directors

Palred Technologies Limited
CIN: L72200TG1999PLC033131

Palem Supriya Reddy
Chairperson & Managing Director
DIN: 00055870
Place: Hyderabad
Date: May 29, 2026

Aakanksha Sachin Dubey
Director
DIN: 08792778
Place: Hyderabad
Date: May 29, 2026

Pinekalapati Harish Naidu
Chief Financial Officer

Place: Hyderabad
Date: May 29, 2026

Shruti Rege
Company Secretary
Membership No. A43523
Place: Pune
Date: May 29, 2026

Standalone Statement of Profit and Loss
for the year ended 31 March 2026

(All amounts are in Rs. Lakhs except share data or unless otherwise stated)

	Note	Year ended March 31, 2026	Year ended March 31, 2025
I. Income			
Revenue from operations	16	150.00	150.00
II. Other Income	17	384.52	388.60
III. Total income (I+II)		**534.52**	**538.60**
IV. Expenses			
Employee benefits expense	18	74.87	73.88
Finance costs	19	0.95	1.34
Depreciation and amortization expense	20	4.95	5.04
Other expenses	21	79.15	76.97
Total expenses (IV)		**159.92**	**157.23**
V. Profit /(Loss) before exceptional item and tax		**374.60**	**381.37**
VI. Exceptional item		-	-
VII. Profit /(Loss) before tax (V- VI)		**374.60**	**381.37**
VIII. Tax Expense			
a) Current tax		97.43	96.46
b) Tax Paid for earlier years		3.34	78.10
c) Deferred tax charge/(benefit)		-	-
Total tax expense (VIII)		100.77	174.56
IX. Profit /(Loss) for the year (VII-VIII)		273.83	206.81
X. Other Comprehensive Income		-	-
(i) Items that will not be reclassified to profit and loss			
Remeasurement of net defined benefit liability	26	0.46	(3.03)
Other comprehensive income for the year, net of tax		**0.46**	**(3.03)**
XI. Total comprehensive income for the year (IX+X)		**274.29**	**203.78**
XII. Earnings per equity share			
(i) Basic earnings per equity share	22	2.24	1.69
(ii) Diluted earnings per equity share	22	2.24	1.69
See accompanying notes to the financial statements	1-43		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **MSKC & Associates LLP**
(Formerly known as MSKC & Associates)
Chartered Accountants
Firm Registration No.:001595S/S000168

Tarun Kumar Jain
Partner
Membership No: 231741

Place: Da Nang, Vietnam
Date: May 29, 2026

For and on behalf of the Board of Directors

Palred Technologies Limited
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Chief Financial Officer

Place: Hyderabad
Date: May 29, 2026

Shruti Rege
Company Secretary
Membership No. A43523
Place: Pune
Date: May 29, 2026

Statement of standalone Cash Flows
for the year ended 31 March 2026

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flow from operating activities		
Net Profit/(Loss) before tax as per statement of profit and loss	374.59	381.37
Adjustments for:		
Interest income	(384.52)	(387.93)
Finance costs	0.95	1.34
Income from Lease liability adjustment	-	(0.67)
Depreciation and amortisation expense	4.96	5.04
Operating Loss before working capital changes	**(4.02)**	**(0.85)**
Changes in Working Capital		
Decrease/ (Increase) in other financial assets	(5.17)	-
Decrease/ (Increase) in other non current assets	(0.40)	2.13
Decrease/ (Increase) in other current assets	3.95	(0.38)
Increase/ (Decrease) in non-current and other financial liabilities	52.71	58.32
Increase/ (Decrease) in other current liabilities	(51.98)	95.59
Increase/ (Decrease) in provisions	1.50	1.16
Cash flow generated from operating activities	**(3.41)**	**155.97**
Income tax paid (net of refunds)	(47.50)	(183.39)
Net cash flows generated from/(used in) operating activities (A)	**(50.91)**	**(27.42)**
B. Cash flow from Investing activities		
Investment in fixed deposits	(340.94)	(349.13)
Interest income received (reinvested in fixed deposits)	384.52	387.93
Net cash flows generated from/(used in) investing activities (B)	**43.58**	**38.80**
C. Cash flow from Financing activities		
Interest paid on lease liabilities	(0.95)	(1.34)
Principal paid on lease liabilities	(5.05)	(4.66)
Net cash flows generated from/(used in) financing activities (C)	**(6.00)**	**(6.00)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(13.33)	5.38
Cash and cash equivalents at the beginning of the year	18.13	12.75
Cash and cash equivalents at the end of the year	**4.80**	**18.13**
Cash and cash equivalents includes:		
Cash on hand	0.12	0.12
Balances with Banks		
Current accounts	4.68	18.01
Total cash and cash equivalents at end of the year	**4.80**	**18.13**
See accompanying notes to the financial statements 1-43		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **MSKC & Associates LLP**
(Formerly known as MSKC & Associates)
Chartered Accountants
Firm Registration No.:001595S/S000168

Tarun Kumar Jain
Partner
Membership No: 231741

Place: Da Nang, Vietnam
Date: May 29, 2026

For and on behalf of the Board of Directors

Palred Technologies Limited
CIN: L72200TG1999PLC033131

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Place: Hyderabad
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Place: Hyderabad
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Pinekalapati Harish Naidu
Chief Financial Officer

Place: Hyderabad
Date: May 29, 2026

Shruti Rege
Company Secretary
Membership No. A43523

Place: Pune
Date: May 29, 2026

Standalone statement of changes in equity for the year ended March 31, 2026

(All amounts are in Rs. Lakhs except share data or unless otherwise stated)

		For the year ended March 31, 2026	
(A)	**Equity share capital**	**No. of shares**	**Amount**
	Equity shares of Rs. 10 each issued, subscribed and fully paid		
	Balance as at April 01, 2025	12,232,566	1,223.26
	Changes in equity share capital during the current year	-	-
	Balance as at March 31, 2026	12,232,566	1,223.26
		For the year ended March 31, 2025	
		No. of shares	**Amount**
	Equity shares of Rs. 10 each issued, subscribed and fully paid		
	Balance as at April 01, 2024	12,232,566	1,223.26
	Changes in equity share capital during the current year	-	-
	Balance as at March 31, 2025	12,232,566	1,223.26

(B) Other equity

	Reserves and surplus				Other Comprehensive Income	Total
	Capital Reserve	**Security premium**	**General reserve**	**Retained earnings**	**Remeasurement of defined benefit plans**	
Balance as at April 01, 2024	142.80	9,670.30	1,325.24	(5,800.52)	(3.37)	5,334.45
Profit /(Loss) for the year	-	-	-	206.81	-	206.81
Other comprehensive income/ (loss), net of taxes	-	-	-	-	(3.03)	(3.03)
Balance as at March 31, 2025	142.80	9,670.30	1,325.24	(5,593.71)	(6.40)	5,538.23
Profit /(Loss) for the year	-	-	-	273.83	-	273.83
Other comprehensive income/net of taxes	-	-	-	-	0.46	0.46
Balance as at 31 March 2026	**142.80**	**9,670.30**	**1,325.24**	**(5,319.88)**	**(5.94)**	**5,812.52**

See accompanying notes to the financial statements 1-43

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **MSKC & Associates LLP**
(Formerly known as MSKC & Associates)
Chartered Accountants
Firm Registration No.:001595S/S000168

Tarun Kumar Jain
Partner
Membership No: 231741

Place: Da Nang, Vietnam
Date: May 29, 2026

For and on behalf of the Board of Directors

Palred Technologies Limited
CIN: L72200TG1999PLC033131

Palem Supriya Reddy
Chairperson & Managing Director
DIN: 00055870
Place: Hyderabad
Date: May 29, 2026

Aakanksha Sachin Dubey
Director
DIN: 08792778
Place: Hyderabad
Date: May 29, 2026

Pinekalapati Harish Naidu
Chief Financial Officer

Place: Hyderabad
Date: May 29, 2026

Shruti Rege
Company Secretary
Membership No. A43523
Place: Pune
Date: May 29, 2026

Notes forming part of the standalone financial statements
for the year ended March 31, 2026

(All amounts are in Rs. Lakhs except share data or unless otherwise stated)

1. Corporate Information

Palred Technologies Limited (the "Company") is a listed company incorporated and domiciled in India and incorporated in accordance with the provisions of the erstwhile Companies Act, 1956. The Company's registered office is at H.No. 8-2-703/2/B/, Plot No.2, Road No.12, Banjara Hills, Hyderabad, Telangana-500 034. Its shares are listed on two recognised stock exchanges of India, the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The Company is engaged in the business of E-commerce.

2. Material accounting policy information

2.1 Basis of Preparation

a) Compliance

The Company prepares its standalone financial statements in accordance with Indian Accounting Standards ("Ind AS") as per section 133 of the Companies Act, 2013 ('the Act'), notified under the Companies (Indian Accounting standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, ("Ind AS Compliant Schedule III"), as applicable to the standalone financial statements.

The Ind AS standalone financial statements (hereinafter referred to as 'the financial statements' or 'the Ind AS financial statements') were approved by the Board of Directors of the Company on May 29, 2026. The financial statements once approved by the Board of Directors needs to be adopted by the shareholders at the annual general meeting (AGM) of the Company.

b) Basis of measurement

These standalone financial statements have been prepared under the historical cost basis, except for the following items (refer to individual accounting policies for detail):

i) Certain financial assets and liabilities measured at fair value; and

ii) Net defined assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

c) Presentation currency and rounding off

The standalone financial statements are presented in Indian Rupee (INR) and all values are rounded to nearest lakhs (INR lakhs), except when otherwise indicated.

d) Going Concern

The Company has prepared the standalone financial statements on the basis that it will continue to operate as a going concern.

2.2 Critical accounting estimates and judgements

In the preparation of the financial statements, the Company makes certain estimates and assumptions which affects carrying values of assets and liabilities. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a) Impairment of financial assets

Investments in subsidiaries are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The impairment assessment requires the use of significant judgments and estimates, including the evaluation of the financial position, operating performance, business outlook, and future cash flow projections of the subsidiary entities.

The determination of the recoverable amount involves assumptions regarding future business performance, growth prospects, and other relevant economic factors. Changes in these assumptions may impact the assessment of the recoverability of the carrying amount of investments in subsidiaries and could result in the recognition of an impairment loss.

b) Defined benefit plans (post-employment gratuity)

In accordance with the Code on Social Security, 2020, applicable for Indian companies, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company in the form of gratuity.

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

2.3 Fair value measurement

A number of assets and liabilities included in the Company's standalone financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Company's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

Level 1: Quoted prices in active markets for identical items (unadjusted)

Level 2: Observable direct or indirect inputs other than Level 1 inputs

Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Company measures a number of items at fair value as follows:

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1 Presentation of Financial Statements. For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively.

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

2.5 Summary of material accounting policy information

a) Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, taxes (other than those subsequently recoverable from tax authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

Advances paid towards the acquisition of property, plant and equipment, if any, outstanding at each balance sheet date is classified as capital advances.

Depreciation on property, plant and equipment is calculated on pro-rata basis on written down value method using the useful lives of the assets estimated by management. The useful life is as follows:

The useful life of the assets is as follows:

Asset	Useful life (in years)
Leasehold improvement	Over the lease term*
Vehicles	6 years
Furniture and Fixtures	6 years
Office Equipment	5 years
Computers:	
-Servers	6 years
-End user devices such as, desktops, laptops etc.	3 years

* For Leasehold improvements useful life of the asset is lower of useful life as per schedule III or lease period.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of the asset being ready for use. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'/ 'Other expenses'. With respect to the assets costing less than Rs. 5,000 based on an internal assessment and materiality, the management has estimated that the same shall be depreciated in the year of purchase. The residual values are not more than 5% of the original cost of the asset.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

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

The carrying amounts of the Company's tangible and intangible assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit for which the estimates of future cash flows have not been adjusted. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets.

An impairment loss is recognised in the statement of profit or loss if the estimated recoverable amount of an asset or its cash generating unit is lower than its carrying amount. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been previously recognised.

c) Leases:

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following: –

i. Fixed payments, including in-substance fixed payments;

ii. Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

iii. Amounts expected to be payable under a residual value guarantee; and

iv. The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'Financial Liabilities' in the statement of financial position. (Refer note 5).

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

d. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, balances with banks, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

Cash Flow Statement:

The Cash flow statement is prepared as per the Indirect Method. Cash flow statement present the cash flows by operating, financing and investing activities of the Company. Operating cash flows are arrived by adjusting profit or loss before tax for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

e. 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.

A. Financial assets

a) Initial Recognition and measurement

All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value and, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) Classification and subsequent measurement

Financial Assets

On initial recognition, a financial asset is classified as

i. amortised cost;

ii. fair value through other comprehensive income ("FVTOCI") – debt investment;

iii. FVTOCI – equity investment; or

iv. FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

i. the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

ii. 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

FVTOCI – debt investment

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

i. the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

ii. 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.

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

FVTOCI - equity investment

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made on an investment by- investment basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit or loss.

FVTPL

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

c) De-recognition

Financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

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

d) Offsetting of financial instruments

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

f. Investments in the nature of equity in subsidiaries

The Company has elected to recognise its investments in equity instruments in subsidiaries at cost in the separate financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements.'

The Company regardless of the nature of its involvement with an entity (the investee), determines whether it is a parent by assessing whether it controls the investee. The Company controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, the Company controls an investee if and only if it has all the following:

(i) power over the investee;

(ii) exposure, or rights, to variable returns from its involvement with the investee and

(iii) the ability to use its power over the investee to affect the amount of the returns.

g. Equity Share Capital

Ordinary shares are classified as equity. No gain or loss is recognised in the standalone statement of profit and loss on purchase, sale, issue or cancellation of equity instruments. Incremental costs directly attributable to the issuance of equity shares or buyback of equity shares are recognised as a deduction from equity, net of taxes.

h. Provisions & Contingent Liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

i. Revenue recognition

Revenue is recognised in accordance with Ind AS 115, Revenue from Contracts with Customers, when control of the promised services is transferred to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services

Management fee income comprises fees earned from providing management and administrative support services to subsidiary company under contractual arrangements. Revenue is recognised over time as the services are rendered, since the subsidiary simultaneously receive and consume the benefits of the services provided by the Company.

The transaction price is determined in accordance with the terms of the respective service agreement. Revenue is measured at the amount of consideration to which the Company expects to be entitled, net of taxes collected.

Other income - Interest income

Interest income is recognised on a time proportion basis by applying the effective interest rate to the gross carrying amount of the financial asset. Interest income is presented under "Other Income" in the Statement of Profit and Loss.

j. Employee benefits

Defined contribution schemes

Contributions to defined contribution schemes are charged to the profit and loss in the year to which they relate.

Defined benefit plan

The liability in respect of defined benefit scheme is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The Company recognises the net obligation of a defined benefit plan as a liability in its balance sheet. Gains or losses through remeasurement of the net defined benefit liability are recognised in other comprehensive income and are not reclassified to profit and loss in the subsequent periods. The effect of any plan amendments are recognised in the statement of profit and loss.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on an undiscounted and accrual basis during the period when the employee renders service of the benefit.

k. Income Taxes

Tax expense recognised in statement of profit or loss consists of current and deferred tax except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively.

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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 is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Withholding tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the statement of changes in equity as part of the associated dividend payment.

As at March 31, 2026, the Company has deferred tax assets on account of unabsorbed business losses, unabsorbed tax depreciation and other deductible temporary differences. Such deferred tax assets have not been recognised in the financial statements, as the availability of sufficient future taxable profits against which these assets can be utilised is not considered probable based on the assessment of the recoverability of such assets. Accordingly, there is no deferred tax asset (net of deferred tax liabilities) recognised in the financial statements as at the reporting date.

l. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

m. Events after the reporting period

If the Company receives information after the reporting period, but prior to the date when the financial statements are approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its standalone financial statements. The Company will adjust the amounts recognised in its standalone financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its standalone financial statements, but will disclose the nature of the non adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

n. New standards and amendments notified but not effective

Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants - The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

i) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

ii) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

iii) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The below amendments are not yet notified but expected to be notified soon. Once notified, these could be added on below lines.

(i) Amendments to Ind AS 109, Disclosures, Financial Instruments : Disclosures and Ind AS 107 Financial Instruments: Disclosures-Classification and Measurement of Financial Instruments - The NFRA has approved the below amendment and decided to recommend to the MCA the amendments to Ind AS 109 and Ind AS 107. The amendments clarify-

- the requirements related to the date of recognition and derecognition of financial asset and financial liabilities, with an exception for derecognition of financial liabilities settled via an electronic transfer
- the requirement for assessing contractual cash flow characteristics of financial assets, with additional guidance on assessment of contingent features.
- characteristics of non-recourse loans and contractually linked instruments
- The amendment introduces additional disclosure requirements for equity in truments classified as FVOCI and for financial instruments with contingent features.

ii) Ind AS 118, Presentation and Disclosure in Financial Statements - The standard sets out significant new requirements for how financial statements are presented. A new structure of statement of profit and loss, disclosure of management defined performance measures, and enhanced requirements for companying (aggregation and disaggregation) of information will entail. Additional change is introduction of 'functional' classification of expenses as an option, in addition to classification of expenses by nature in the statement of profit and loss.

Consequential amendments are proposed to other standards under Ind AS, primarily Ind AS 7 Statement of Cash flows and Ind AS 107 Financial Instruments: Disclosures. Entities may need to restate previous year financials for comparison with current year, provide reconciliation for each line item in the statement of profit or loss between (a) the restated amounts presented applying Ind AS 18 and (b) the amounts previously presented applying Ind AS 1 Presentation of Financial Statements.

Consequential amendments to Ind AS 34 will also require an entity to present each of the required headings and subtotals in Ind AS 118 in its condensed interim financial statements in the first year of applying Ind AS 118. Entities with quarterly reporting requirements in accordance with Ind AS 34 will be required to report its statement of profit or loss in accordance with Ind AS 118's requirements in condensed interim financial statements after entity has issued its first set of annual financial statements prepared in accordance with this Standard.

Notes forming part of the standalone financial statements for the year ended March 31, 2026
(All amounts are in Rs. Lakhs except share data or unless otherwise stated)

3 . Property, plant and equipment

	Lease hold Improvement	Vehicles	Furniture and Fixtures	Office Equipment	Computers	Total
Gross carrying value						
Balance as at April 1, 2024	3.16	0.34	37.55	6.08	5.74	52.87
Additions for the year	-	-	-	-	-	-
Disposals for the year	-	-	-	-	-	-
Balance as at March 31, 2025	**3.16**	**0.34**	**37.55**	**6.08**	**5.74**	**52.87**
Additions for the year	-	-	-	-	-	-
Disposals for the year	3.16	-	-	-	3.82	6.98
Balance as at March 31, 2026	**-**	**0.34**	**37.55**	**6.08**	**1.92**	**45.89**
Accumulated depreciation						
Balance as at April 1, 2024	3.16	0.32	35.35	5.76	5.68	50.27
Charge for the year	-	0.01	0.15	0.01	-	0.17
Adjustments for disposals	-	-	-	-	-	-
Balance as at March 31, 2025	**3.16**	**0.33**	**35.50**	**5.77**	**5.68**	**50.44**
Charge for the year	-	-	0.07	0.01	-	0.09
Adjustments for disposals	3.16	-	-	-	3.82	6.98
Balance as at March 31, 2026	**-**	**0.33**	**35.57**	**5.78**	**1.86**	**43.55**
Net carrying value as at 31 March 2025	-	0.01	2.05	0.31	0.06	2.43
Net carrying value as at 31 March 2026	-	0.01	1.98	0.30	0.06	2.34

Note: Vehicles and Computers does not have charge for the year as the carrying amount represents the residual value.

4 (a) Right-of-use-asset

Particulars	Category of ROU Asset	
	Buildings	
	March 31, 2026	March 31, 2025
Opening Balance	**13.39**	**17.74**
Additions	-	0.52
Deletions	-	-
Depreciation (refer note 20)	4.87	4.87
Closing Balance	**8.52**	**13.39**

The aggregate depreciation expenses on ROU Assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

(b) Lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
i) Non-Current	3.65	8.70
ii) Current	6.00	6.00
Total	**9.65**	**14.70**

(c) The movement in lease liabilities during the year:

Particulars	March 31, 2026	March 31, 2025
Opening Balance	14.70	19.52
Additions	-	-0.16
Finance cost accrued during the year	0.95	1.34
Deletions	-	-
Payment of lease liabilities	6.00	6.00
Closing Balance	**9.65**	**14.70**

The details of the contractual maturities of lease liabilities on an undiscounted basis.

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	6.00	6.00
One year to three years	4.29	10.29
More than three years	-	-
Total	**10.29**	**16.29**

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

The following is the cash outflow on leases:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest paid on lease liabilities	0.95	1.34
Principal paid on lease liabilities	5.05	4.66

Note: There are no short-term, vairable or low value leases during the year.

5. Financial Assets- Investments

		March 31, 2026	March 31, 2025
A.	**Non-Current**		
	Investment in Subsidiaries unquoted equity shares (Carried at cost) (Fully paid up, unless stated otherwise)		
	In Subsidiaries (Carried at cost)		
i)	**Palred Electronics Private Limited, principal place of business at Hyderabad, India**		
	Number of shares	27,206,574	27,206,574
	Par value of each share	10.00	10.00
	% of holding	78.17%	78.17%
	Gross Carrying Amount	**4,453.00**	**4,453.00**
	Accumulated Impairment/(Reversal) towards investments		
	Opening balance	3,353.00	3,353.00
	Impairment/(Reversal) during the year	-	-
	Closing balance	3,353.00	3,353.00
	Net Carrying Amount	1,100.00	1,100.00
ii)	**Palred Retail Private Limited, principal place of business at Hyderabad, India**		
	Number of shares	3,040,000	3,040,000
	Par value of each share	10.00	10.00
	% of holding	83.71%	83.71%
	Gross Carrying Amount	**304.00**	**304.00**
	Accumulated Impairment/(Reversal) towards investments		
	Opening balance	304.00	304.00
	Impairment/(Reversal) during the year	-	-
	Closing balance	304.00	304.00
	Net Carrying Amount	-	-
iii)	**Palred Technology Services Private Limited, principal place of business at Hyderabad, India**		
	Number of shares	1,30,10,000	1,30,10,000
	Par value of each share	10.00	10.00
	% of holding	100.00%	100.00%
	Gross Carrying Amount	**1,301.00**	**1,301.00**
	Accumulated Impairment/(Reversal) towards investments		
	Opening balance	1,301.00	1,301.00
	Impairment/(Reversal) during the year	-	-
	Closing balance	1,301.00	1,301.00
	Net Carrying Amount	-	-
	Total	**1,100.00**	**1,100.00**
	* Note:		
	Aggregate amount of quoted investments	-	-
	Aggregate book value of unquoted investments	1,100.00	1,100.00
	Aggregate impairment of value in investment	-	-

*Based on the impairment assessment carried out during the financial year, the recoverable value of the investments exceeds their carrying value. Accordingly, there is no indication of impairment and no impairment loss is required to be recognised for the current year in respect of the investments held by the Company.

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

6. Other non-current assets

	As at March 31, 2026	As at March 31, 2025
Advance tax (net of provision)	311.43	364.69
Balances with government authorities	2.00	1.60
	313.43	366.29

7. Cash and cash equivalents

	As at March 31, 2026	As at March 31, 2025
Cash on hand	0.12	0.12
Balances with banks in current accounts	4.68	18.01
	4.80	18.13

8. Bank balances other than Cash and cash equivalent

	As at March 31, 2026	As at March 31, 2025
In Fixed deposit with maturity for more than 3 months but less than 12 months*	5,851.58	5,510.64
	5,851.58	5,510.64

* The Subsidiary entities (Palred Electronics Private Limited and Palred Technology Services Private Limited) have obtained the Overdraft facilities from Axis Bank & ICICI Bank respectively against the above mentioned Fixed deposits.

9. Other financial assets

	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on fixed deposits	5.17	-
	5.17	-

10. Other current assets

	As at March 31, 2026	As at March 31, 2025
Advance recoverable	-	3.95
	-	3.95

11. Share capital

Equity shares	**As at March 31, 2026**		**As at March 31, 2025**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Authorized				
Equity shares of Rs. 10 each	2,80,38,800	2,803.88	2,80,38,800	2,803.88
14% Preference Shares of Rs.100 each	6,96,120	696.12	6,96,120	696.12
Issued, subscribed and paid up				
Equity shares of Rs.10 each fully paid	1,22,32,566	1,223.26	12,232,566	1,223.26
Total	1,22,32,566	1,223.26	12,232,566	1,223.26
(a) Reconciliation of equity shares outstanding	**For the period ended March 31, 2026**		**For the period ended March 31, 2025**	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	1,22,32,566	1,223.26	1,22,32,566	1,223.26
Add: Issued during the year	-	-	-	-
Balance at the end of the year	1,22,32,566	1,223.26	1,22,32,566	1,223.26

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

(c) Details of shareholders holding more than 5% equity shares in the Company

Name of the equity shareholder	As at March 31, 2026		As at March 31, 2025	
	Number	% holding	Number	% holding
Equity shares of Rs. 10 each fully paid				
Mathew Cyriac	2,500,000	20.44%	2,500,000	20.44%
Supriya Reddy Palem	1,602,261	13.10%	1,602,261	13.10%
Stuthi Reddy	1,000,000	8.17%	1,000,000	8.17%
Sanhita Reddy	1,000,000	8.17%	1,000,000	8.17%
Ashish Dhawan	678,189	5.54%	678,189	5.54%

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

(d) Details of Shares held by Promoters at the end of the year

S. No	Promoter name	As at March 31, 2026			As at March 31, 2025		
		No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
1	Supriya Reddy Palem	1,602,261	13.10%	-	1,602,261	13.10%	-
2	Stuthi Reddy	1,000,000	8.17%	-	1,000,000	8.17%	-
3	Sanhita Reddy	1,000,000	8.17%	-	1,000,000	8.17%	-
4	Soujanya Reddy Parvatha	46,619	0.38%	-	46,619	0.38%	-
5	P Soujanya Reddy	25,000	0.20%	-	25,000	0.20%	-
6	Palem Srinivas Reddy	2,600	0.02%	-	2,600	0.02%	-
7	Dakshayani Reddy	600	0.01%	-	600	0.01%	-
	Total	3,677,080	30.05%	-	3,677,080	30.05%	-

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

12. Other equity

Particulars	Reserves and surplus				Other Comprehensive Income	Total
	Capital Reserve	Security premium	General reserve	Retained earnings	Remeasurement of defined benefit plans	
Balance as at April 01, 2024	**142.80**	**9,670.30**	**1,325.24**	**(5,800.52)**	**(3.37)**	**5,334.45**
Profit /(Loss) for the year	-	-	-	206.81	-	206.81
Other comprehensive income/ (loss) (net of taxes)	-	-	-	-	(3.03)	(3.03)
Balance as at March 31, 2025	**142.80**	**9,670.30**	**1,325.24**	**(5,593.71)**	**(6.40)**	**5,538.23**
Profit /(Loss) for the year	-	-	-	273.83	-	273.83
Other comprehensive income/ (loss) (net of taxes)	-	-	-	-	0.46	0.46
Balance as at March 31, 2026	**142.80**	**9,670.30**	**1,325.24**	**(5,319.88)**	**(5.94)**	**5,812.52**

13. Provisions

	As at March 31, 2026		As at March 31, 2025	
	Non-current	Current	Non-current	Current
Gratuity liability (refer note 26)	14.71	0.47	11.63	2.51
	14.71	0.47	11.63	2.51

14. Other financial liabilities

	As at March 31, 2026	As at March 31, 2025
Other Payables	178.98	126.27
	178.98	126.27

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

15. Other current liabilities

	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	46.25	98.23
	46.25	98.23

16. Revenue from operations

	As at March 31, 2026	As at March 31, 2025
Sale of Services:		
Management fees	150.00	150.00
	150.00	150.00

17. Other income

	As at March 31, 2026	As at March 31, 2025
Interest Income	384.52	387.93
Other miscellaneous Income	-	0.67
	384.52	388.60

18. Employee benefits expense

	As at March 31, 2026	As at March 31, 2025
Salaries, wages and bonus	72.42	71.73
Contribution to provident and other funds	0.97	0.98
Gratuity expenses (Refer note 26)	1.48	1.17
	74.87	73.88

19. Finance costs

	As at March 31, 2026	As at March 31, 2025
Interest Expense on lease liability (Refer note 4 (b))	0.95	1.34
	0.95	1.34

20. Depreciation and amortization expense

	As at March 31, 2026	As at March 31, 2025
Depreciation of property, plant and equipment (Refer note 3)	0.08	0.17
Depreciation of right-of-use-assets (Refer note 4 (a))	4.87	4.87
	4.95	5.04

21. Other expenses

	As at March 31, 2026	As at March 31, 2025
Rates and taxes	12.19	12.13
Office expenses	9.12	9.48
Travelling and conveyance	0.87	1.06
Legal and professional charges	4.16	7.85
Auditor's Remuneration*	14.00	16.00
Sitting Fees	1.80	1.60
Hosting Expenses	27.03	27.93
Advertisement	0.88	0.88
Bad debts written off	9.09	-
Miscellaneous expenses	0.01	0.04
	79.15	76.97

*Note: The following is the break-up of Auditors remuneration (exclusive of Goods and service tax)

	As at March 31, 2026	As at March 31, 2025
As auditor:		
Statutory audit	8.00	8.00
Limited Review	6.00	6.00
Certification Fees	-	2.00
	14.00	16.00

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

22. Earnings per equity share (EPES)

Basic earnings per share is calculated by dividing the profit/(loss) for the year attributable to equity holders by weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit/(loss) attributable to equity holders (after adjusting for interest on the convertible preference shares) by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the loss and share data used in the basic and diluted EPS computations:

	March 31, 2026	March 31, 2025
Profit attributable to equity holders (a)	273.82	206.81
Weighted average number of equity shares for basic and diluted EPS	12,232,566	12,232,566
Opening weighted average number of equity shares	12,232,566	12,232,566
Add: Issued during the period	-	-
Closing weighted average number of equity shares (b)	**12,232,566**	**12,232,566**
Basic EPS	2.24	1.69
Diluted EPS	2.24	1.69

23. Fair value measurements

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data either directly or indirectly.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial instruments by category
For amortised cost instruments, carrying value represents the best estimate of fair value.

	March 31, 2026		March 31, 2025	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial Assets				
Investments	1,100.00	6,058.00	1,100.00	6,058.00
Cash and cash equivalents	-	4.80	-	18.13
Other Bank balances	-	5,851.58	-	5,510.64
Other financial assets	-	5.17	-	-
Total	**1,100.00**	**11,919.55**	**1,100.00**	**11,586.77**
Financial liabilities				
Lease liability	-	9.65	-	14.70
Other financial liabilities	-	178.99	-	126.27
Total	**-**	**188.64**	**-**	**140.97**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments carried at Amortised cost:

	March 31, 2026		March 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Investments	1,100.00	1,100.00	1,100.00	1,100.00
Cash and cash equivalents	4.80	4.80	18.13	18.13
Other Bank balances	5,851.58	5,851.58	5,510.64	5,510.64
Other financial assets	5.17	5.17	-	-
Total	**6,961.55**	**6,961.55**	**6,628.77**	**6,628.77**
Financial liabilities				
Lease liability	9.65	9.65	14.70	14.70
Other financial liabilities	178.99	178.99	126.27	126.27
Total	**188.64**	**188.64**	**140.97**	**140.97**

The carrying amounts of financial assets and financial liabilities are considered are considered to be the same as their fair values, due to their short-term nature.

iii. The Company's principal financial liabilities, comprise other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents and other bank balances that derive directly from its operations. The Company also holds FVTPL investments.

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

The carrying amounts of cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. Difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented. For all other amortised cost instruments, carrying value represents the best estimate of fair value.

For financial assets measured at fair values, the carrying amounts are equal to the fair values.

24. Financial risk management

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

There have been no significant changes in the Company's risk management objectives, policies and procedures for managing financial risks during the year.

A. Market risk:
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

The Company doesn't have significant concentration of risk with any single customer, industry or geographic region.

B. Credit risk
Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in fixed deposits at a bank for a specified time period. None of the Company's cash equivalents, including fixed deposits were past due or impaired as at the reporting period.

C. Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company's principle sources of liquidity are cash and cash equivalents and current investments. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding. The Company had following working capital at the end of the reporting year.

Particulars	March 31, 2026	March 31, 2025
Current Assets	5,861.55	5,532.72
Current liabilities	231.71	233.01
Working Capital	**5,629.84**	**5,299.72**

25. Capital risk management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern. The Company has not distributed any dividend to its shareholders. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

There is no debt in the Company as at the reporting dates presented and accordingly, gearing ratio is nil as at various reporting dates.

26. Employee benefits

(a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of the Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionally 15 days salary multiplied for the number of the years of service. The gratuity plan is unfunded. The assumptions used in accounting for the gratuity plan are set out below.

		March 31, 2026	March 31, 2025
i.	Change in projected benefit obligation		
	Projected benefit obligation at the beginning of the year	14.16	9.96
	Service cost	0.52	0.72
	Interest cost	0.96	0.45
	Actuarial (gain) / loss	(0.46)	3.03
	Benefits paid	-	-
	Projected benefit obligation at the end of the year	**15.18**	**14.16**

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

		March 31, 2026	March 31, 2025
ii.	Expense recognized in the statement of profit and loss		
	Service cost	0.52	0.72
	Interest cost	0.96	0.45
	Expected returns on plan assets	-	-
	Net gratuity costs	**1.48**	**1.17**
iii.	Expense recognized in OCI		
	Recognized net actuarial (gain)/ loss	(0.46)	3.03
iv.	Key actuarial assumptions		
	Financial assumptions		
	Discount rate	7.36%	6.79%
	Salary escalation rate	7.00%	7.00%
	Rate of Employee Turnover	For Service 4 years and below 30%p.a.	For Service 4 years and below 30%p.a.
		For Service 5 years and above 2%p.a.	For Service 5 years and above 2%p.a.

Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

v.	Sensitivity Analysis		
	Projected defined benefit obligation	15.18	14.15
	Delta effect of +1% change in discount rate	(1.42)	(1.38)
	Delta effect of -1% change in discount rate	1.66	1.63
	Delta effect of -1% change in salary escalation rate	0.74	0.65
	Delta effect of -1% change in salary escalation rate	(0.65)	(0.57)
	Delta effect of +1% change in employee turnover rate	0.55	0.48
	Delta effect of -1% change in employee turnover rate	(0.60)	(0.53)
vi.	Maturity analysis of projected benefit obligation		
	1 year	0.47	2.51
	2 to 5 years	0.51	1.64
	6 to 10 years	2.76	2.53
	More than 10 years	28.78	26.71

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate and salary escalation rate. The calculation of the net defined benefit liability is sensitive to these assumptions. Sensitivity to these factors is disclosed above.

27. Related Party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Country of incorporation	Nature of relationship
Palred Electronics Private Limited	India	Subsidiary
Palred Retail Private Limited	India	Subsidiary
Palred Technology Services Private Limited	India	Wholly Owned Subsidiary
Palred Online Bilism Teknoljileri Ticaret Anonim Sirketi	Republic of Turkey	Step-down subsidiary
Palred Electronics Limited	Hong Kong	Step-down subsidiary
Parude Technology Shenzhen Co Ltd	China	Step-down subsidiary
Mr. Pinekalapati Harish Naidu, CFO		Key Managerial Personnel
Mrs. Shruti Rege, Company Secretary		Key Managerial Personnel
Mrs. Supriya Reddy		Key Managerial Personnel
Mrs. Stuthi Reddy		Key Managerial Personnel

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

(b) Transactions with related parties:

Related Party	Transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
Palred Electronics Private Limited	Pledge of fixed deposits against working capital limits	4,698.00	4,750.00
Palred Technology Services Private Limited	Pledge of fixed deposits against working capital limits	216.16	240.23
Palred Electronics Private Limited	Management Fees	150.00	150.00
Palred Technology Services Private Limited	Reimbursement of expenses	-	2.56
Mr. Pinekalapati Harish Naidu	Salaries including bonuses	40.00	40.00
Mrs. Supriya Reddy	Salaries including bonus	15.00	15.00
Mrs. Supriya Reddy	Reimbursement of expenses	0.87	1.06
Mrs. Shruti Rege	Salaries including bonuses	11.07	10.80
Mrs. Stuthi Reddy	Rent	6.00	6.00

(c) Balances receivable/(payables)

	As at March 31, 2026	As at March 31, 2025
Palred Electronics Private Limited	(158.76)	(104.30)
Retail Private Limited	(0.22)	(0.22)
Palred Technology Services Private Limited	(2.56)	(2.56)
Ms. Stuthi Reddy Palred	(0.54)	(0.54)

28. Commitments and Contingent Liabilitie

As at March 31, 2026, the Company has no commitments or contingent liabilities requiring disclosure in the financial statements (March 31, 2025: Nil)

29. Segment reporting

The operations of the company are predominantly related to the trading in electronic products, fashion accessories and providing related services. As such there is only one primary reportable segment as per IND AS 108 'Operating Segments".

30. Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

31 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

32. Willful Defaulters

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

33. Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

34. Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

35. Compliance with approved Scheme(s) of Arrangements

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

36. Utilisation of Borrowed funds and share premium:

(i) 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.

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

(ii) 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.

37. Ratios

S No.	Ratio	March 31, 2026		March 31, 2025		Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator	31 March 2026	31 March 2025		
(a)	Current Ratio	5,861.55	231.71	5,532.72	233.01	25.30	23.74	6.54%	Note 1(a)
(b)	Return on Equity Ratio	273.82	6898.64	381.37	6,761.49	0.04	5.64	-99.30%	Note 1(b)
(c)	Net Capital Turnover Ratio	150.00	5,464.78	150.00	5,200.99	0.03	0.03	-4.83%	-
(d)	Net Profit Ratio	273.82	150.00	381.37	150.00	1.83	2.54	-28.20%	Note 1(b)
(e)	Return on Capital Employed	375.54	6,917.98	382.71	6,781.82	0.05	0.06	-3.80%	-
(f)	Return on Investment	375.54	7,035.77	382.71	6,761.49	0.05	0.06	-5.70%	-

Note1: a) Improvement in current ratio is due to creation of additional fixed deposits
b) During the year, there is no exceptional adjustments like reversal of impairment on Investments held by the Company.

38. Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

39. Corporate Social Responsibility

Provision of Section 135 of the Act is not Applicable to the Company as the Company's net worth is below Rs. 500 crore, turnover is below Rs. 1,000 crore and net profit is less than Rs. 5 crore during immediately preceding financial year.

40. Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

41. Events after the reporting period

There has been no significant subsequent events after the reporting period requiring either disclosure or adjustment to the reported financial statements.

42. Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

43. Audit Trail

The Company uses an accounting software, Micrsoft Dynamics AX 2012, for maintaining its books of account during the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility, and the same has not been enabled in the accounting software throughout the year.

The accompanying notes are an integral part of the financial statements.
As per our report of even date
For **MSKC & Associates LLP**
(Formerly known as MSKC & Associates)
Chartered Accountants
Firm Registration No.:001595S/S000168

Tarun Kumar Jain
Partner
Membership No: 231741

Place: Da Nang, Vietnam
Date: May 29, 2026

For and on behalf of the Board of Directors

Palred Technologies Limited
CIN: L72200TG1999PLC033131

Palem Supriya Reddy
Chairperson & Managing Director
DIN: 00055870
Place: Hyderabad
Date: May 29, 2026

Aakanksha Sachin Dubey
Director
DIN: 08792778
Place: Hyderabad
Date: May 29, 2026

Pinekalapati Harish Naidu
Chief Financial Officer

Place: Hyderabad
Date: May 29, 2026

Shruti Rege
Company Secretary
Membership No. A43523

Place: Pune
Date: May 29, 2026

STANDALONE
FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of **Plared Technologies Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Palred Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries, together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of other financial information of subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2026, of consolidated loss (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ('ICAI'), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditors's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information.'

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our oobjectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matter

We did not audit the financial information of three step-down subsidiaries whose financial information reflects total assets of Rs. 155.30 Lakhs as at March 31, 2026, total revenues of Rs. 78.70 Lakhs (before consolidation adjustments), net loss (including other comprehensive income) of Rs. 109.57 Lakhs and net cash outflows amounting to Rs. 6.25 Lakhs for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information is not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 1(h)(vi) below on reporting under Rule 11(g).
   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
   f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1 (b) above on reporting under Section 143(3)(b) and paragraph 1(h)(vi) below on reporting under Rule 11(g).
   g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
   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, in our opinion and to the best of our information and according to the explanations given to us:
      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 36 to the consolidated financial statements.
      ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
      iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

iv.
   a. The respective Managements of the Holding Company and its subsidiaries, incorporated in India whose financial statements have been audited under the Act have represented to us, respectively that, to the best of their knowledge and belief, as disclosed in the note 43 (i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
   b. The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, respectively that, to the best of their knowledge and belief, as disclosed in the note 43 (ii) to consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries, from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on

behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act, 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) contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination which included test checks, the Group has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility, that has not been enabled in the accounting software throughout the year as explained in Note 50 to the consolidated financial statements. Accordingly, we are unable to comment whether the audit trail feature has operated throughout the year for all relevant transactions recorded in the software or whether there is any instance of audit trail feature being tampered with or whether the audit trail of prior year has been preserved by the Group as per the statutory requirements for record retention.

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Holding Company to its respective Directors is in accordance with the provisions of this section 197 to the Act. Further, we report that the provisions of Section 197 of the Act are not applicable to [3] subsidiary companies incorporated in India. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiaries.

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements, as provided to us by the Management of the Holding company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

S. No	Name	CIN	Relationship	Clause number of the CARO report which is qualified or is adverse
1	Palred Electronics Private Limited	U22222TG2011PTC073292	Subsidiary	Clause 3(vii)(b), 3(xvii), 3(xix)
2	Palred Technology Services Private Limited	U72200AP2015PTC108735	Subsidiary	Clause 3(vii)(b), 3(xvii), 3(xix)
3	Palred Retail Private Limited	U74999AP2018PTC108429	Subsidiary	Clause 3(xvii), 3(xix)

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S / S000168

Tarun Kumar Jain
Partner
Membership No. 231741
UDIN: 26231741JGKRJU9489

Place: Da Nang, Vietnam
Date: May 29, 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PALRED TECHNOLOGIES LIMITED

Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S / S000168

Tarun Kumar Jain
Partner
Membership No. 231741
UDIN: 26231741JGKRJU9489

Place: Da Nang, Vietnam
Date: May 29, 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PALRED TECHNOLOGIES LIMITED

[Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Palred Technologies Limited on the Consolidated Financial Statements for the year ended March 31, 2026]

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of Palred Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and it's subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements referred to in the Other Matters section below, the Group, has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management's and Board of Director's Responsibility for Internal Financial Controls

The respective Management and the Board of Directors of the Group is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 internal financial controls with reference to consolidated financial statements of the Group, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Group.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to three (3) subsidiary companies, is based on the corresponding reports of the auditors of such companies incorporated in India.

For M S K C & Associates LLP
Chartered Accountants
ICAI Firm Registration Number – 001595S / S000168

Tarun Kumar Jain
Partner
Membership No. 231741
UDIN: 26231741JGKRJU9489

Place: Da Nang, Vietnam
Date: May 29, 2026

Consolidated Balance Sheet as at March 31, 2026

(All amounts are in Rs Lakhs, except share data or unless otherwise stated)

	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
1. Non-current assets			
(a) Property, plant and equipment	3	85.44	110.82
(b) Right-of-use-assets	5 (a)	138.05	216.93
(c) Intangible assets	4	12.23	1.86
(d) Financial assets			
Other financial assets	6	41.49	64.24
(e) Other non-current assets	7	386.19	439.91
Total non-current assets		**663.40**	**833.75**
2. Current assets			
(a) Inventories	8	2,759.09	2,550.10
(b) Financial assets			
(i) Trade receivables	9	1,711.95	2,152.66
(ii) Cash and cash equivalents	10	70.67	72.13
(iii) Bank balances other than cash and cash equivalents	11	5,851.58	5,510.64
(iv) Other financial assets	12	34.05	25.25
(c) Other current assets	13	316.35	410.59
Total current assets		10,743.69	10,721.37
Total assets		**11,407.09**	**11,555.13**
EQUITY AND LIABILITIES			
1. Equity			
(a) Equity share capital	14	1,223.26	1,223.26
(b) Other equity	15	3,085.98	3,617.99
Equity attributable to owners of the parent		4,309.24	4,841.25
(c)Non-controlling interest		(436.02)	-218.30
Total Equity		**3,873.22**	**4,622.95**
2. Liabilities			
Non-current liabilities			
(a) Financial liabilities			
Lease Liabilities	5 (b)	105.09	148.10
(b) Provisions	16	69.52	66.56
Total non-current liabilities		**174.61**	**214.66**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	6,084.22	5,587.78
(ii) Lease liability	5(b)	59.03	95.82
(iii) Trade payables	18		
(a)total outstanding dues of micro enterprises and small enterprises		-	-
(b)total outstanding dues of creditors other than micro enterprise and small enterprises		57.28	-
(iv) Other financial liabilities	19	1,079.42	905.90
(b) Other current liabilities	20	60.44	124.39
(c) Provisions	16	18.87	3.63
Total current liabilities		**7,359.26**	**6,717.52**
Total liabilities		**7,533.87**	**6,932.18**
Total equity and liabilities		**11,407.09**	**11,555.13**
See accompanying notes to the financial statements	1-51		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **MSKC & Associates LLP**
(Formerly known as MSKC & Associates)
Chartered Accountants
Firm Registration No.:001595S/S000168

Tarun Kumar Jain
Partner
Membership No: 231741

Place: Da Nang, Vietnam
Date: May 29, 2026

For and on behalf of the Board of Directors

Palred Technologies Limited
CIN: L72200TG1999PLC033131

Palem Supriya Reddy
Chairperson & Managing Director
DIN: 00055870
Place: Hyderabad
Date: May 29, 2026

Aakanksha Sachin Dubey
Director
DIN: 08792778
Place: Hyderabad
Date: May 29, 2026

Pinekalapati Harish Naidu
Chief Financial Officer

Place: Hyderabad
Date: May 29, 2026

Shruti Rege
Company Secretary
Membership No. A43523

Place: Pune
Date: May 29, 2026

Consolidated Statement of Profit and Loss
for the year ended March 31, 2026
(All amounts are in Rs Lakhs, except share data or unless otherwise stated)

	Notes	Year ended March 31, 2026	Year ended March 31, 2025
I. Revenue from operations	21	7,720.47	8,566.56
II. Other income	22	479.99	410.06
III. Total income		**8,200.46**	**8,976.62**
IV. Expenses			
Cost of material consumed	23	4,803.45	4,019.93
Purchase of stock-in-trade	24	27.32	1,100.46
Changes in inventories of stock-in-trade	25	(178.03)	755.96
Employee benefits expense	26	1,082.14	972.54
Finance cost	27	490.16	562.84
Depreciation and amortization expense	28	108.17	123.35
Other expenses	29	2,510.89	2,303.63
Total expenses		**8,844.10**	**9,838.71**
V. Profit /(Loss) before tax		**(643.64)**	**(862.09)**
VI. Tax expense:			
a) Current tax		97.43	96.46
b) Tax Paid for earlier years		3.34	78.10
c) Deferred tax charge/(benefit)		-	-
Total tax expenses		100.77	174.56
VII. Profit/(Loss) for the year		**(744.41)**	**(1,036.65)**
VIII. Other comprehensive income			
(i) Items that will be reclassified subsequently to profit and loss			
Exchange differences on translation of foreign operations		(3.29)	7.38
		(3.29)	7.38
(ii) Items that will not be reclassified to profit and loss			
Remeasurement of net defined benefit liability (net of taxes)	34	(4.12)	(3.93)
		(4.12)	(3.93)
Other comprehensive income for the year(VIII)		(7.41)	3.45
IX. Total comprehensive income for the year (VII + VIII)		**(751.82)**	**(1,033.20)**
Attributable to:			
Owners of the Parent		(526.69)	(775.77)
Non-controlling interests		(217.72)	(260.88)
Total comprehensive income/(loss) attributable to:			
Owners of the Parent		(532.38)	(773.73)
Non-controlling interests		(219.44)	(259.47)
Earnings per share (Nominal Value per share INR 10, (March 31, 2025: INR 10))			
(i) Basic earnings per equity share	30	(4.31)	(6.34)
(ii) Diluted earnings per equity share	30	(4.31)	(6.34)
See accompanying notes to the financial statements	1-51		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **MSKC & Associates LLP**
(Formerly known as MSKC & Associates)
Chartered Accountants
Firm Registration No.:001595S/S000168

Tarun Kumar Jain
Partner
Membership No: 231741

Place: Da Nang, Vietnam
Date: May 29, 2026

For and on behalf of the Board of Directors

Palred Technologies Limited
CIN: L72200TG1999PLC033131

Palem Supriya Reddy
Chairperson & Managing Director
DIN: 00055870
Place: Hyderabad
Date: May 29, 2026

Aakanksha Sachin Dubey
Director
DIN: 08792778
Place: Hyderabad
Date: May 29, 2026

Pinekalapati Harish Naidu
Chief Financial Officer

Place: Hyderabad
Date: May 29, 2026

Shruti Rege
Company Secretary
Membership No. A43523
Place: Pune
Date: May 29, 2026

Consolidated Sttatement of Cash Flows

for the year ended March 31, 2026

(All amounts are in Rs Lakhs, except share data or unless otherwise stated)

	Year ended March 31, 2026	Year ended March 31, 2025
A. Cash flow from operating activities		
Net Profit/(Loss) before tax as per statement of profit and loss	(643.64)	(862.09)
Adjustments for:		
Depreciation and amortization expenses	108.17	123.35
Finance cost	490.16	562.84
Interest income	(384.76)	(388.17)
Non-cash lease adjustment	-	(0.67)
Unrealised Forex Gain, net	24.27	6.37
Provision for doubtful debts	40.69	-
Liabilities no longer required to pay	(67.26)	-
Balances written off	48.56	-
Operating profit/ (loss) before working capital changes	**(383.81)**	**(558.37)**
Changes in working capital		
Decrease/ (increase) in inventories	(208.99)	715.46
Decrease/ (increase) in trade receivables	404.68	548.53
Decrease/ (increase) in other financial assets	(8.80)	(3.99)
Decrease/ (increase) in other non-current assets	(32.18)	(3.25)
Decrease/ (increase) in other current assets	94.24	367.83
(Decrease)/ increase in trade payables	66.79	(1.51)
Increase/ (decrease) in other financial liabilities	226.60	364.32
(Decrease)/ increase in other current liabilities	(112.51)	97.73
(Decrease)/ increase in provisions	14.08	10.36
Cash generated used in operations	60.10	1,537.11
Taxes paid	(14.51)	(183.39)
Net cash flows generated from/(used in) operating activities (A)	**45.59**	**1353.72**
B. Cash flow from Investing activities		
Purchase of property, plant and equipment and intangible assets	(14.06)	(4.81)
Net proceeds from fixed deposits	(340.94)	(349.13)
Interest received	384.76	381.72
Net cash flows generated from/(used in) investing activities (B)	**29.77**	**27.78**
C. Cash flow from Financing activities		
Proceeds from short-term borrowings	496.44	(752.52)
Interest paid on short-term borrowings	(474.15)	(541.59)
Principal paid on lease liabilities	(79.80)	(75.66)
Interest paid on lease liabilities	(16.02)	(21.24)
Net cash flows used in financing activities (C)	**(73.53)**	**(1,391.01)**
Net increase in cash and cash equivalents (A+B+C)	1.83	(9.51)
Cash and cash equivalents at the beginning of the year	72.13	88.01
Effect on exchange rates	(3.29)	(6.37)
Cash and cash equivalents at the end of the year	70.67	72.13
Cash and cash equivalents includes		
Cash on hand	0.73	0.95
Balances with banks	69.94	71.18
Total cash and bank balances at end of the year	**70.67**	**72.13**

See accompanying notes to the financial statements 1-51

The accompanying notes are an integral part of the financial statements.
As per our report of even date
For **MSKC & Associates LLP**
(Formerly known as MSKC & Associates)
Chartered Accountants
Firm Registration No.:001595S/S000168

Tarun Kumar Jain
Partner
Membership No: 231741

Place: Da Nang, Vietnam
Date: May 29, 2026

For and on behalf of the Board of Directors

Palred Technologies Limited
CIN: L72200TG1999PLC033131

Palem Supriya Reddy
Chairperson & Managing Director
DIN: 00055870
Place: Hyderabad
Date: May 29, 2026

Aakanksha Sachin Dubey
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DIN: 08792778
Place: Hyderabad
Date: May 29, 2026

Pinekalapati Harish Naidu
Chief Financial Officer

Place: Hyderabad
Date: May 29, 2026

Shruti Rege
Company Secretary
Membership No. A43523

Place: Pune
Date: May 29, 2026

Consolidated Statement of Changes in Equity for the year ended March 31, 2026

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

		Note	For the year ended March 31, 2026	
(A)	Equity share capital		No. of shares	Amount
	Equity shares of Rs. 10 each issued, subscribed and fully paid			
	Balance as at April 01, 2025	14	12,232,566	1,223.26
	Changes in equity share capital during the current year		-	-
	Balance as at March 31, 2026		**12,232,566**	**1,223.26**

		Note	For the year ended March 31, 2025	
	Equity share capital		No. of shares	Amount
	Equity shares of Rs. 10 each issued, subscribed a lly paid			
	Balance as at April 01, 2024	14	12,232,566	1,223.26
	Changes in equity share capital during the current year		-	-
	Balance as at March 31, 2025		**12,232,566**	**1,223.26**

(B) Other equity

	Reserves and surplus				Other Comprehensive Income		Total attributable to owners of parent	Non con-trolling interests	Total
	Capital Reserve	Security premium	General reserve	Retained earnings	Foreign currency translation reserve	Remeasure-ment of defined benefit plans			
Balance as at March 31, 2024	142.80	9,670.30	1,325.24	(6,744.33)	14.76	(3.35)	4,405.43	42.57	4,447.98
Net Loss for the year				(775.77)			(775.77)	(260.88)	(1,036.65)
Other comprehensive income (OCI), net of taxes					7.38	(3.93)	3.45		3.45
Other adjustments		-		(15.12)			(15.12)	-	(15.12)
Balance as at March 31, 2025	**142.80**	**9,670.30**	**1,325.24**	**(7,535.22)**	**22.14**	**(7.28)**	**3,617.98**	**(218.30)**	**3,399.67**
Net Loss for the year				(526.69)			(526.69)	(217.72)	(744.41)
Other comprehensive income (OCI), net of taxes					(3.29)	(4.12)	(7.41)		(7.41)
Other adjustments		-		2.10			2.10	-	2.10
Balance as at March 31, 2026	**142.80**	**9,670.30**	**1,325.24**	**(8,059.81)**	**18.85**	**(11.40)**	**3,085.98**	**(436.02)**	**2,649.95**

See accompanying notes to the consolidated financial statements 1-51

The accompanying notes are an integral part of the financial statements.
As per our report of even date
For **MSKC & Associates LLP**
(Formerly known as MSKC & Associates)
Chartered Accountants
Firm Registration No.:001595S/S000168

Tarun Kumar Jain
Partner
Membership No: 231741

Place: Da Nang, Vietnam
Date: May 29, 2026

For and on behalf of the Board of Directors

Palred Technologies Limited
CIN: L72200TG1999PLC033131

Palem Supriya Reddy
Chairperson & Managing Director
DIN: 00055870
Place: Hyderabad
Date: May 29, 2026

Aakanksha Sachin Dubey
Director
DIN: 08792778
Place: Hyderabad
Date: May 29, 2026

Pinekalapati Harish Naidu
Chief Financial Officer

Place: Hyderabad
Date: May 29, 2026

Shruti Rege
Company Secretary
Membership No. A43523
Place: Pune
Date: May 29, 2026

Notes forming part of the consolidated financial statements
for the year ended March 31, 2026

(All amounts are in Rs. Lakhs except shared data or unless otherwise stated)

1. Corporate Information

The Consolidated financial statements of "Palred Technologies Limited" (herein referred to as "the Company" or "Parent Company") and its subsidiaries (collectively referred to as "the Group") are for the year ended March 31, 2026. The Company is a public company incorporated and domiciled in India and incorporated in accordance with the provisions of the erstwhile Companies Act, 1956. The Company's registered office is at 8-2-703/2/B/,Plot No: 2,Road No.12, Banjara Hills,Hyderabad,Telangana-500 034. Its shares are listed on two recognised stock exchanges of India, the NSE Limited (NSE) and BSE Limited (BSE). The Group is primarily engaged into trading in mobiles, electronic products, fashion accessories and providing related services.

2. Material accounting policy information

2.1 Basis of Preparation

a) Compliance

The Company prepares its standalone financial statements in accordance with Indian Accounting Standards ("Ind AS") as per section 133 of the Companies Act, 2013 ('the Act'), notified under the Companies (Indian Accounting standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, ("Ind AS Compliant Schedule III"), as applicable to the standalone financial statements.

The Ind AS consolidated financial statements (hereinafter referred to as the 'the financial statements' or 'the Ind AS financial statements') were approved by the Board of Directors of the Company on May 29, 2026. The financial statements once approved by the Board of Directors needs to be adopted by the shareholders at the annual general meeting (AGM) of the Company.

b) Basis of measurement

These consolidated financial statements have been prepared under the historical cost basis, except for the following items (refer to individual accounting policies for detail):

i) Certain financial assets and liabilities measured at fair value; and

ii) Net defined assets/(liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

c) Presentation currency and rounding off

The consolidated financial statements are presented in Indian Rupee (INR) and all values are rounded to nearest lakhs (INR lakhs), except when otherwise indicated.

d) Going Concern

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

2.2 Critical accounting estimates and judgements

In the preparation of the consolidated financial statements, the Group makes certain estimates and assumptions which affects carrying values of assets and liabilities. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

a) Revenue recognition – estimating variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

b) Defined benefit plans (post-employment gratuity)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

2.3 Fair value measurement

A number of assets and liabilities included in the Group's consolidated financial statements require measurement at, and/ or disclosure of, fair value. The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

Level 1: Quoted prices in active markets for identical items (unadjusted)

Level 2: Observable direct or indirect inputs other than Level 1 inputs

Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

The Group measures a number of items at fair value as follows:

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.4 Current versus non-current classification

The Group segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1 Presentation of Financial Statements . For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

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

2.5 Basis of consolidation

Where the Group has control over an investee, it is classified as a subsidiary. The Group controls an investee if all three of the following elements are present:

i. power over the investee,

ii. exposure to variable returns from the investee, and

iii. the ability of the investor to use its power to affect those variable returns.

Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control. De-facto control exists in situations where the Group has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists, the Group considers all relevant facts and circumstances, including:

i. The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights

ii. Substantive potential voting rights held by the Company and by other parties

iii. Other contractual arrangements

iv. Historic patterns in voting attendance

The consolidated financial statements present the results of the Company and its subsidiaries (the Group) as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of profit and loss from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

The following subsidiaries have been considered for the purpose of preparation of the consolidated financial statements:

Name of the Company	Country	Relationship	Percentage holding/ interest %	
			As at March 31, 2026	As at March 31, 2025
Palred Electronics Private Limited ('PEP')	India	Subsidiary	78.17%	78.17%
Palred Retails Private Limited (PRP)	India	Subsidiary	83.71%	83.71%
Palred Technology Services Private Limited ('PTS')	India	Subsidiary	100.00%	100.00%
Palred Online Technologies Limited ('POT')	Hong Kong	Subsidiary of PEP	100.00%	100.00%
Palred Technology Shenzhen Company Ltd	China	Subsidiary of POT	100.00%	100.00%
Palred Online Bilism Teknoljileri Ticaret Anonim Sirketi	Turkey	Subsidiary of PEP	100.00%	100.00%

2.6 Summary of material accounting policy information

(a) Property, plant and equipment.

Depreciation on property, plant and equipment is calculated on pro-rata basis on written down value method using the useful lives of the assets estimated by management. The useful life is as follows:

The useful life of the assets is as follows:

Asset	Useful life (in years)	Schedule II (in years)
Leasehold improvement	Over the lease term*	Over the lease term*
Vehicles	6 years	6 years
Furniture and Fixtures	10 years	10 years
Office Equipment	5 years	5 years
Computers:		
-Servers	6 years	6 years
-End user devices such as, desktops, laptops etc.	3 years	3 years
Electrical Installations	10 years	10 years

* For Leasehold improvements useful life of the asset is lower of useful life as per schedule II or lease period.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of the asset being ready for use. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'/ 'Other expenses.' With respect to the assets costing less than Rs. 5,000 based on an internal assessment and materiality, the management has estimated that the same shall be depreciated in the year of purchase. The residual values are not more than 5% of the original cost of the asset.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

b. **Intangible assets**

Other intangible assets are stated at cost of acquisition less accumulated amortisation and impairment. These are derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the assets are disposed off.

Intangible assets are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The other intangible assets comprise of computer software expenditure and are amortised over a period useful life of an asset. The amortisation period and the amortisation method for an intangible asset is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate and are treated as changes in accounting estimates.

The useful life of the assets is as follows:		
Asset	Useful life (in years)	Schedule II (in years)
Computer Software	6 years	6 years

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

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

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

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

d. **Impairment of financial assets**

In accordance with Ind AS 109, the Group applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets measured at Amortised cost. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit losses. For all other financial assets, ECL 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. Loss allowance for financial assets measured at Amortised cost are deducted from gross carrying amount of the assets.

e) Leases:

Group as a lessee

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

(i) Right-of-use assets

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

(ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

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

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

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

f. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the consolidated balance sheet.

Cash Flow Statement:

Cash flows are reported using the indirect method, whereby Profit / (loss) before exceptional items and income tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Group are segregated.

g. Inventories

Inventories comprise of stock-in-trade and packing materials.

Stock-in-trade are valued at lower of cost and net realisable value after providing for obsolescence, if any. Cost includes purchase price, import duties and other taxes excluding taxes those are subsequently recoverable from the concerned authorities, freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Cost of inventories is determined using the weighted average cost method.

Packing material is carried at cost. Cost of packing material is determined using the weighted average cost method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs to complete the sales.

The factors that the Group considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Group's business and markets. The Group considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

h. 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.

A. Financial assets

a) Initial Recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ('FVTOCI'), and fair value through profit or loss ('FVTPL').

All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

b) Classification and subsequent measurement

Financial Assets

On subsequent measurement of a financial asset is classified into four categories:

i. Amortised cost;

ii. Fair value through other comprehensive income ("FVTOCI") – debt investment;

iii. Fair value through other comprehensive income ("FVTOCI") – equity investment; or

iv. FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

Amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions:

i. the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

ii. 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

FVTOCI – debt investment

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

i. the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

ii. the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

FVTOCI - equity investment

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group has elected to classify irrevocably certain equity investments under this category.

FVTPL

Financial assets in this category are those that are held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109 i.e. they do not meet the criteria for classification as measured at amortised cost or FVOCI. Management only designates an instrument at FVTPL upon initial recognition, if the designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis. Such designation is determined on an instrument-by-instrument basis. For the Company, this category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. The Company has not designated any financial assets at FVTPL. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

Interest earned on instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using the contractual interest rate.

B. Financial liabilities

a) Initial recognition and measurement

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

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

b) Classification and subsequent measurement

FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

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

Amortised Cost

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

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

c) De-recognition

Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Financial liabilities

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

d) Offsetting of financial instruments

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

i. Equity Share Capital

Ordinary shares are classified as equity. No gain or loss is recognised in the standalone statement of profit and loss on purchase, sale, issue or cancellation of equity instruments. Incremental costs directly attributable to the issuance of equity shares or buyback of equity shares are recognised as a deduction from equity, net of taxes.

j. Provisions and Contingent Liabilities

The Group has recognised provisions for liabilities of uncertain timing or amount including those for legal and tax related disputes. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risks specific to the liability.

Contingent liability is-

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or

(b) a present obligation that arises from past events but is not recognised because

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or
- the amount of the obligation cannot be measured with sufficient reliability.

The Group does not recognise a contingent liability but discloses its existence and other required disclosures in notes to the consolidated financial statements, unless the possibility of any outflow in settlement is remote.

k. Revenue from contracts with customers

Revenue is recognised in accordance with Ind AS 115, Revenue from Contracts with Customers, when control of the promised goods or services is transferred to the customer in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The transaction price is determined in accordance with the terms of the respective agreements with customers. Revenue is measured at the amount of consideration to which the Company expects to be entitled in exchange for the transfer of promised goods or services to customers, excluding amounts collected on behalf of third parties, such as applicable taxes. The transaction price is adjusted for variable consideration, including provisions for returns and trade discounts, to the extent that it is highly probable that a significant reversal of revenue will not occur.

Other income - Interest income

Interest income is recognised on a time proportion basis by applying the effective interest rate to the gross carrying amount of the financial asset. Interest income is presented under "Other Income" in the Statement of Profit and Loss.

l. Borrowing Cost

Borrowing costs comprise interest expense, ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

m. Foreign Currencies

Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian National Rupee (INR), which is the Company's functional and Group's presentation currency.

Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/losses arising out of fluctuation in foreign exchange rates between the transaction date and settlement date are recognised in the profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date and the exchange differences are recognised in the profit and 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).

Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

n. Employee benefits

Defined contribution schemes

Contributions to defined contribution schemes are charged to the profit or loss in the year to which they relate.

Defined benefit schemes

The liability in respect of defined benefit scheme is calculated using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. The Company recognises the net obligation of a defined benefit plan as a liability in its balance sheet. Gains or losses through remeasurement of the net defined benefit liability are recognised in other comprehensive income and are not reclassified to profit or loss in the subsequent periods. The effect of any plan amendments are recognised in the statement of profit or loss.

Short-term employee benefits

Short-term employee benefits comprise of employee costs such as salaries, bonus etc. is recognised on an undiscounted and accrual basis during the period when the employee renders service of the benefit.

o. Income Taxes

Tax expense comprises current income tax expense and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax base 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, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax 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 OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

As at March 31, 2026, the Group has deferred tax assets on account of unabsorbed business losses, unabsorbed tax depreciation and other deductible temporary differences. Such deferred tax assets have not been recognised in the financial statements, as the availability of sufficient future taxable profits against which these assets can be utilised is not considered probable based on the assessment of the recoverability of such assets. Accordingly, there is no deferred tax asset (net of deferred tax liabilities) recognised in the financial statements as at the reporting date.

p. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares

q. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the summary statements.

The operating segments have been identified on the basis of the nature of products/services. Further:

- Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter - segment revenue. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result.
- Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure.
- Income which relates to the Group as a whole and not allocable to segments is included in unallocable income.
- Segment results includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Group.
- Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.
- Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated business.

r. Events after the reporting period

If the Company receives information after the reporting period, but prior to the date when the financial statements are approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its standalone financial statements. The Company will adjust the amounts recognised in its standalone financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its standalone financial statements, but will disclose the nature of the non adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

s. New and amended standards adopted by Company

Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants - The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

(i) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

(ii) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

(iii) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The below amendments are not yet notified but expected to be notified soon. Once notified, these could be added on below lines.

(i) Amendments to Ind AS 109, Disclosures, Financial Instruments: Disclosures and Ind AS 107 Financial Instruments: Disclosures-Classification and Measurement of Financial Instruments - The NFRA has approved the below amendment and decided to recommend to the MCA the amendments to Ind AS 109 and Ind AS 107. The amendments clarify-

- the requirements related to the date of recognition and derecognition of financial asset and financial liabilities, with an exception for derecognition of financial liabilities settled via an electronic transfer
- the requirement for assessing contractual cash flow haracteristics of financial assets, with additional guidance on assessment of contingent features.
- characteristics of non-recourse loans and contractually linked instruments
- The amendment introduces additional disclosure requirements for equity in truments classified as FVOCI and for financial instruments with contingent features.

ii) Ind AS 118, Presentation and Disclosure in Financial Statements - The standard sets out significant new requirements for how financial statements are presented. A new structure of statement of profit and loss, disclosure of management defined performance measures, and enhanced requirements for companying (aggregation and disaggregation) of information will entail. Additional change is introduction of 'functional' classification of expenses as an option, in addition to classification of expenses by nature in the statement of profit and loss.

Consequential amendments are proposed to other standards under Ind AS, primarily Ind AS 7 Statement of Cash flows and Ind AS 107 Financial Instruments: Disclosures. Entities may need to restate previous year financials for comparison with current year, provide reconciliation for each line item in the statement of profit or loss between (a) the restated amounts presented applying Ind AS 18 and (b) the amounts previously presented applying Ind AS 1 Presentation of Financial Statements.

Consequential amendments to Ind AS 34 will also require an entity to present each of the required headings and subtotals in Ind AS 118 in its condensed interim financial statements in the first year of applying Ind AS 118. Entities with quarterly reporting requirements in accordance with Ind AS 34 will be required to report its statement of profit or loss in accordance with Ind AS 118's requirements in condensed interim financial statements after entity has issued its first set of annual financial statements prepared in accordance with this Standard.

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2026

3 . Property, plant and equipment

Gross carrying value

Particulars	Lease hold Improvement	Vehicles	Furniture and Fixtures	Office Equipment	Computers	Electrical Installation	Total
Balance as at April 01, 2024	**50.41**	**0.90**	**103.37**	**59.24**	**96.75**	**89.66**	**400.33**
Additions	-	-	-	-	-	-	-
Disposals/retirement	-	-	-	-	-	-	-
Balance as at March 31, 2025	**50.41**	**0.90**	**103.37**	**59.24**	**96.75**	**89.66**	**400.33**
Additions for the year	-	-	0.50	0.88	1.20	-	2.58
Disposals for the year	-	-	-	-	-	-	-
Balance as at March 31, 2026	**50.41**	**0.90**	**103.87**	**60.12**	**97.95**	**89.66**	**402.91**
Accumulated Depreciation							
Balance as at April 1, 2024	**17.54**	**0.87**	**80.53**	**39.59**	**81.90**	**29.76**	**250.19**
Charge for the year	3.29	0.01	5.75	9.11	5.65	15.51	39.32
Adjustments for disposals	-	-	-	-	-	-	-
Balance as at March 31, 2025	**20.83**	**0.88**	**86.28**	**48.70**	**87.55**	**45.27**	**289.51**
Charge for the year	2.98	-	4.12	4.83	4.55	11.48	27.96
Adjustments for disposals	-	-	-	-	-	-	-
Balance as at March 31, 2026	**23.81**	**0.88**	**90.40**	**53.53**	**92.10**	**56.75**	**317.47**
Net carrying value							
As at March 31, 2025	**29.58**	**0.02**	**17.09**	**10.54**	**9.20**	**44.39**	**110.83**
As at March 31, 2026	**26.60**	**0.02**	**13.47**	**6.59**	**5.85**	**32.91**	**85.44**

Note: 1. Vehicles does not have charge for the year as the carrying amount represents the residual value.
2. There was no revaluation of PPE during the year.

4. Intangible assets

Gross carrying value

Particulars	Computer Software	Total
Balance as at April 01, 2024	77.64	77.64
Additions for the year	-	-
Disposals for the year	-	-
Balance as at March 31, 2025	77.64	77.64
Additions for the year	11.70	11.70
Disposals for the year	-	-
Balance as at March 31, 2026	89.34	89.34
Accumulated amortization		
Balance as at April 01, 2024	74.39	74.39
Charge for the year	1.39	1.39
Adjustments for disposals	-	-
Balance as at March 31, 2025	**75.78**	**75.78**
Charge for the year	1.33	1.33
Adjustments for disposals	-	-
Balance as at March 31, 2026	**77.11**	**77.11**
Net carrying value		
As at March 31, 2025	**1.86**	**1.86**
As at March 31, 2026	**12.23**	**12.23**

5 (a) Right-of-use-asset

Particulars	Category of ROU Asset	
	Buildings	
	Year ended March 31, 2026	Year ended March 31, 2025
Opening Balance	216.93	259.20
Additions	-	40.37
Depreciation (refer note 28)	78.88	82.64
Closing Balance	**138.05**	**216.93**

The aggregate depreciation expenses on ROU Assets is included under depreciation and Amortisation expense in the Statement of Profit and Loss.

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

5 (b) Lease liabilities

Particulars	March 31, 2026	March 31, 2025
i) Non-Current	105.09	148.10
ii) Current	59.03	95.82
Total	**164.12**	**243.92**

5 (c) The movement in lease liabilities during the year is as follows:

Particulars	March 31, 2026	March 31, 2025
Opening Balance	**243.92**	**281.14**
Additions	-	38.44
Finance cost	16.02	21.24
Deletions	-	-
Payment of lease liabilities	95.82	96.90
Closing Balance	**164.12**	**243.92**

5 (d) The details of the contractual maturities of lease liabilities on an undiscounted basis as follows:

Particulars	March 31, 2026	March 31, 2025
Less than one year	59.03	95.82
One year to three years	105.09	148.10
More than three years	-	-
Total	**164.12**	**243.92**

5 (e) The following is the cash outflow on leases:

Particulars	March 31, 2026	March 31, 2025
Interest paid on Lease Liabilities	16.02	21.24
Principal paid on lease liabilities	79.80	75.66

Note: There are no short-term, vairable or low value leases during the year.

6. Other financial assets

	March 31, 2026	March 31, 2025
Unsecured considered good		
Security deposits	41.49	64.24
	41.49	**64.24**

7. Other non-current assets

	March 31, 2026	March 31, 2025
Advance tax (net of provision)	311.43	397.33
Balances with government authorities	74.76	42.58
	386.19	**439.91**

8. Inventories

	March 31, 2026	March 31, 2025
Stock-in-trade (At lower of cost or net realisable value)	2,578.14	2,400.11
Packing materials (At cost)	168.68	137.72
Inventory-Work in Process	12.27	12.27
	2,759.09	**2,550.10**

9. Trade receivable

	March 31, 2026	March 31, 2025
Trade receivables considered good - unsecured	1752.64	2,152.66
Less: Loss Allowance	40.69	-
	1,711.95	**2,152.66**

Ageing of Trade Receivables

March 31, 2026								
Particulars	**Unbilled Dues**	**Not Due**	**Outstanding for following periods from due date of Receipts**					
			Less than 6 months	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	-	1,631.42	35.78	20.52	18.17	46.75	-	1,752.64
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	40.69	-	40.69
Total	**-**	**1,631.42**	**35.78**	**20.52**	**18.17**	**87.44**	**-**	**1,711.95**

March 31, 2025								
Particulars	**Unbilled Dues**	**Not Due**	**Outstanding for following periods from due date of Receipts**					
			Less than 6 months	**6 months - 1 year**	**1-2 years years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	-	1,705.67	211.77	165.26	32.66	36.65	0.65	2,152.66
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-	-
Total	**-**	**1,705.67**	**211.77**	**165.26**	**32.66**	**36.65**	**0.65**	**2,152.66**

10. Cash and cash equivalents

	March 31, 2026	March 31, 2025
Cash on hand	0.73	0.95
Balances with banks		
In current accounts	65.98	67.46
In Fixed Deposit	3.96	3.72
	70.67	**72.13**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

11 Bank balances other than Cash and cash equivalent

	March 31, 2026	March 31, 2025
Deposits with banks with original maturity of more than three months but less than 12 months	5,851.58	5,510.64
	5,851.58	**5,510.64**

* The fixed deposits amounting to Rs. 4,990.23 lakhs are pledged with banks as security against loans repayable on demand, which are in the nature of bank overdrafts. Such loans carry interest at 1.5% per annum over and above the interest rates applicable to the pledged fixed deposits. Refer note 17.

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

12. Other financial assets

	March 31, 2026	March 31, 2025
Interest accrued on fixed deposits	5.17	-
Others	28.88	25.25
	34.05	**25.25**

13. Other current assets

	March 31, 2026	March 31, 2025
Advance recoverable	-	3.95
Balance with Government Authorities	123.90	123.46
Prepaid expenses	14.52	22.97
Vendor and employee advances	173.03	255.10
Others	4.90	5.11
Total	**316.35**	**410.59**

14. Share capital

Equity shares	March 31, 2026		March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Authorized				
Equity shares of Rs. 10 each	28,038,800	2,803.88	28,038,800	2,803.88
14% Preference Shares of Rs.100 each	696,120	696.12	696,120	696.12
Issued, subscribed and paid up				
Equity shares of Rs.10 each fully paid	12,232,566	1,223.26	12,232,566	1,223.26
Total	12,232,566	1,223.26	12,232,566	1,223.26
(a) Reconciliation of equity shares outstanding	**March 31, 2026**		**March 31, 2025**	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Outstanding at the beginning of the year	12,232,566	1,223.26	12,232,566	1,223.26
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	12,232,566	1,223.26	12,232,566	1,223.26

(b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having par value of INR 10 per share. Each shareholder is entitled to one vote per share held. Dividend if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors (if any), is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the equity shareholder	March 31, 2026		March 31, 2025	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of INR 10 each fully paid				
Mathew Cyriac	2,500,000	20.44%	2,500,000	20.44%
Supriya Reddy Palem	1,602,261	13.10%	1,602,261	13.10%
Stuthi Reddy	1,000,000	8.17%	1,000,000	8.17%
Sanhita Reddy	1,000,000	8.17%	1,000,000	8.17%
Ashish Dhawan	678,189	5.54%	678,189	5.54%

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

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

(d) Details of Shares held by Promoters at the end of the year

S. No	Promoter name	March 31, 2026			March 31, 2025		
		No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
1	Supriya Reddy Palem	1,602,261	13.10%	-	1,000,000	13.10%	-
2	Stuthi Reddy	1,000,000	8.17%	-	1,000,000	8.17%	-
3	Sanhita Reddy	1,000,000	8.17%	-	1,000,000	8.17%	-
4	Soujanya Reddy Parvatha	46,619	0.38%	-	46,619	0.38%	-
5	P Soujanya Reddy .	25,000	0.20%	-	25,000	0.20%	-
6	Palem Srinivas Reddy	2,600	0.02%	-	2,600	0.02%	-
7	Dakshayani Reddy	600	0.01%	-	600	0.01%	-
	Total	3,677,080	30.05%	-	3,677,080	30.05%	-

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

15. Other equity

Particulars	Reserves and surplus					Other Comprehensive Income	Total
	Capital Reserve	Security Premium	General Reserve	Retained earnings	Foreign currency translation reserve	Remeasurement of Defined Benefit Plans	
Balance as at April 01, 2024	142.80	9,670.30	1,325.24	(6,744.33)	14.76	(3.35)	4,405.41
Profit for the year	-	-	-	(775.77)	-	-	(775.77)
Other comprehensive income (net of tax)	-	-	-	-	7.38	(3.93)	3.45
Other adjustments	-	-	-	(15.12)		-	(15.12)
Balance as at March 31, 2025	142.80	9,670.30	1,325.24	(7,535.22)	22.14	(7.28)	3,617.98
Profit for the year	-	-	-	(526.69)	-	-	(526.69)
Other comprehensive loss (net of tax)	-	-	-	-	(3.29)	(4.12)	(7.41)
Other adjustments	-	-	-	2.10	-	-	2.10
Balance as at March 31, 2026	142.80	9,670.30	1,325.24	(8,059.81)	18.85	(11.40)	3,085.98

Nature and Purpose of reserve:

i. Capital Reserve
The reserve represents creation of capital reserve pursuant to the scheme of amalgamation. The Company uses capital reserve for transactions in accordance with the provisions of the Act.

ii. Securities Premium Account
The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and face value of share is accounted as securities premium. This reserve is utilised in accordance with the provisions of the Act.

iii. General reserve
General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

iv. Remeasurement of defined benefit plan
The reserve represents the remeasurement gains/(loss) arising from the actuarial valuation of the defined benefit plan of the Company. The remeasurement gains/(loss) are recognized in other comprehensive income and accumulated under this reserve within equity. The amounts recognized under this reserve are not reclassified to statement of profit or loss.

v. Foreign currency translation reserve
Exchange differences on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve with in equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.

16. Provisions

	March 31, 2026		March 31, 2025	
	Non-current	Current	Non-current	Current
Gratuity liability (refer note 33)	69.52	18.87	66.56	3.63
	69.52	**18.87**	**66.56**	**3.63**

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

17. Borrowings

	March 31, 2026	March 31, 2025
Secured, loans repayable on demand from banks		
Overdraft facility from Bank	6,084.22	5,587.78
	6,084.22	**5,587.78**

Note:

i. Loan repayable on demand from banks is in the nature of bank over draft, secured by way of fixed deposits amounting to INR 4,990.23 lakhs and carries 1.5% over and above the pledged fixed deposits interest rates per annum.

ii. Net debt reconciliation

	Amounts
Net debt as at April 01, 2024	**6,340.30**
Cash flows, net	(752.52)
Interest expense	541.60
Interest paid	(541.60)
Net debt as at March 31, 2025	**5,587.78**
Cash flows, net	496.44
Interest expense	474.15
Interest paid	(474.15)
Net debt as at March 31, 2026	**6,084.22**

18. Trade payables

	March 31, 2026	March 31, 2025
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	57.28	-
	57.28	**-**

Trade Payables ageing schedule March 31, 2026

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Receipts				
			Less than 1 Year	1-2 years years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	-	-	57.28	-	-	-	57.28
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total			**57.28**				**57.28**

Trade Payables ageing schedule March 31, 2025

Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Receipts				
			Less than 1 Year	1-2 years years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

19. Other financial liabilities (current)

	March 31, 2026	March 31, 2025
Provision for expenses	321.92	288.91
Other Payables	757.50	616.99
	1,079.42	**905.90**

20. Other current liabilities

	March 31, 2026	March 31, 2025
Statutory dues payable	60.44	124.39
	60.44	**124.39**

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

21. Revenue from operations

	March 31, 2026	March 31, 2025
Sale of Goods	7,720.47	8566.56
	7,720.47	**8,566.56**

22. Other income

	March 31, 2026	March 31, 2025
Interest income	384.76	388.16
Liabilities written back	86.04	-
Miscellaneous income	9.19	21.90
	479.99	**410.06**

23. Cost of raw Materials consumed

	March 31, 2026	March 31, 2025
Inventories of raw materials at beginning of the year	665.05	574.26
Add:Purchases during the year	4,014.37	3,873.37
Add: Other consumbales	124.03	237.35
Less: Inventories of raw materials at end of the year	-	665.05
	4,803.45	**4,019.93**

24. Purchases of stock in trade

	March 31, 2026	March 31, 2025
Purchases of stock in trade	27.32	1,100.46
	27.32	**1,100.46**

25. Changes in inventories of stock-in-trade

	March 31, 2026	March 31, 2025
Inventory at the beginning of the year	2,400.11	3,156.07
Inventory at the end of the year	(2,578.14)	(2,400.11)
	(178.03)	**755.96**

26. Employee benefits expense

	March 31, 2026	March 31, 2025
Salaries, wages, bonus	991.15	879.77
Contribution to provident and other funds	63.12	59.06
Gratuity expenses (Refer note 34)	16.12	14.59
Staff welfare expenses	11.75	19.12
	1,082.14	**972.54**

27. Finance costs

	March 31, 2026	March 31, 2025
Interest expense on borrowing measured at amortised cost	474.15	541.60
Interest expense on lease liability (Refer Note: 4(b))	16.01	21.24
	490.16	**562.84**

28. Depreciation and amortization expense

	March 31, 2026	March 31, 2025
Depreciation of property, plant and equipment (Refer Note: 3)	27.96	39.32
Depreciation of ROU Assets (Refer Note: 5(a))	78.88	82.64
Amortisation of other intangible assets (Refer Note: 4)	1.33	1.39
	108.17	**123.35**

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

29. Other expenses

	March 31, 2026	March 31, 2025
Rent	4.00	4.50
Rates and taxes	29.65	43.00
Repairs and maintenance - others	4.81	12.54
Website Maintenance	5.12	3.56
Freight charges	0.46	7.99
Insurance	7.30	5.20
Office maintenance	92.37	76.69
Business promotion expenses	1,801.64	1,724.03
Postage and courier	0.37	0.33
Power and fuel	27.12	33.21
Travelling and conveyance	24.39	24.56
Delivery charges	154.95	152.98
Legal and professional charges	29.76	35.89
Auditor's Remuneration *	25.00	26.00
Hosting expenses	27.03	27.93
Communication expenses	12.39	12.14
Packing material	18.88	4.33
Bank charges	21.48	12.33
Sales commission	46.56	19.31
Packing Charges	4.59	2.36
Sitting fees	3.10	1.60
Bad debts written off	48.56	-
Provision for dobtful debts	40.69	-
Foreign exchange difference, net	24.27	-
Miscellaneous expenses	56.40	73.15
	2,510.89	**2,303.63**

*Note: The following is the break-up of Auditors remuneration (exclusive of Goods and service tax)

	March 31, 2026	March 31, 2025
As auditor:		
Statutory audit	18.00	18.00
In other capacity:	-	-
Limited Review	6.00	6.00
Certification Fees	1.00	2.00
	25.00	**26.00**

30. Earnings/ Loss per share

Earnings per equity share (EPES)

Basic earnings /(loss) per share amounts are calculated by dividing the loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the loss and share data used in the basic and diluted EPS computations:

	March 31, 2026	March 31, 2025
Loss attributable to equity holders (a)	(526.69)	(775.77)
Weighted average number of equity shares for basic and diluted EPS	12,232,566	12,232,566
Opening weighted average number of equity shares	12,232,566	12,232,566
Add: Issued during the period	-	-
Closing weighted average number of equity shares (b)	12,232,566	12,232,566
Basic	(4.31)	(6.34)
Diluted	(4.31)	(6.34)

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

31. Fair value measurements

(i) Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data either directly or indirectly.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

	March 31, 2026		March 31, 2025	
	FVTPL	**Amortised cost**	**FVTPL**	**Amortised cost**
Financial Assets				
Trade receivables	-	1,711.95	-	2,152.66
Cash and cash equivalents	-	70.67	-	72.13
Other Bank balances	-	5,851.58	-	5,510.64
Other financial assets	-	34.05	-	25.25
	-	**7,668.25**	**-**	**7,760.68**
Financial liabilities				
Borrowings	-	6,084.22	-	5,587.78
Trade payables	-	57.28	-	-
lease liability	-	59.03	-	95.82
Other financial liabilities	-	1,079.42	-	905.90
	-	**7,279.95**	**-**	**6,589.50**

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments carried at amortised cost:

	March 31, 2026		March 31, 2025	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Financial Assets				
Trade receivables	1,711.95	1,711.95	2,152.66	2,152.66
Cash and cash equivalents	70.67	70.67	72.13	72.13
Other Bank balances	5,851.58	5,851.58	5,510.64	5,510.64
Other financial assets	34.05	34.05	25.25	25.25
	7,668.25	**7,668.25**	**7,760.68**	**7,760.68**
Financial liabilities				
Borrowings	6,084.22	6,084.22	5,587.78	5,587.78
Trade payables	57.28	57.28	-	-
lease liability	59.03	59.03	95.82	95.82
Other financial liabilities	1,079.42	1,079.42	905.90	905.90
Total financial liabilities	**7,279.95**	**7,279.95**	**6,589.50**	**6,589.50**

The carrying amounts of trade and other receivables, trade payables and other financial liabilities, cash and cash equivalents and other bank balances are considered to be the same as their fair values, due to their fair values, due to their short term nature.

iii. The Group's principal financial liabilities, comprise other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations.

The carrying amounts of trade receivables, and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. Difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities subsequently measured at amortized cost is not significant in each of the years presented. For all other amortized cost instruments, carrying value represents the best estimate of fair value.

For financial assets measured at fair values, the carrying amounts are equal to the fair values.

32. Financial instruments risk management

The Group is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows.

There have been no significant changes in the Company's risk management objectives, policies and procedures for managing financial risks during the year.

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

A. Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments. The Company doesn't have significant concentration of risk with any single customer, industry or geographic region.

Interest rate risk:

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's investments in deposits is with banks and therefore do not expose the Group to significant interest rates risk. The Group's rate borrowing is subject to interest rate risk. However the same is fixed at 1.5%+ interest rates on investments in deposits. Accordingly, no interest rate risk is perceived.

Particulars	March 31, 2026	March 31, 2025
Fixed rate instruments		
Financial assets	5,851.58	5,510.64
Financial liabilities	6,084.22	5,587.78

Commodity rate risk:

Exposure to market risk with respect to commodity prices primarily arises from Group's purchase and sale of computers, mobiles, electronic products, fashion accessories and related services. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Group's purchases generally fluctuate in line with commodity cycles and are generally more volatile depending upon the market conditions. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. For the reporting periods presented, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity.

B. Credit risk

Credit risk on Cash and cash equivalents is limited as the Group generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in certificates of deposit which are funds deposited at a bank for a specified time period. None of the Group's cash equivalents, including term deposits (i.e. certificates of deposits) were past due or impaired as at the reporting periods.

C. Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation.

The Group's principle sources of liquidity are cash and cash equivalents and current investments. The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding. The Group had following working capital at the end of the reporting year.

Particulars	March 31, 2026	March 31, 2025
Current Assets	10,743.69	10,721.37
Current liabilities	7,359.25	6,717.52
Working Capital	3,384.43	4,003.85

Except for other non-current financial liabilities (if any), all the contractual maturities of significant financial liabilities are payable on demand or are expected to be paid with in one year from the respective reporting years.

D. **Foreign Currency Risk**

The Group is exposed to foreign exchange risk arising from foreign currency transactions, mainly in the nature of purchases denominated in foreign currencies and other expenditures like sourcing commission. As a policy, the Group does not hedge any of its exposure to foreign currency

Excessive risk concentration

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations. Credit risk is managed through credit approvals and continuously monitoring the creditworthiness of collection agencies to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for credit losses and impairment that represents its estimate of expected losses in respect of trade and other receivables.

Financial assets that are neither past due or nor impaired

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in certificates of deposit which are funds deposited at a bank for a specific time period. None of the Group's cash equivalents, including term deposits (i.e. certificates of deposits) were past due or impaired as at the reporting period.

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and region in which the customer operates, also has an influence on credit risk assessment.

The group has expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade and other receivables. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry, credit ratings from credit rating agencies and historical experience for customers.

33. Capital management

The Group's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other shareholders and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets. Gearing ratio of the Group is as follows:

Particulars	March 31, 2026	March 31, 2025
Borrowings	6,084.22	5,587.78
Less: Cash & Cash Equivalents	70.67	72.13
Net Debt (a)	6,013.55	5,515.65
Equity (b)	3,873.22	4,622.95
Gearing Ratio (a/(a+b))	0.61	0.54

34. Employee benefits

(a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of the Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionally 15 days salary multiplied for the number of the years of service. The gratuity plan is unfunded. The assumptions used in accounting for the gratuity plan are set out below.

		March 31, 2026	March 31, 2025
i.	Change in projected benefit obligation		
	Projected benefit obligation at the beginning of the year	70.20	59.82
	Service cost	11.40	4.31
	Interest cost	4.72	10.28
	Actuarial (gain) / loss	4.12	3.93
	Benefits paid	(2.05)	(8.15)
	Projected benefit obligation at the end of the year	88.39	70.19
ii.	Expense recognized in the statement of profit and loss		
	Service cost	11.40	4.31
	Interest cost	4.72	10.28
	Expected returns on plan assets	-	-
	Net gratuity costs	16.12	14.59
iii.	Expense recognized in OCI		
	Recognized net actuarial (gain)/ loss	4.12	3.93
iv.	Key actuarial assumptions		
	Financial assumptions		
	Discount rate	6.71%	6.79%
	Expected return on plan assets	-	-
	Withdrawal Rate	-	-
	Salary escalation rate	7.00%	7.00%
	Rate of Employee turnover	For Service 4 years and below 30% p.a.	For Service 4 years and below 30% p.a.
		For Service 5 years and above 2% p.a.	For Service 5 years and above 2% p.a.
	Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

Mortality rate as per Indian Assured Lives Mortality 2012-14 table

		March 31, 2026	March 31, 2025
v.	**Sensitivity Analysis**		
	Projected defined benefit obligation	88.39	70.19
	Delta effect of +1% change in discount rate	(8.43)	(8.27)
	Delta effect of -1% change in discount rate	10.17	9.95
	Delta effect of +1% change in salary escalation rate	9.17	7.81
	Delta effect of -1% change in salary escalation rate	(7.72)	(6.56)
	Delta effect of +1% change in employee turnover rate	0.16	0.48
	Delta effect of -1% change in employee turnover rate	(0.21)	(0.54)
vi.	**Maturity analysis of projected benefit obligation**		
	1 year	18.87	3.63
	2 to 5 years	1.63	7.66
	6 to 10 years	7.06	
	More than 5 years	205.64	188.59

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate and salary escalation rate. The calculation of the net defined benefit liability is sensitive to these assumptions. Sensitivity to these factors is disclosed above.

35. Related Party disclosures

(a) Names of related parties and description of relationship as identified and certified by the Group:

Holding Company
Palred Technologies Limited

Entity under common control
Indian
Palred Electronics Private Limited
Palred Retail Private Limited
Palred Technology Services Private Limited

Foreign
Palred Online Bilism Teknoljileri Ticaret Anonim Sirketi, Turkey
Palred Electronics Limited ('POT'), Hong Kong
Palred Technology Shenzhen Company Ltd, China

Key Management Personnel (KMP)
Mr. Pinekalapati Harish Naidu, CFO
Mrs. Shruti Rege, Company Secretary
Ms. Supriya Reddy
Ms. Stuthi Reddy

(b) Transactions with related parties:

		March 31, 2026	March 31, 2025
Mrs. Palem Supriya Reddy	Remuneration*	15.00	15.00
Mrs. Palem Supriya Reddy	Reimbursement of expenses	0.87	1.06
Mr. Pinekalapati Harish Naidu	Salaries including bonuses	40.00	40.00
Mrs. Shruti Rege	Salaries including bonuses	11.07	10.80
Ms. Stuthi Reddy	Rent	6.00	6.00

*Remuneration not include post employment benefits and other long term employee benefit expenditure which are computed for Company as a whole.

(c) Balances receivable/(payables)

	March 31, 2026	March 31, 2025
Ms. Stuthi Reddy	(2.16)	(0.54)

36. Contingent liabilities and pending litigations

	March 31, 2026	March 31, 2025
(a) Claim against company not acknowledged as debt - Goods and Service Tax (GST)		
Assessment for the years FY 2018-19*	132.96	-
Assessment for the FY: 2017-18 & 2018-19*	66.75	-
Assessment for the years FY 2017-18*	1.54	1.54

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

Note:

The management of the Group, on the basis of internal assessment of the facts of the cases and the underlying nature of transactions is of the view that the probability of the case being settled against the company is remote and accordingly, do not foresee any adjustment to the financial statements in this regard.

37. Additional disclosure as required under paragraph 2 of 'General Instructions for the preparation of Consolidated Financial Statements' of the Schedule III to the Act

Particulars	As at March 31, 2026		For the year ended March 31, 2026		For the year ended March 31, 2026		For the year ended March 31, 2026	
	Net assets (Total Assets-Total liabilities)		Share in profit/(loss)		Share in other comprehensive income/ (loss)		Total comprehensive income/ (loss)	
	As a % of consolidated assets	Amount	As a % of consolidated profit/ (loss)	Amount	As a % of consolidated OCI	Amount	As a % of consolidated total comprehensive income/ (loss)	Amount
Parent	163.27 %	7,035.77	(51.99)%	273.83	(8.04)%	0.46	(51.52)%	274.28
Subsidiaries:								
Indian								
Palred Electronics Private Limited	(32.31)%	(1,392.25)	169.27 %	(891.51)	80.49 %	(4.58)	168.32%	(896.09)
Palred Retail Private Limited	(3.54)%	(152.46)	(0.89)%	4.67	0.00 %	-	(0.88)%	4.67
Palred Technology Services Private Limited	(5.44)%	(234.27)	4.19 %	(22.09)	0.00 %	-	4.15%	(22.09)
Foreign								
Palred Online Bilism Teknoljileri Ticaret Anonim Sirketi, Turkey	0.00 %	-	0.00 %	-	0.00 %	-	0.00%	-
Palred Online Technologies Limited ('POT'), Hong Kong	1.67 %	71.85	0.43 %	(2.27)	167.06 %	(9.51)	2.21%	(11.78)
Palred Technology Shenzhen Company Ltd, China	(7.13)%	(307.22)	20.37 %	(107.30)	(104.60)%	5.95	19.04%	(101.35)
Non Controlling interests	10.12 %	436.02	(41.34)%	217.72	(30.23)%	1.72	(41.22)%	219.44
Total	126.65 %	5,457.44	100.05 %	(526.96)	104.68 %	(5.96)	100.10%	(532.91)
Consolidation adjustments	(26.65)%	(1,148.20)	(0.05)%	0.27	(4.68)%	0.27	(0.10)%	0.54
Net Amount	100.00 %	4,309.24	100.00 %	(526.69)	100.00%	(5.69)	100.00%	(532.38)

(All Amounts are in Indian Rupees in Lakhs, except share data or unless otherwise stated)

Particulars	As at March 31, 2025		For the year ended March 31, 2025					
	Net assets (Total Assets-Total liabilities)		Share in profit/(loss)		Share in other comprehensive income/ (loss)		Total comprehensive income/ (loss)	
	As a % of consolidated assets	Amount	As a % of consolidated profit/ (loss)	Amount	As a % of consolidated OCI	Amount	As a % of consolidated total comprehensive income/ (loss)	Amount
Parent	139.66 %	6,761.49	(26.66)%	206.81	(148.53)%	(3.03)	-26.34%	203.78
Subsidiaries:								
Indian								
Palred Electronics Private Limited	(10.25)%	(496.15)	143.97 %	(1,116.90)	(44.12)%	(0.90)	144.47%	(1,117.80)
Palred Retail Private Limited	(3.25)%	(157.11)	0.38 %	(2.92)	0.00 %	-	0.38%	(2.92)
Palred Technology Services Private Limited	(4.38)%	(212.17)	6.15 %	(47.72)	0.00 %	-	6.17%	(47.72)
Foreign								
Palred Online Bilism Teknoljileri Ticaret Anonim Sirketi, Turkey	0.00 %	-	0.00 %	-	0.00 %	-	0.00%	-
Palred Online Technologies Limited ('POT'), Hong Kong	1.37 %	66.44	0.32 %	(2.51)	198.86 %	4.06	-0.20%	1.55
Palred Technology Shenzhen Company Ltd, China	(3.43)%	(166.26)	9.34 %	(72.43)	113.26 %	2.31	9.06%	(70.12)
Non Controlling interests	4.51 %	218.30	33.63 %	(260.88)	69.12 %	1.41	33.53%	(259.47)
Total	124.24 %	6,014.54	167.13 %	(1,296.55)	188.59 %	3.85	167.08%	(1,292.72)
Consolidation adjustments	(24.24)%	(1,173.29)	(67.13)%	520.78	(88.59)%	(1.81)	-67.08%	518.99
Net Amount	100.00 %	4,841.25	100.00 %	(775.77)	100.00 %	2.04	100.00%	(773.73)

38. Segment reporting

After considering the Company's business model and the internal financial reporting, the management has identified only one reportable segment which is "trading in computers, mobiles, electronic products, fashion accessories and providing related services". Further, all operations and location of Property, Plant and Equiment of the Company are based in India and hence, no separate financial disclosures are applicable in accordance with the requirements of Ind AS 108- Operating segments.

39. Details of Benami Property held

The group do not have any Benami property, where any proceeding has been initiated or pending against the group for holding any Benami property.

40. Wilful Defaulter:

The group has not been declared as wilful defaulter by any bank or financial institution or other lender.

41.Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

The group do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

42. Compliance with number of layers of companies

The group have complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

43. Utilisation of Borrowed funds and share premium:

(i) 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

(ii) 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.

44. Registration of charges or satisfaction with Registrar of Companies (ROC):

The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

45. Compliance with approved Scheme(s) of Arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

46. Undisclosed income

The Group do not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous 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.

47. Corporate Social Responsibility

Provision of Section 135 of the Act is not Applicable to the Company as the Company's net worth is below Rs. 500 crore, turnover is below Rs. 1,000 crore and net profit is less than Rs. 5 crore during immediately preceding financial year.

48. Details of Crypto Currency or Virtual Currency

The group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

49. Events after the reporting period

There has been no significant subsequent events after the reporting period requiring either disclosure or adjustment to the reported financial statements.

50. Audit Trail

The Company uses an accounting software, Micrsoft Dynamics AX 2012, for maintaining its books of account during the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility, and the same has not been enabled in the accounting software throughout the year.

51. Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For **MSKC & Associates LLP**
(Formerly known as MSKC & Associates)
Chartered Accountants
Firm Registration No.:001595S/S000168

Tarun Kumar Jain
Partner
Membership No: 231741

Place: Da Nang, Vietnam
Date: May 29, 2026

For and on behalf of the Board of Directors

Palred Technologies Limited
CIN: L72200TG1999PLC033131

Palem Supriya Reddy
Chairperson & Managing Director
DIN: 00055870
Place: Hyderabad
Date: May 29, 2026

Aakanksha Sachin Dubey
Director
DIN: 08792778
Place: Hyderabad
Date: May 29, 2026

Pinekalapati Harish Naidu
Chief Financial Officer

Place: Hyderabad
Date: May 29, 2026

Shruti Rege
Company Secretary
Membership No. A43523
Place: Pune
Date: May 29, 2026

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