LOYALequipments limited.
Regd. Office & Works : Block No.: 33/34/35/1-2-3-4-5, Village : Zak,
Ta.: Dahegam, Dist : Gandhinagar - 382 330, GUJARAT, INDIA
Contact No.: +91 90990 39955
E-mail : Info@loyalequipments.com, www.loyalequipments.com
CIN NO. L29190GJ2007PLC050607

ISO 9001 : 2015 Certified
ASME - U, U2, R & NB Certified

Date: September 11, 2026

To,
Listing Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400001.

Subject: Corrigendum to the Notice of 19th Annual General meeting along with revised Annual Report of Loyal Equipments Limited

Ref: Loyal Equipments limited (Security Code/Security Id: 539227/LOYAL)

Dear Sir/Madam,

With reference to the Notice dated September 05, 2026 convening the 19th Annual General Meeting ("AGM") of Loyal Equipments Limited ("Company"), scheduled to be held on **Tuesday, September 29, 2026 at 11:00 A.M.** (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), we hereby inform you that, during the process of compilation of the Annual Report, the Explanatory Statement pertaining to ***Item No. 4 – "Approval for Giving Loans or Guarantees or Providing Security under Section 185 of the Companies Act, 2013"***of the Notice was inadvertently omitted from the Notice.

The aforesaid omission was inadvertent and clerical in nature. Accordingly, the Explanatory Statement pertaining to Item No. 4 has now been incorporated in the revised Notice by way of this Corrigendum.

Further, certain **typographical and clerical errors** appearing in the Notice and the Annual Report have also been duly corrected.

Accordingly, the necessary corrections, including incorporation of the aforesaid Explanatory Statement and rectification of typographical and clerical errors, have been incorporated in the Revised Annual Report and Notice.

Except for the corrections and additions specifically set out herein, there is no change in the resolutions proposed to be considered at the 19th AGM or in any other substantive matter contained in the original Notice and Annual Report.

The Revised Annual Report incorporating the aforesaid corrections has been made available on the website of the Company for information of the Members and other stakeholders at https://loyalequipments.com/investor-relation/annual-reports.

The Members are requested to read the original Notice together with this Corrigendum and the Revised Annual Report.

Kindly take the above on record.

For, Loyal Equipments Limited

HEMABEN RAMESHCHANDRA PATEL
Digitally signed by HEMABEN RAMESHCHANDRA PATEL
Date: 2026.09.11 17:35:59 +05'30'

Hema Rameshchandra Patel
Whole-Time Director
DIN: 10644176

Encl.: A/a-

BUILDING
SOLUTIONS
FOR A
SUSTAINABLE
FUTURE

LOYAL equipments limited

ENGINEERING A BETTER TOMORROW

ANNUAL
REPORT
2025–26

PEOPLE
TECHNOLOGY
PROGRESS

BUILDING SOLUTIONS
FOR **A SUSTAINABLE FUTURE**

CORPORATE INFORMATION

Particulars	Designation
Mr. Alkesh Patel	Chairman and Managing Director
Ms. Helena Alkeshkumar Patel	Whole-Time Director
Mrs. Hemaben Rameshchandra Patel	Whole-Time Director
Mr. Pradeep Kumar Agarwal#	Non-Executive Independent Director
Mr. Sharad Vyas#	Non-Executive Independent Director
Mr. Vikas Sharma#	Non-Executive Independent Director
Babubhai Bhulabhai Patel*	Non-Executive Independent Director
Girish Nathubhai Desai*	Non-Executive Independent Director
Kalpesh Lalitchandra Joshi*	Non-Executive Independent Director

*Babubhai Bhulabhai Patel, Girish Nathubhai Desai and Kalpesh Lalitchandra Joshi have resigned with effect from September 03, 2025
#Vikas Sharma, Pradeep Kumar Agarwal and Sharad Vyas as Independent Director of the Company with effect from September 03, 2025.

Contact Person for Investors	Registrar and Share Transfer Agent
Ms. Neha Jangid Company Secretary and Compliance Officer	MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)
Block No. 35/1-2-3-4, Village Zak, Gandhinagar, Dahegam, Gujarat-382330, India	C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083
Tel No.: +91-2718-247236,	Tel. No.: 022-49186060
Fax No.: +91-2716-269033	Website: www.in.mpms.mufg.com
E-mail: cs@loyalequipments.com	Email: mumbai@in.mpms.mufg.com
Website: www.loyalequipments.com	SEBI Regn. No. INR000004058

Chief Financial Officer	Company Secretary & Compliance Officer
Mr. Amitkumar Chandubhai Patel	Ms. Neha Jangid

Registered Office	Depositories
Block No. 35/1-2-3-4, Village Zak, Gandhinagar, Dahegam-382330, Gujarat, India **Tel No.:** +91-2718-247236, +91-2716-269399, **Fax No.:** +91-2716-269033 **E-mail:** cs@loyalequipments.com ; **Website:** www.loyalequipments.com **CIN:** L29190GJ2007PLC050607	National Securities Depository Limited Central Depository Services (India) Limited

Statutory Auditor	Secretarial Auditor
M/S. A Y & Company Chartered Accountants 505, Fifth Floor, ARG Corporate Park, Gopalbari, Ajmer Road, Jaipur – 302006, Rajasthan, India Tel No.: +91-9649687300 E-mail: info@aycompany.co.in Contact Person: CA Arpit Gupta	**M/s MSV And Associates** Practicing Company Secretaries, D-54, Chomu House, C-Scheme, Jaipur-302001 Tel No.: +91-9001637075 E-mail: csviveksharma9@gmail.com

Shares Listed at	Bankers
BSE Limited P.J. Tower, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India	HDFC Bank Limited

INDEX

NOTICE OF 19th ANNUAL GENERAL MEETING

NOTICE is hereby given that the **19th (Nineteenth)** Annual General Meeting of the members of **LOYAL EQUIPMENTS LIMITED** will be held on Tuesday, September 29, 2026 at 11:00 A.M. (IST) through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS

1. **TO RECEIVE, CONSIDER AND ADOPT THE AUDITED STANDALONE FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026 AND THE REPORTS OF THE BOARD OF DIRECTORS AND THE STATUTORY AUDITORS THEREON.**

   In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **ORDINARY RESOLUTION:**

   "RESOLVED THAT the Audited Standalone financial statements of the Company for the financial year ended on March 31, 2026 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. **TO APPOINT DIRECTOR IN PLACE OF MS. HEMABEN RAMESHCHANDRA PATEL (DIN: 10644176) WHOLE TIME DIRECTOR OF THE COMPANY, WHOSE OFFICE IS LIABLE TO RETIRE BY ROTATION AT THIS ANNUAL GENERAL MEETING AND BEING ELIGIBLE, OFFERS HERSELF FOR RE-APPOINTMENT.**

   Explanation: In accordance with the provisions of Section 152 of the Companies Act, 2013, one-third of the Directors (excluding Independent Directors) are liable to retire by rotation at every Annual General Meeting. Accordingly, Ms. Hemaben Rameshchandra Patel (DIN: 10644176), Whole time Director, retires at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

   The Nomination and Remuneration Committee and the Board of Directors, based on her performance evaluation and considering her valuable contribution to the growth and governance of the Company, have recommended her re-appointment.

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

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Ms. Hemaben Rameshchandra Patel (DIN: 10644176), who retires by rotation and, being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

3. **APPOINTMENT OF M/S. MITTAL V. KOTHARI & ASSOCIATES, PRACTICING COMPANY SECRETARIES, AS SECRETARIAL AUDITOR OF THE COMPANY FOR A TERM OF 1 (ONE) YEAR FOR THE FINANCIAL YEAR 2026-27.**

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

   "RESOLVED THAT pursuant to Section 204 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) as amended, and based on the recommendation of the Audit Committee and the Board of Directors, the Members do hereby approve the appointment of M/s. Mittal V. Kothari & Associates, Practicing Company Secretaries (COP No.: 17202) (Peer Review Certificate No. 4577/2023) as the Secretarial Auditor of the Company for the term of one (1) year for the Financial Year 2026–27, on such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditors, from time to time.

RESOLVED FURTHER THAT the approval of the Members be and is hereby accorded to the Board of Directors to avail or obtain from the Secretarial Auditor such other services, certificates, reports or opinions as the Secretarial Auditor may be eligible to provide or issue under the applicable laws, on such terms and remuneration as may be mutually agreed.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things and to execute all such documents, writings and filings as may be necessary, desirable or expedient for giving effect to this Resolution."

4. APPROVAL FOR GIVING LOANS OR GUARANTEES OR PROVIDING SECURITY UNDER SECTION 185 OF THE COMPANIES ACT, 2013.

To consider and if thought fit, to pass, the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions, if any of the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactments thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, and on the recommendation of the Board, the consent of members of the Company, be and is, hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution), for giving loan(s) in one or more tranches including loan represented by way of book debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company, if any or any other person in which any of the Directors of the Company is deemed to be interested as specified in the explanation to sub-section 2 of section 185 of the Act (collectively referred to as the "Entities"), of an aggregate amount not exceeding ₹ 50.00 Crore (Rupees Fifty Crore Only) at any point of time, during the financial year 2026-27 and thereafter, on such terms and conditions as the Board may, in its absolute discretion, deem fit and in the best interest of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee thereof) be and is hereby authorized to negotiate, finalise and agree to the terms and conditions of the aforesaid Loans/Guarantees/Securities, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable.

RESOLVED FURTHER THAT the powers be delegated to the Board of the Company and the Board is hereby authorized to negotiate, finalise agree the terms and conditions of the aforesaid loan/guarantee/security and to do all such acts, deeds and things as may be necessary and incidental including signing and/or execution of any deeds /documents /undertakings /agreements /papers / writings for giving effect to this Resolution."

For and on behalf of Board of Directors
For, Loyal Equipments Limited

Registered office:
Block No.35/1-2-3-4 Village - Zak, Gandhinagar, Dahegam - 382330, Gujarat, India.

Place: Dahegam
Date: September 05, 2026

Sd/-	**Sd/-**
Patel Alkeshkumar	**Hemaben Rameshchandra Patel**
Chairman and Managing Director	**Whole-Time Director**
DIN: 02672297	**DIN: 10644176**

IMPORTANT NOTES

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed with the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued General Circular No. 03/2025 dated September 22, 2025 read with earlier circulars issued in this regard ("MCA Circulars") and Circular No. SEBI/HO/CFD/ CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 read with earlier circulars in this regard issued by the Securities and Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said circulars, the 19^{th} AGM of the Members will be held through VC/OAVM.

2. Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') and Secretarial Standard-2 on General Meetings, issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment or seeking revision in remuneration at this Annual General Meeting ('Meeting' or 'AGM') are furnished as Annexure to this Notice.

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

4. Pursuant to the provisions of Section 113 of the Act, Body Corporates/Institutional/Corporate members intending for their authorized representatives to attend the meeting are requested to send to the Company, on cs@loyalequipments.com with a copy marked to cs@scsandcollp.com and evoting@nsdl.com from their registered Email ID a scanned copy (PDF/ JPG format) of certified copy of the Board Resolution/ Authority Letter authorizing their representative to attend and vote on their behalf at the meeting.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto;

7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

8. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the MCA Circulars & SEBI Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

9. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), as revised with effect from April 01, 2024, read with Clarification / Guidance on applicability of Secretarial Standards 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

10. Electronic dispatch of Notice and Annual Report in accordance with the MCA General Circular Nos. 20/2020 dated 5th May, 2020 and 10/2022 dated 28th December, 2022 and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, the financial statements (including Board's Report, Auditors' Report or other documents required to be attached therewith) for the Financial Year ended 31st March 2026 pursuant to section 136 of the Act and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose email addresses are registered with the Company/ MUFG Intime India Private Limited or the Depository Participant(s). The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same.

11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.loyalequipments.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited https://www.bseindia.com/ and is also made available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

12. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants.

13. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,

14. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the meeting. This would enable the Company to compile the information and provide the replies at the Meeting.

15. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. Tuesday, September 29, 2026. Members seeking to inspect such documents can send an email to cs@loyalequipments.com.

17. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login).

18. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the NSDL. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode is provided in the instructions for e-voting section which forms part of this Notice. The Board has appointed M/s. SCS and Co. LLP, Practicing Company Secretary, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.

19. The e-voting period commences on Saturday, September 26, 2026 at 09:00 A.M. (IST) and ends on Monday, September 28, 2026 at 05:00 P.M. (IST). During this period, members holding shares in dematerialized form, as on cut-off date, i.e. as on Tuesday, September 22, 2026 may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolutions on which vote have already been cast.

20. The facility for voting during the AGM will also be made available. Members present in the AGM through VC/ OAVM and who 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 the e-voting system during the AGM.

21. The Scrutinizer will submit their report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting). The result declared along with the Scrutinizer's report shall be communicated to the stock exchange, NSDL and will also be displayed on the Company's website at www.loyalequipments.com.

22. The Scrutinizer shall, after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and count the same, and count the votes cast during the AGM, and shall submit, not later than 2 Working days from the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith. The Scrutinizer's decision on the validity of the votes shall be final.

23. The results declared along with the Scrutinizer's Report shall be placed on the Company's website at www.loyalequipments.com and on the website of NSDL www.evoting.nsdl.com within two working days of the passing of the Resolutions at the 19th Annual General Meeting of the Company and shall also be communicated to the Stock Exchange where the shares of the Company are listed.

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

The remote e-voting period begins on Saturday, September 26, 2026 at 09:00 A.M. and ends on Monday, September 28, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, September 22, 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.

HOW DO I VOTE ELECTRONICALLY USING NSDL E-VOTING SYSTEM?

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

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM:

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting

page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.

4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on

App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	**1.** Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System My easi Tab and then user your existing my easi username & password. **2.** After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. **3.** If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. **4.** Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

HELPDESK FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE FOR ANY TECHNICAL ISSUES RELATED TO LOGIN THROUGH DEPOSITORY i.e. NSDL AND CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911.

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: www.evoting.nsdl.com either on a Personal Computer or on a mobile. **2.** Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM.

HOW TO CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON NSDL E-VOTING SYSTEM?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

GENERAL GUIDELINES FOR SHAREHOLDERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs@scsandcollp.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to (Name of NSDL Official) at evoting@nsdl.com.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF E MAIL IDS FOR E- VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@loyalequipments.com

2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested

scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) cs@loyalequipments.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step **1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

CONTACT DETAILS

Company	**Loyal Equipments Limited** Block No.35/1-2-3-4 VILLAGE - ZAK, Gandhinagar, Dahegam, Gujarat, India, 382330 **Tel No.** +91 281 2581152, 95109 76156 **E-Mail ID:** cs@loyalequipments.com **Website:** www.loyalequipments.com
Registrar and Transfer Agent	**MUFG Intime India Private Limited** C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai400083 **Contact No.:+** 022-49186060 **E-Mail Id :** mumbai@in.mpms.mufg.com **Website:** www.in.mpms.mufg.com
e-Voting Agency & VC / OAVM	**Email:** evoting@nsdl.com **NSDL help desk**: 1800-222-990
Scrutinizer	**M/S. SCS AND CO. LLP** Ms. Anjali Sangtani, Partner (Membership No. F14118, CP NO. 23630) **Tel No.:** 079-40051702 | **Email:** cs@scsandcollp.com

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE 19th AGM ARE AS UNDER

1. The procedure for e-Voting on the day of the 19th AGM is same as the instructions mentioned above for remote e- voting.

2. Only those Members/ shareholders, who will be present in the 19th AGM through VC/OAVM facility and have not caste their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the 19th AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO ATTEND THE ANNUAL GENERAL MEETING THROUGH VC/OAVM

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@loyalequipments.com . The same will be replied by the company suitably.

PROCEDURE TO ASK QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT

As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views/ send their queries/questions in advance mentioning their name, demat account number/folio number, e-mail id, mobile number at cs@loyalequipments.com Questions/queries received by the Company till 5:00 p.m. on Tuesday, September 22, 2026 shall only be considered and responded during the AGM.

The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

EXPLANATORY STATEMENT

[Pursuant To Section 102(1) of the Companies Act, 2013 and Additional Information as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circulars Issued thereunder]

ITEM NO. 3

APPOINTMENT OF M/S. MITTAL V. KOTHARI & ASSOCIATES, PRACTICING COMPANY SECRETARIES, AS SECRETARIAL AUDITOR OF THE COMPANY FOR A TERM OF 1 (ONE) YEAR FOR THE FINANCIAL YEAR 2026-27: ORDINARY RESOLUTION

M/s. MSV & Associates, Practicing Company Secretaries, were appointed as the Secretarial Auditor of the Company at the 18th Annual General Meeting for a period of five (5) consecutive financial years commencing from the financial year 2025-26 to 2029-30.

However, they tendered their resignation vide their letter dated September, 05, 2026 as Secretarial Auditor of the company due to existing professional commitments, the volume and nature of assignments presently undertaken by their firm, and the resulting professional and capacity constraints. thereby causing a casual vacancy in the office of the Secretarial Auditor.

Pursuant to Regulation 24A(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the casual vacancy arising out of resignation, death or disqualification of a Secretarial Auditor shall be filled by the board of directors of the listed entity within a period of three months and the secretarial auditor so appointed shall hold office till the conclusion of the next annual general meeting.

Accordingly, the Board at its meeting held on September 05, 2026 based on recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., has approved the appointment of M/s. Mittal V. Kothari & Associates, a peer reviewed firm (Peer Review Certificate No. 4577/2023) as Secretarial Auditor of the Company for a term of one (1) year from FY 2026-27, to fill the casual vacancy arising due to the resignation of M/s. MSV & Associates, subject to the approval of the Members of the Company.

The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

M/s. Mittal V. Kothari & Associates is a well-known firm of Practising Company Secretaries based in Ahmedabad. Renowned for its commitment to quality and precision, the firm has been Peer Reviewed and Quality Reviewed by the Institute of Company Secretaries of India (ICSI), ensuring the highest standards in professional practices.

M/s. Mittal V. Kothari & Associates provides secretarial and compliance related services applicable to Listed and Unlisted Company's pursuant to Company/Corporate Laws, SEBI Laws, SEBI (LODR)/Listing Regulations, SEBI ICDR Regulations, and other allied professional services.

The firm provides its services to various prominent companies and their expertise has earned the trust of industry leaders across sectors like manufacturing, pharmaceuticals, and public utilities.

M/s. Mittal V. Kothari & Associates has confirmed that the firm is not disqualified and is eligible to be appointed as Secretarial Auditors in terms of Regulation 24A of the SEBI Listing Regulations. The services to be rendered by M/s. Mittal V. Kothari & Associates as Secretarial Auditors is within the purview of the said regulation read with SEBI circular no. SEBI/ HO/CFD/CFD-PoD2/CIR/P/2024/185 dated December 31, 2024. M/s. Mittal V. Kothari & Associates shall provide such other services in the nature of certifications and other professional work, as approved by the Board of Directors. The relevant fees will be determined by the Board, as recommended by the Audit Committee in consultation with the Secretarial Auditors.

The Board recommends the Ordinary Resolution as set out in Item No. 03 of this Notice for approval of the Members

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, in the Resolution set out in Item No. 3 of this Notice.

Brief Profile

Ms. Mittal Kothari is the Proprietor of M/s. Mittal V. Kothari & Associates, Practicing Company Secretaries, and possesses more than eight years of professional experience in the areas of Company Law, LLP Law and SEBI Laws. She has extensive experience in advising listed entities on compliance with the SEBI Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, corporate governance, secretarial audits, due diligence and various corporate law matters. She also advises private and public companies on corporate legal compliances and governance practices.

Term of Appointment
M/s. Mittal V. Kothari & Associates, Practicing Company Secretaries, shall be appointed as the Secretarial Auditor of the Company for a term of one (1) year for the Financial Year 2026–27.

Remuneration
The remuneration payable to the Secretarial Auditor for the Secretarial Audit and such other certifications, reports or professional services as may be required under applicable laws shall be such as may be mutually agreed between the Board of Directors and the Secretarial Auditor from time to time, based on the nature and scope of services, expertise, time involved and prevailing industry practices.

Basis of Recommendation
The Audit Committee and the Board of Directors have considered the qualifications, experience, expertise, peer review status, independence and eligibility of M/s. Mittal V. Kothari & Associates in accordance with the provisions of the Companies Act, 2013, the Rules made thereunder and the SEBI Listing Regulations. The Board is satisfied that the firm possesses the requisite competence and experience to discharge the functions of the Secretarial Auditor of the Company.

M/s. Mittal V. Kothari & Associates has furnished its consent to act as the Secretarial Auditor of the Company and has confirmed that it satisfies the eligibility criteria prescribed under the Companies Act, 2013, the Rules made thereunder and the SEBI Listing Regulations, and that it is not disqualified from being appointed as the Secretarial Auditor of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 03 for approval by the Members.

ITEM NO. 4

APPROVAL FOR GIVING LOANS OR GUARANTEES OR PROVIDING SECURITY UNDER SECTION 185 OF THE COMPANIES ACT, 2013: SPECIAL RESOLUTION

Pursuant to the provisions of Section 185 of the Companies Act, 2013 ("the Act"), a company may advance any loan, including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any person in whom any of the directors of the Company is interested, as specified in the Explanation to Section 185(2) of the Act, subject to the approval of the Members by way of a Special Resolution and subject to such loans being utilised by the borrowing entity for its principal business activities.

In order to facilitate the business requirements of the Company's subsidiary companies, associate companies, joint ventures, group entities and/or any other person in whom any of the Directors of the

Company is deemed to be interested as specified in the Explanation to Section 185(2) of the Act (collectively referred to as the "Entities"), it is proposed to authorise the Board of Directors to provide, from time to time, loans (including loans represented by book debts), guarantees and/or securities in connection with loans availed or proposed to be availed by such Entities, for an aggregate amount not exceeding ₹50 Crore (Rupees Fifty Crore Only) at any point of time, on such terms and conditions as the Board may deem fit.

The proposed loans, guarantees and/or securities shall be utilised by the respective borrowing entities solely for their principal business activities and other matters connected and incidental thereto, subject to the aggregate limits specified in Item No. 04 of the accompanying Notice.

The Board shall evaluate each proposal on its merits and may extend such financial assistance from the Company's internal accruals, borrowed funds or such other permissible sources as may be considered appropriate. The terms of such loans, guarantees or securities, including the rate of interest, tenure and other conditions, shall be determined by the Board from time to time in the best interests of the Company.

Accordingly, the approval of the Members is sought by way of a Special Resolution under Section 185 of the Companies Act, 2013, as set out at Item No. 04 of the accompanying Notice.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of their shareholding, if any, in the Company and/or to the extent of their interest as director or member of the borrowing entity, wherever applicable.

The Board of Directors recommends the Special Resolution set out at Item No. 04 of the Notice for approval of the Members.

ANNEXURE TO NOTICE OF 19TH ANNUAL GENERAL MEETING

Disclosure under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-II issued by ICSI for Item No.02:

Particulars	**Ms. Hemaben Rameshchandra Patel**
DIN	10644176
Designation	Whole-Time Director
Date of Birth	October 18, 1973
Nationality	Indian
Date of Original Appointment	November 02, 2024
Qualifications	Bachelor of Commerce
Experience	Ms. Hemaben Rameshchandra Patel is the Whole-Time Director of our Company. She has more than 15 years of experience in administration. She looks after the administration of the company.
Terms and conditions	Appointed as Whole-Time Director of the Company for a period of 5 (five) years commencing from September 30, 2025 to September 29, 2030 and liable to retire by rotation.
Number of Board Meetings attended during the Financial Year 2025-26	6 out of 6 Board Meetings
Directorships held in other public companies including deemed public companies#	-
Memberships/Chairmanships of committees of public companies*	-
Listed entities from which the person has resigned in the past three years	-
No. of Equity Shares held in the Company as on date of this report	50,015 Equity Shares
Inter-se Relationship with other Directors^	Sister of Patel Alkeshkumar, Chairman and Managing Director of the Company.
Remuneration last Drawn	₹ 18,50,000 per annum
Information as required pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018	Ms. Hemaben Rameshchandra Patel is not debarred from holding the office of director pursuant to any SEBI order.

#Excluding Section 8 Company, struck off Company and Amalgamated Company.
**Includes only the Audit Committee and Stakeholders' Relationship Committee of listed entities/public companies, as applicable.*
^In accordance with SEBI (ICDR) Regulations, 2018 and the Companies Act, 2013.

BOARD'S REPORT

To
The esteemed Members of,
Loyal Equipments Limited

Your Directors have pleasure in presenting the 19th (Nineteenth) Annual Report on the business operations and financial performance of Loyal Equipments Limited (the "Company"), together with the Audited Financial Statements of the Company for the financial year ended March 31, 2026.

Financial Performance Summary

The Company's financial performance for the financial year ended 31 March 2026, along with that of the previous financial year ended 31 March 2025, is summarized below:

(Amount in Lakhs)

Particulars	FY 2025-26	FY 2024-25
Revenue from operations	7897.84	7530.01
Other income (net)	99.47	41.57
Total Income	**7997.31**	**7571.58**
Operating expenditure before Finance cost, depreciation and amortization	6671.15	5890.51
Earnings before Finance cost, depreciation and amortization (EBITDA)	1326.16	1681.07
Less: Depreciation and amortization expense	273.97	236.34
Less: Finance costs	178.91	85.95
Profit before tax (PBT)	**873.28**	**1358.78**
Less: Current Tax	192.55	311.48
Less: Deferred tax Liability (Asset)	7.36	(18.89)
Profit after tax	**673.37**	**1066.20**
Less: Other Comprehensive Income	5.16	0.20
Total Comprehensive Income	**668.21**	**1066.00**

Operation & Review

The key aspects of the Company's performance during the financial year 2025-26 are as follows:

- For the financial year ended 2025-26, the Company's revenue from operations reached ₹7,897.84 lakhs. This represents an increase of 4.88% compared to the revenue of ₹7,530.01 lakhs recorded in the previous financial year, 2024-25.

- The Company's EBITDA decreased to ₹1,326.16 lakhs during FY 2025-26 from ₹1,681.07 lakhs in FY 2024-25, representing a year-on-year decrease of 21.11%.

- The Profit After Tax (PAT) stood at ₹673.37 lakhs for FY 2025-26 as against ₹1,066.20 lakhs in FY 2024-25, representing a year-on-year decrease of 36.85%.

RISK MANAGEMENT AND INTERNAL CONTROL

The Company recognizes that risk is an integral part of its business and is committed to managing risks proactively and efficiently. The Company periodically identifies, assesses, and monitors financial, operational, legal, and other business risks through established procedures, including audits, inspections, and internal reviews.

Based on the assessment undertaken by the Board, there are no risks that, in its opinion, may threaten the existence or continuity of the Company. The Company has adequate internal financial controls commensurate with the nature and scale of its operations, and such controls are reviewed and monitored at regular intervals to ensure their effectiveness.

DIVIDEND

In order to conserve resources and strengthen the financial position of the Company for future growth opportunities, the Board of Directors has not recommended any dividend for the financial year 2025–26.

Pursuant to the provisions of Sections 124 and 125 of the Act, there is no amount of Dividend remaining unclaimed / unpaid for a period of 7 (seven) years and/or unclaimed Equity Shares which are required to be transferred to the Investor Education and Protection Fund (IEPF).

Further, Details of outstanding and unclaimed dividends, previously declared and paid by your Company, are given under the Corporate Governance Report, which forms part of this Annual Report.

SHARE CAPITAL

a.) Authorized Capital

During the Financial Year under review, there was no change in the Authorized Share Capital of the Company. As at March 31, 2026, the Authorized Share Capital of the Company stood at ₹ 15,00,00,000 (Rupees Fifteen Crore Only), divided into 1,50,00,000 (One Crore Fifty Lakh) Equity Shares of ₹10 (Rupees Ten Only) each.

b.) Issued/Subscribed/Paid up Capital:

During the Financial Year under review, there was no change in the Issued, Subscribed and Paid-up Share Capital of the Company. As at March 31, 2026, the Issued, Subscribed and Paid-up Share Capital of the Company stood at ₹ 10,79,00,000 (Rupees Ten Crore Seventy-Nine Lakh Rupees Only), divided into ₹ 1,07,90,000 (One Crore Seven Lakh Ninety Thousand) Equity Shares of ₹10 (Rupees Ten Only) each.

Further during the year, the Company has not issued any equity share with differential voting rights hence the disclosure under Rule 4 (4) of the Companies (Share Capital and Debentures) Rules, 2014 is not applicable.

TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve account during the reporting period.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the period under review, there is no unpaid/unclaimed dividend which is required to transfer in IEPF (Investor Education and Protection Fund) as per the provisions of the Companies Act, 2013.

CHANGE IN NATURE OF THE BUSINESS

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

HUMAN RESOURCE DEVELOPMENT

The Company sees its employees as critical to the future and believes that every employee needs to possess apart from competence, capacity and capabilities, sustainable values, current and contemporary which would make them useful and relevant and competitive in managing the change constructively for overall growth of the organization. To this end the company's approach and efforts are directed towards creating a congenial work atmosphere for individual growth, creativity and greater dedicated participation in organizational development. The Company believes that the success of an organization largely depends on the quality of its workforce. Employee relations remained cordial and peaceful throughout the year.

QUALITY INITIATIVES

The Company is committed to the highest level of quality and continuous improvement programme are organized at all the level.

INFORMATION ABOUT HOLDING / SUBSIDIARIES / ASSOCIATE COMPANY

The Company doesn't have any Holding, Subsidiary and Associate Company as on March 31, 2026.

MATERIAL CHANGES AND COMMITMENTS

There is no material change and commitments affecting the Financial Position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relates and the date of the report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The members of the Company's Board of Directors are eminent persons of proven competence and integrity. Besides experience, strong financial acumen, strategic astuteness and leadership qualities, they have a significant degree of commitment towards the Company and devote adequate time to the meetings and preparation. The Board meets at regular intervals to discuss and decide on Company / Business policy and strategy apart from other Board business.

The Board exhibits strong operational oversight with regular presentations in every quarterly meeting. The Board/Committee meetings are convened by giving appropriate notice well in advance to help them plan their schedule and ensure meaningful participation in the meetings.

The Directors / Members are provided with appropriate information in the form of agenda items in a timely manner, to enable them to deliberate on each agenda item and make informed decisions and provide appropriate directions to the Management in this regard. The Board of Directors of the Company comprises of six Directors, consisting of three Independent Directors and three Executive Directors including two Whole Time Director (Women Director) & one Managing Director as on March 31, 2026 who brings in a wide range of skills and experience to the Board.

The composition of Board of the Company as on March 31, 2026 is as under:

Name of the Director	Designation	DIN
Mr. Alkeshkumar Patel	Chairman and Managing Director	02672297
Ms. Helena Alkeshkumar Patel	Whole-Time Director	09296895
Ms. Hemaben Rameshchandra Patel	Whole-Time Director	10644176
Mr. Pradeep Kumar Agarwal	Non-Executive Independent Director	10209096
Mr. Sharad Vyas	Non-Executive Independent Director	09088517
Mr. Vikas Sharma	Non-Executive Independent Director	03354570

All independent Directors have furnished declarations pursuant to Section 149(7) of the Act, affirming their adherence to the criteria of independence as stipulated under Section 149(6) of the Act.

Details of Composition of the Board and its Committees, Category, Attendance of Directors at Board Meetings and Committees meetings and last Annual General Meeting, number of other directorships and other committee memberships are given in the Corporate Governance Report forming part of this report.

Appointment, Re-appointment and Cessation of Directors

During the financial year under review, the following change took place in the composition of the Board of Directors of the Company

1. Re-appointment of Mr. Alkeshkumar Patel as Managing Director

The Board of Directors, at its meeting held on September 03, 2025, approved the re-appointment of Mr. Alkeshkumar Patel (DIN: 02672297) as Managing Director of the Company for a further period of five years from September 03, 2025 to September 02, 2030, which was subsequently approved by the Members at the 18th Annual General Meeting held on September 30, 2025, along with the increase in the overall limit of remuneration payable to him.

Accordingly, Mr. Alkeshkumar Patel continues to hold office as Chairman and Managing Director of the Company and is not liable to retire by rotation.

2. Appointment And Regularisation of Ms. Hemaben Rameshchandra Patel (DIN: 10644176)

Ms. Hemaben Rameshchandra Patel (DIN: 10644176) was appointed as an Additional Director in the Executive category with effect from November 02, 2024, and her appointment as Whole-Time Director was subsequently approved and regularized by the Members at the 18th Annual General Meeting held on September 30, 2025, for a term of five years from September 30, 2025 to September 29, 2030. She is liable to retire by rotation, and the Members also approved the increase in the overall limit of remuneration payable to her.

3. Appointment and Regularisation of Independent Directors

Mr. Vikas Sharma (DIN: 03354570), Mr. Pradeep Kumar Agarwal (DIN: 10209096) and Mr. Sharad Vyas (DIN: 09088517) were appointed by the Board as Additional Directors in the category of Non-Executive Independent Directors with effect from September 03, 2025.

Their appointments were subsequently approved and regularised by the Members at the 18th Annual General Meeting held on September 30, 2025, for a term of five consecutive years commencing from September 03, 2025 to September 02, 2030. They are not liable to retire by rotation.

4. Cessation of Independent Directors

Mr. Babubhai Bhulabhai Patel (DIN: 00116495), Mr. Girish Nathubhai Desai (DIN: 02824731) and Mr. Kalpesh Lalitchandra Joshi (DIN: 07210197), Independent Directors of the Company, completed their second term as Independent Directors and ceased to be Directors of the Company with effect from September 03, 2025. The cessation of the aforesaid Directors was taken on record by the Board at its meeting held on September 03, 2025.

The Board placed on record its sincere gratitude and appreciation for the valuable contribution, guidance, support and services rendered by Mr. Babubhai Bhulabhai Patel, Mr. Girish Nathubhai Desai and Mr. Kalpesh Lalitchandra Joshi during their respective tenures as Independent Directors of the Company.

5. Retirement by Rotation and Subsequent Re-Appointment

In accordance with the provisions of Section 152 of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and the Articles of Association of the Company, Ms. Hemaben Rameshchandra Patel (DIN: 10644176), is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and, being eligible, has offered herself for re-appointment.

The proposal for her re-appointment forms part of the Notice convening the AGM. A brief profile and additional details pertaining to Ms. Hemaben Rameshchandra Patel have also been provided in the Notice for shareholders' reference and consideration.

Key Managerial Personnel

In terms of the provisions of Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendments thereunder), the Key Managerial Personnel ("KMPs") of the Company as on the date of this report, are as under:

Name of the KMP	Designation
Mr. Alkeshkumar Patel	Chairman and Managing Director
Ms. Helena Alkeshkumar Patel	Whole-Time Director
Ms. Hemaben Rameshchandra Patel	Whole-Time Director
Mr. Amitkumar Chandubhai Patel	Chief Financial Officer
Mrs. Neha Jangid	Company Secretary

Further, during the year under review; Mr. Rishi Roop Kapoor was appointed as the Chief Executive Officer ("CEO") of the Company with effect from May 06, 2025. Subsequently, he tendered his resignation from the position of CEO, which became effective from the close of business hours on February 28, 2026. Accordingly, he ceased to be the CEO of the Company with effect from February 28, 2026.

NUMBER OF MEETINGS OF THE BOARD

During the financial year under review, the Board of Directors of the Company met 6 (Six) times, i.e., on May 09, 2025, August 08, 2025, September 03, 2025, November 14, 2025, February 13, 2026 and March 06, 2026.

The intervening gap between any two consecutive meetings of the Board was within the prescribed statutory limits and was in compliance with the applicable provisions of the Companies Act, 2013, the Rules made thereunder, the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of the meetings of the Board of Directors held during the financial year and the attendance of the Directors thereat are set out in the Corporate Governance Report, which forms an integral part of this Annual Report.

BOARD EVALUATION

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013, read with Section 178(2) of the Companies Act, 2013, the applicable provisions of Schedule IV to the Companies Act, 2013 and Regulation 17(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Board of Directors has carried out an annual evaluation of the performance of the Board as a whole, its Committees and individual Directors.

The evaluation process was carried out in accordance with the Policy for Performance Evaluation of Independent Directors, the Board, its committees and other Directors adopted by the Company.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairperson and Non-Independent Directors was carried out by the Independent Directors at their separate meeting, in accordance with the applicable provisions of Schedule IV to the Companies Act, 2013 and the SEBI Listing Regulations.

The evaluation process considered various parameters, including the composition and effectiveness of the Board, experience and competencies of Directors, participation and contribution of Directors, governance practices, quality of deliberations, oversight and strategic guidance, and the overall contribution of the Directors towards the effective functioning and strategic direction of the Company.

Pursuant to Section 178(2) of the Companies Act, 2013, the Nomination and Remuneration Committee has specified the manner for effective evaluation of the performance of the Board, its Committees and individual Directors. The evaluation criteria adopted by the Company cover, inter alia, knowledge, skills, experience, participation, contribution, independence of judgement, understanding of the Company's business and regulatory environment, and adherence to applicable governance standards.

In accordance with Section 134(3)(p) of the Companies Act, 2013, the Board has evaluated the performance of the Board, its Committees and individual Directors. The Independent Directors, at their separate meeting, also evaluated the performance of the Non-Independent Directors and the Board as a whole, as well as the performance of the Chairperson, taking into consideration the views of the Directors.

The evaluation also included consideration of the quality, quantity and timeliness of the flow of information between the Management and the Board, enabling the Board to effectively discharge its duties and responsibilities.

The details of the performance evaluation process, including the criteria adopted for evaluation of the Board, its committees and individual Directors, are provided in the Report on Corporate Governance, forming part of this Annual Report.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration Committee selects the candidates to be appointed as the Director on the basis of the requirement and enhancing the competencies of the Board.

The current policy is to have a balance of Executive, Non- Executive and Independent Directors to maintain the independence of the Board and to separate the functions of governance and management. The composition of Board of Directors during the year ended 31st March, 2026 is in conformity with Regulation 17 of the SEBI Listing Regulations, 2015 read with Section 149 of the Companies Act, 2013.

The Company has policy, namely Nomination and Remuneration Policy, to govern directors' appointment, including criteria for determining qualifications, positive attributes, independence of a director, remuneration to the directors and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013. The same is available on the website of the Company at https://loyalequipments.com/wp-content/uploads/2026/04/Nomination_and_Remuneration-Policy.pdf

AUDIT COMMITTEE

Audit Committee has been constituted by the Board in accordance with the applicable provisions and the primary objective is to monitor and supervise the financial reporting, to ensure accurate and timely disclosures, transparency, integrity and quality of financial reporting. The meetings of Audit committee are detailed in Corporate Governance Report annexed with this Report.

STAKEHOLDER'S RELATIONSHIP COMMITTEE

Stakeholder's Relationship Committee has been constituted by the Board in accordance with Section 178 of the Companies Act, 2013. The details regarding composition, terms of references, powers, functions, scope, meetings, attendance of members and the status of complaints received during the year are included in Corporate Governance Report which forms part of the Annual Report. The meetings of Stakeholder's Relationship Committee are detailed in Corporate Governance Report annexed with this Report.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been constituted by the Board in accordance with section 178 of Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the committee are Independent Directors. The details regarding composition, terms of references, powers, functions, scope, meetings and attendance of members are included in Corporate Governance Report which forms part of the Annual Report. The meeting of Nomination and Remuneration Committee is detailed in Corporate Governance Report annexed with this Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As required under Section 135 of the Companies Act, 2013, the Company had spent ₹ 20.21 Lakhs/- on Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects and Supplies participants of Educational Assistance Program and Alternative Learning System for street children as CSR expenditure for the financial year ended 2025-26.

The Company's CSR Policy statement and annual report on the CSR activities undertaken during the financial year 2025-26 by Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) is set out in **Annexure D** to this report.

STATUTORY AUDITORS

M/s A Y and Company, Chartered Accountants, Jaipur (Registration no. 020829C), re-appointed as the Statutory Auditors of the Company for a second term of five years in previous Annual General Meeting to hold office from the conclusion of the17th Annual General Meeting till the conclusion of the 22nd Annual General Meeting to be held in the FY 2028-29.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Listing Regulations, M/s. MSV & Associates, Practicing Company Secretaries, were appointed as the Secretarial Auditor of the Company at the 18th Annual General Meeting for a period of five (5) consecutive financial years commencing from the financial year 2025-26 to 2029-30.

However, after the closure of financial year, they tendered their resignation vide their letter dated September 05, 2026 with immediate effect, as Secretarial Auditor of the company due to existing professional commitments, the volume and nature of assignments presently undertaken by their firm, and the resulting professional and capacity constraints thereby causing a casual vacancy in the office of the Secretarial Auditor.

Pursuant to Regulation 24A(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and other applicable provisions of Companies act, the Board at its meeting held on September 05, 2026 based on recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., has approved the appointment of M/s. Mittal V. Kothari & Associates, a peer reviewed firm (Peer Review Certificate No. 4577/2023) as Secretarial Auditor of the Company for a term of one (1) year from FY 2026-27, to fill the casual vacancy arising due to the resignation of M/s. MSV & Associates, subject to the approval of shareholders, at the ensuing 19th Annual General Meeting.

The Secretarial Audit Report in Form MR-3 for the financial year ended March 31, 2026, issued by M/s. MSV & Associates, forms part of this Annual Report as **Annexure E.**

The said Report does not contain any qualification, reservation, adverse remark or disclaimer. However, there have been few common annotations reported by the above Secretarial Auditors in their Report with respect to:

Sr No	Observation of Secretarial Auditor	Company Reply
1.	The Company has not intimated to stock exchange about Resignation of Mr. Rishi Roop Kapoor, Chief Executive Office (KMP) within prescribed period under regulation 30 of SEBI	The resignation letter was received on February 28, 2026, which was also the effective date of resignation. The Compliance Officer was on pre-approved leave on that date, followed by intervening

	(Listing Obligations and Disclosure Requirements) Regulations, 2015.	non-working days and holidays. Accordingly, the resignation could be formally processed upon resumption of office, and the requisite disclosure was made to the Stock Exchange on March 06, 2026. The Company regrets the delay, which was not deliberate or intentional, and has strengthened its internal processes to ensure timely compliance with the disclosure requirements under the applicable SEBI Listing Regulations.
2.	There was a delay in submission of the intimation regarding closure of the Trading Window by the Company, pursuant to the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015.	The Company has taken note of the observation. The delay in submission of the intimation regarding closure of the Trading Window was inadvertent. The Company has taken necessary steps to strengthen its compliance monitoring process and internal coordination to ensure timely compliance with the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and to avoid recurrence of such instances.
3.	The Company has made delay in filing certain e-forms for the financial year 2025-26 and the Company has submitted e-forms with additional fees during the financial year.	The Company has taken note of the observation. Certain statutory e-forms for the financial year 2025-26 were filed with additional fees due to inadvertent delays in completion of the filing process. The Company has taken necessary measures to improve its statutory compliance calendar and monitoring mechanism to ensure timely filing of all applicable e-forms and to minimize the possibility of such delays in the future.
4.	The tenure of Mr. Babubhai Bhulabhai Patel (DIN: 00116495), Mr. Girish Nathubhai Desai (DIN: 02824731), and Mr. Kalpesh Lalitchandra Joshi (DIN: 07210197) as Independent Directors of the Company elapsed/completed on June 10, 2025. However, the aforesaid Directors continued to act and hold office as Independent Directors of the Company until September 3, 2025. Accordingly, the continuation of the aforesaid Directors as Independent Directors of the Company beyond June 10, 2025 was not in compliance with Section 149 of the Companies Act, 2013.	The Company has taken note of the observation regarding the continuation of Mr. Babubhai Bhulabhai Patel, Mr. Girish Nathubhai Desai and Mr. Kalpesh Lalitchandra Joshi as Independent Directors beyond June 10, 2025. The Company had made diligent efforts to identify and onboard suitable persons possessing the requisite qualifications, expertise and independence criteria prescribed under Section 149 of the Companies Act, 2013 for appointment as Independent Directors. However, despite such efforts, suitable candidates could not be identified and

		onboarded immediately upon expiry of the tenure of the aforesaid Directors. During the intervening period, the aforesaid Directors continued to render their services to the Company until September 3, 2025. The Company has taken note of the matter and has strengthened its processes for timely identification and appointment of Independent Directors to ensure compliance with the applicable provisions of the Companies Act, 2013.

INTERNAL AUDITORS

Your Company has appointed J.M Patel & Bros, Chartered Accountant as an Internal Auditor. During the year the company continued to implement their suggestion and recommendations to improve the control environment. Their scope of work includes review of process for safeguarding of assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditor's findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

MANAGEMENT AND DISCUSSION ANALYSIS REPORT

A Separate report on Management Discussion and Analysis Report as required under clause 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been presented in an **Annexure C** forming part of this Annual Report.

DISCLOSURE WITH RESPECT TO MAINTENANCE OF COST RECORDS

Your Company doesn't fall within the scope of Section 148(1) of the Companies Act, 2013 and hence does not require to maintain cost records as specified by the Central Government.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as on March 31, 2026, are set out in the Financial Statements of the Company.

VIGIL MECHANISM /WHISTLE BLOWER POLICY

As per the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Regulation 22 of Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has a Whistle Blower Policy with a view to provide vigil mechanism to Directors, employees and other stakeholders to disclose instances of wrong doing in the workplace and report instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The Whistle Blower Policy also states that this mechanism should also provide for adequate safeguards against victimization of Director(s)/ Employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The Policy is available on the Company's website at https://www.loyalequipments.com.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the

Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company formulated Policy on Prevention of Sexual Harassment at Workplace. All employees (permanent, contractual, temporary, trainees, etc) are covered under this policy. An Internal Complaints Committee (ICC) was constituted which is responsible for redressal of complaints related to sexual harassment at the workplace.

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Internal Complaints Committee of the Company has not received any complaint of Sexual Harassment during the year under review and no complaint was pending as of 31st March, 2026.

Pursuant to the said Act, the details regarding the number of complaints received, disposed and pending during the FY 2025-26, pertaining to incidents under the above framework/ law are as follows:

Particulars	Numbers
No. of Complaints filed during the financial year	Nil
No. of Complaints disposed of during the financial year	Nil
Number of cases pending beyond 90 days	Nil
Number of complaints remaining unresolved at the end of the financial year	Nil

TRANSACTIONS WITH RELATED PARTIES

All the Related Party Transactions entered into during the financial year were on an Arm's Length basis and in the Ordinary Course of Business and were in compliance with the applicable provisions of the Companies Act, 2013 ("Act") and the rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Company's Policy on Related Party Transactions. The Company obtains omnibus approval from the Audit Committee for Related Party Transactions which are repetitive in nature and are entered into in the ordinary course of business.

Prior approval of the Audit Committee and the Board is obtained for all related party transactions. The details of all existing related party transactions are placed on a quarterly basis before the Audit Committee and the Board for review. Further, no related party transaction was entered into during the year that could be considered prejudicial to the interests of minority shareholders & of the company at large.

There were no material contracts, arrangements or transactions entered during financial year 2025-26 that fall under the scope of Section 188(1) of the Companies Act, 2013. Accordingly, the prescribed Form AOC-2 is not applicable to the Company for the financial year 2025-26 and hence does not form part of this report. All the related party transactions entered by the company forms part of Notes to the Financial Statements.

The Policy on Related Party Transactions is available on your Company's website and can be accessed at https://loyalequipments.com/investor-relation/policies/.

Pursuant to the provisions of Regulation 23 of the SEBI Listing Regulations, your Company has filed half yearly reports to the stock exchanges, for the related party transactions.

ANNUAL RETURN

In accordance with the provisions of Section 134(3) read with Section 92(3) of the Companies Act, 2013, the Annual Return as on March 31, 2026 is available on website of the Company and can be viewed at http://www.loyalequipments.com. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's report.

CORPORATE GOVERNANCE

Our corporate governance practices are a reflection of our value system encompassing our culture, policies and relationships with our stakeholders. Our board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in Corporate Governance. Also endeavour to enhance long term shareholder value and respect minority rights in all our business decisions. The Report on Corporate Governance, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Annual Report as **Annexure F**.

A Certificate from the MD and CFO of the Company in terms of SEBI LODR 2015, inter alia, confirming the correctness of the Financial Statements and Cash Flow Statements, adequacy of the internal control for financial reporting, and reporting of matters to the Audit Committee, is also forming part of this Annual Report.

PARTICULARS OF EMPLOYEES

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the ratio of the remuneration of each director to the median remuneration of the employees is annexed to this Report as **Annexure A**.

Further, the information required under Section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the said Rules, in respect of the top ten employees in terms of remuneration drawn and other particulars of employees, is not applicable to the Company during the year under review. Accordingly, no separate annexure in this regard has been included as part of this Report.

DEPOSITS FROM PUBLIC

During the financial year ended March 31, 2026, the Company has not accepted deposits from the public falling within the ambit of Section 73 and 74 of the Companies Act, 2013 and the Rules framed there under and hence no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm:

a) in the preparation of the annual financial statements, applicable accounting standards have been followed and there are no material departures from the said standards;

b) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2026 and of the profit of the company for the year ended on that date;

c) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities;

d) the annual financial statements have been prepared on a going concern basis;

e) proper internal financial controls are in place and are adequate and are operating effectively; and

f) the systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO CONSERVATION OF ENERGY:

Details of the energy conservation, technology absorption and foreign exchange earnings and outgo are annexed to this report as **Annexure B**.

REPORTING OF FRAUDS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in Board's report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATED AND THE DATE OF REPORT

There are no Material changes and commitments in the business operations of the Company from the financial year ended March 31, 2026 to the date of signing of the Boards Report.

AFFIRMATION ON COMPLIANCE OF SECRETARIAL STANDARDS

The Company hereby affirms that during the year under review the Company has complied with all the applicable mandatory secretarial standards (including any modifications or amendments thereto) issued by the Institute of Company Secretaries of India. The Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meetings.

PREVENTION OF INSIDER TRADING

The Board has Insider Trading Policy for regulating, monitoring and reporting of Trading of Shares by Insiders. The Code lays down guidelines, procedures to be followed and disclosures to be made while dealing with shares of the Company. The copy of the same is available on the website of the Company at the https://loyalequipments.com/

'THINK GREEN, GO GREEN' INITIATIVE

The Companies Act, 2013 permits companies to send documents like Notice of Annual General Meeting, Annual Report and other documents through electronic means to its members at their registered email addresses, besides sending the same in physical form.

As a responsible Corporate Citizen, the Company has actively supported the implementation of 'Green Initiative' of Ministry of Corporate Affairs (MCA) and effected electronic delivery of Notices and Annual Reports to those shareholders whose email ids were already registered with the respective Depository Participants (DPs) and who have not opted for receiving such documents in physical form.

Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar and Share Transfer agent (R&TA) of the Company/Depository participant (DP) of respective member and take part in the Green Initiative of the Company, for receiving electronic communications and support the "THINK GREEN, GO GREEN" initiative.

Further, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing e-voting facility to all members to enable them to cast their votes electronically in respect of resolutions set forth in the Notice of Annual General Meeting (AGM). The detailed instructions for e-voting are provided in the Notice of AGM.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has designed and implemented a process driven framework for Internal Financial Controls ("IFC") within the meaning of the explanation to Section 134(5)(e) of the Act read with Rule 8(5) (viii) of the Companies (Accounts) Rules, 2014. The Company has appropriate internal control systems for business processes with regard to its operations, financial reporting and compliance with applicable laws and regulations. It has documented policies and procedures covering financial and operating functions and processes. These policies and procedures are updated from time to time and compliance is monitored by the internal audit function as per the audit plan. The Company continues its efforts to align all its processes and controls with best practices. Your Company has in place adequate Internal Financial Controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations.

CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR

In terms of the provisions of Section 178(3) of the Act, and Regulation 19 of the Listing Regulations, the Nomination and Remuneration Committee ("NRC") has formulated the criteria for determining qualifications, positive attributes and independence of Directors, the key features of which are as follows:

- Qualifications – The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.

- Positive Attributes - Apart from the duties of Directors as prescribed in the Act the Directors are expected to demonstrate high standards of ethical behaviour, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.

- Independence - A Director will be considered independent if he / she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1) (b) of the Listing Regulations.

COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961

The Company affirms its adherence to the provisions of the Maternity Benefit Act, 1961, and the rules made thereunder. We are committed to upholding the rights and welfare of our women employees by ensuring compliance with all applicable statutory obligations related to maternity benefits, including paid maternity leave, nursing breaks, and protection from dismissal during maternity leave.

CAUTIONARY NOTE

Statements in this Board's Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments in the Country and other ancillary factors.

DISCLOSURE IN REFERENCE OF SUB RULE 1 CLAUSE (C) SUB CLAUSE (VIII) OF RULE 2 OF COMPANIES (ACCEPTANCE OF DEPOSITS) RULES 2014

During the period Company has not accepted loan/borrowing from its director.

OTHER DISCLOSURES

The Board states 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:

1) As per rule 4(4) the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

2) As per rule 8(13) the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued shares (including sweat equity shares) to employees of the Company under any scheme;

3) As per rule 12(9) the Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued equity shares under the scheme of employee stock option;

4) No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable; and

5) During the year, the Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

6) There was no revision of financial statements and Board's Report of the Company during the year under review.

7) The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

8) Since the Company has not formulated any scheme of provision of money for purchase of own shares by employees or by trustee for the benefits of employees in terms of Section 67(3) of the Act, no disclosures are required to be made.

9) The Company designates Mr. Alkeshkumar Patel, Managing Director of the Company for providing information to Registrar with respect to beneficial interest in shares pursuant to Rule 9(4) and (7) of the Companies (Management and Administration) Rules,2014.

ACKNOWLEDGEMENT

We thank our customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels.

For and on behalf of Board of Directors
For, Loyal Equipments Limited

Registered office:
Block No.35/1-2-3-4 Village - Zak, Gandhinagar, Dahegam - 382330, Gujarat, India.

Sd/-	**Sd/-**
Patel Alkeshkumar	**Hemaben Rameshchandra Patel**
Chairman and Managing Director	**Whole-Time Director**
DIN: 02672297	**DIN: 10644176**

Place: Dahegam
Date: September 05, 2026

ANNEXURE-A

PARTICULAR OF EMPLOYEES

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

a) The ratio of remuneration of each director to the median remuneration of employees for the Financial Year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial Year:

Sr. No.	Name	Designation	Nature of Payment	Ratio Against Median Employee's Remuneration	Percentage Increase/Decrease
1.	Patel Alkeshkumar	Chairman and Managing Director	Remuneration	20.08	0.75%
2.	Helena Alkeshkumar Patel	Whole time Director	Remuneration$	1.03	-
3.	Hemaben Rameshchandra Patel	Whole time Director	Remuneration	3.01	1.64%
4.	Pradeep Kumar Agarwal	Non-Executive Independent Director	Sitting Fee#	-	-
5.	Vikas Sharma	Non-Executive Independent Director	Sitting Fee#	-	-
6.	Sharad Vyas	Non-Executive Independent Director	Sitting Fee#	-	-
7.	Amitkumar Chandubhai Patel	Chief Financial Officer	Salary	NA	0.06%
8.	Neha Jangid	Company Secretary	Salary	NA	0.84%

#The percentage increase is not shown as they were appointed during the year 2025-26 and therefore the comparatives for full year are not available.
$ The percentage increase in remuneration is not shown for Ms. Helena Alkeshkumar Patel, as she did not draw any salary during the previous financial year.

Note: We have considered only permanent employees of the Company.

a) The percentage increase in the median remuneration of employees in the financial year:
The median remuneration of the employees in current financial year has increased by 25.40 % over the previous financial year, due to increase in number of employees.

b) The number of permanent employees on the rolls of the Company: 112 (One hundred and twelve) Permanent Employees.

c) Average percentile increase/~~decreased~~ already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase/~~decreased~~ in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
The average remuneration of employees other than managerial personnel increased by 25.69% during the financial year 2025-26 as compared to the previous financial year. The remuneration paid to the Directors was within the limits approved by the Members of the Company and was in accordance with the applicable provisions of the Companies Act, 2013. There were no exceptional circumstances for any increase in managerial remuneration during the year under review.

d) Affirmation that the remuneration is as per the remuneration policy of the company:

The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company is as per the Remuneration Policy of the Company.

e) During the financial year under review, no employee was employed throughout the financial year with remuneration in the aggregate of ₹1.02 crore or more during the financial year, or employed for any part of the financial year with remuneration in the aggregate of ₹8.50 lakh or more for any part of that year, as prescribed under the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

For and on behalf of Board of Directors
For, Loyal Equipments Limited

Registered office:
Block No.35/1-2-3-4 Village - Zak, Gandhinagar, Dahegam - 382330, Gujarat, India.

Place: Dahegam
Date: September 05, 2026

Sd/-	**Sd/-**
Patel Alkeshkumar	**Hemaben Rameshchandra Patel**
Chairman and Managing Director	**Whole-Time Director**
DIN: 02672297	**DIN: 10644176**

ANNEXURE-B

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

[Pursuant to Section 134(3) (m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

- **Steps taken or impact on conservation of energy:**

  The Company has adopted the system of shutting down the electrical machineries and appliances when not in use to avoid unnecessary waste of energy. New investment in machines is being considered with an idea to have reduction of consumption of energy. The impacts of measures taken are not precisely ascertainable. Also the Plant continues to run completely on Solar Power thus reduces nation's natural resources like coal, water etc.

- **Steps taken by the Company to utilize alternate source of energy:**
  During the year under review, no alternate source of energy was adopted.

- **Capital investment on energy conservation equipment:**
  During the year under review, the Company did not incur any capital expenditure on energy conservation equipment.

B. TECHNOLOGY ABSORPTION:

i. **The efforts made towards technology absorption:** Not Applicable.

ii. **Benefits derived like product improvement, cost reduction, product development or import substitution:** Not Applicable

iii. **In case of imported technology:** Not Applicable

iv. **Expenditure incurred on Research & Development** Not Applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

Particulars	F.Y. 2025-26	F.Y. 2024-25
Export Sales	2122.82	315.43
Import Purchases	316.78	179.78
Net Foreign Exchange Earnings	**1806.04**	**135.65**

For and on behalf of Board of Directors
For, Loyal Equipments Limited

Registered office:
Block No.35/1-2-3-4 Village - Zak, Gandhinagar, Dahegam -382330, Gujarat, India.

Place: Dahegam
Date: September 05, 2026

Sd/-	Sd/-
Patel Alkeshkumar	**Hemaben Rameshchandra Patel**
Chairman and Managing Director	**Whole-Time Director**
DIN: 02672297	**DIN: 10644176**

ANNEXURE-C

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of the Company is pleased to present its report on the Industry Scenario including on the Company's performance during the financial year 2025-26.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Economic Outlook

The global economy continued to demonstrate resilience during 2025 despite heightened geopolitical tensions, evolving trade policies, and persistent macroeconomic uncertainties. Inflationary pressures moderated across several economies, allowing central banks to gradually ease monetary policy; however, policy uncertainty and trade-related disruptions continued to influence global business sentiment and investment decisions.

According to the International Monetary Fund (IMF), global economic growth is projected at **3.0% in 2025** and **3.1% in 2026**, reflecting a modest improvement over earlier estimates, supported by stronger-than-expected economic activity in certain regions, improved financial conditions, and resilient consumer demand. Nevertheless, elevated trade tensions, geopolitical risks, supply chain realignments, and volatile commodity prices continue to pose downside risks to the global economic outlook.

Growth in advanced economies is expected to remain moderate amid subdued domestic demand and fiscal consolidation, while emerging market and developing economies are projected to continue driving global economic expansion, supported by domestic consumption, infrastructure investments, and structural reforms. Inflation is expected to continue its gradual decline, although it is likely to remain above central bank targets in several major economies.

Looking ahead, sustained economic growth will depend on stable trade relations, prudent fiscal and monetary policies, continued structural reforms, and improved geopolitical stability. While the global outlook remains cautiously optimistic, businesses are expected to operate in an environment characterized by heightened uncertainty and evolving market dynamics.

SUMMARY OF OUR BUSINESS

Loyal Equipments Limited is a SMERA-certified company and an ASME "U" & "U2" Stamp holder. The company is one of India's well-known and reputed manufacturers, specializing in the design, manufacturing, supply, and erection/commissioning of process equipment, including Pressure Vessels, Air Cooled Heat Exchangers, Shell & Tube Heat Exchangers, Storage Tanks, Pressure Receivers, Chimneys, Heavy Structural Items, Skids, Base Plates, and other engineered equipment for the Oil & Gas, Petroleum, Chemical, Sugar, Steel, Fertilizer, and Power Plant sectors.

Loyal Equipments Limited follows a robust Quality Management System across the entire business process, from design and engineering through manufacturing/fabrication to installation and commissioning at site. The company has extensive and continuous experience serving prestigious clients such as EIL, GSPC, GAIL, ONGC, Ingersoll Rand, Linde, Dresser Rand, L&T, Reliance, ALSTOM, Kirloskar, Texas Southpiller-USA, and numerous other government and private organizations.

SALIENT FEATURES OF OUR PRODUCTS:

- Produced from the toughest materials like steel, nonferrous materials.
- Compliance to customer Requirements
- Adherence to the Quality standards as required by monitoring agencies
- Timely Delivery

• Customization
• Consignment packaging as per specification of customer.

OUR COMPETITIVE STRENGTHS

We believe that the following are our primary competitive strength:

Customized Product Offering

We believe that our ability to offer customized products tailored to the specific requirements of our customers is one of our key competitive strengths. We work closely with our customers to understand their technical specifications and design products that meet their unique requirements. This customer-centric approach enables us to deliver solutions that align with their expectations, resulting in enhanced customer satisfaction.

Quality Assurance and Standards

We are committed to delivering products that meet the quality expectations of our customers. We have established quality policies and procedures designed to ensure that our products conform to the required specifications and applicable quality standards. Our quality control processes encompass various stages of procurement and production to maintain consistency and reliability.

Strong Customer Relationships

We believe that our long-standing relationships with our customers constitute an important competitive advantage. We continuously strive to understand and address the evolving requirements of our customers by offering a diverse range of products and responsive service. Our focus on customer satisfaction has enabled us to secure repeat business and foster long-term associations with our customers.

Existing Relationship with Suppliers

We have developed long-term relationships with a network of suppliers for the procurement of our raw materials. We believe that these established relationships enable us to source quality raw materials in a timely manner and on competitive terms. We believe that these supplier relationships have contributed to operational efficiency, customer satisfaction, and the generation of repeat business.

OUR BUSINESS STRATEGY

Customer-Centric Approach

We focus on understanding our customers' requirements and providing products that meet their specifications. Our emphasis on product customization, quality, and timely delivery helps us enhance customer satisfaction and build long-term relationships.

Continuous Improvement in Manufacturing

We strive to improve our manufacturing capabilities by adopting efficient production processes and modern machinery. Our focus on operational efficiency enables us to maintain product quality and meet customer requirements effectively.

Professional and Transparent Operations

We are committed to conducting our business with transparency and professionalism. Our experienced team, supported by external experts whenever required, helps us manage our operations efficiently and support our business growth.

Efficient Resource Management

We continuously review our production processes, procurement practices, and manufacturing facilities to improve efficiency. Our focus on optimal utilization of resources supports cost efficiency, productivity, and sustainable business operations.

OPPORTUNITIES AND THREATS

Loyal Equipments Limited has strong growth opportunities due to the increasing demand for process equipment across the oil and gas, petrochemical, chemical, fertilizer, power, steel, and other industrial sectors. Its ISO 9001:2015 certification, ASME and IBR accreditations, and expertise in manufacturing customized equipment enhance its credibility and support expansion into new domestic and international markets. Growing investments in industrial infrastructure and strategic collaborations with EPC contractors further strengthen its growth prospects.

However, the company faces intense competition from established domestic and global manufacturers, which may impact its market share and pricing. Fluctuations in raw material prices, changes in government policies and environmental regulations, and economic uncertainties can also affect production costs, project execution, and overall business performance.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Loyal Equipments Limited is an ISO 9001:2015 certified, SMERA certified, and ASME “U” & “U2” Stamp holder company. It is one of the reputed companies in India engaged in the design, manufacturing, supply, and erection/commissioning of process equipment such as pressure vessels, air-cooled heat exchangers, shell & tube heat exchangers, storage tanks, pressure receivers, chimneys, heavy structural items, skids, base plates, and other equipment for the oil & gas, petroleum, chemical, sugar, steel, fertilizer, and power plant sectors.

Loyal Equipments Limited is equipped with modern machinery, advanced tools, skilled manpower, handling equipment, and various in-house facilities to ensure smooth operations and the production of high-quality products. The company has developed a strong infrastructure base, which is regularly upgraded in line with technological advancements and improved working systems to enhance operational efficiency and product quality.

OUTLOOK

The engineering sector continues to play a crucial role in India's industrial and economic development, supported by increasing investments in infrastructure, manufacturing, energy, and process industries. The sector has witnessed steady growth due to rising demand for capital goods, industrial equipment, and engineering solutions across oil & gas, petrochemicals, power, fertilizers, chemicals, and other core industries. India's engineering exports have also shown strong growth, reflecting the country's increasing capabilities in manufacturing and global supply chains.

The Government of India, through initiatives supporting manufacturing, infrastructure development, and exports, continues to promote the growth of the engineering sector. The Engineering Export Promotion Council (EEPC) plays an important role in promoting Indian engineering goods and services in international markets. With its strong technical capabilities, quality certifications, and expertise in manufacturing customized process equipment, Loyal Equipments Limited is well-positioned to benefit from the growing demand in domestic as well as international markets. India's continued focus on industrial expansion, energy security, and infrastructure development is expected to provide further growth opportunities for engineering companies in the coming years.

THREATS, RISK AND CONCERNS

The Company is concerned about the prevailing exposure norms, its financial position, the entry of new players in the market, rising competition from banks and multilateral agencies, an uncertain business environment, fluctuations in the rupee, and the likely increase in the cost of capital due to volatile market conditions. Further, the business and policy environment in the country has a cascading effect on the interest rate regime, the cost and availability of raw materials, and the gestation period and capital outlays required for procuring raw materials. General economic conditions may also affect the capacity utilisation and production of manufactured products. The Company continues to closely monitor these risks and adopts appropriate measures to mitigate their potential impact on its operations and overall business performance.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate system of internal controls and monitoring procedures to ensure accurate and timely financial reporting, operational efficiency, and compliance with applicable laws, regulations, and Company policies. Appropriate delegation of powers and accounting guidelines are in place to ensure uniform compliance.

Regular internal audits of the offices and plant are conducted by the in-house Internal Audit Division and an external professional audit firm. The audits cover all major operational and risk areas in accordance with the Annual Internal Audit Programme. The Audit Committee periodically reviews the significant audit findings and the adequacy of the internal control systems in compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

FINANCIAL AND OPERATIONAL PERFORMANCE

The Company's financial performance for the financial year ended 31 March 2026, along with that of the previous financial year ended 31 March 2025, is summarized below:

(Amount in Lakhs)

Particulars	FY 2025-26	FY 2024-25
Revenue from operations	7897.84	7530.01
Other income (net)	99.47	41.57
Total Income	**7997.31**	**7571.58**
Operating expenditure before Finance cost, depreciation and amortization	6671.15	5890.51
Earnings before Finance cost, depreciation and amortization (EBITDA)	1326.16	1681.07
Less: Depreciation and amortization expense	273.97	236.34
Less: Finance costs	178.91	85.95
Profit before tax (PBT)	**873.28**	**1358.78**
Less: Current Tax	192.55	311.48
Less: Deferred tax Liability (Asset)	7.36	(18.89)
Profit after tax	**673.37**	**1066.20**
Less: Other Comprehensive Income	5.16	0.20
Total Comprehensive Income	**668.21**	**1066.00**

Standalone Revenue from Operations of your Company for the year 2025-26 was ₹7,897.84 Lakhs, which was 4.88% higher than ₹7,530.01 Lakhs in the previous year. Profit Before Tax (PBT) for the current year was ₹873.28 Lakhs as against ₹1,358.78 Lakhs in the previous year. Total Comprehensive Income for the current year stood at ₹668.21 Lakhs as against ₹1,066.00 Lakhs in the previous year.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

The Company places utmost importance on the capacity building and well-being of its employees. Industrial relations remained cordial throughout the year, supported by regular interactions between the management and employee representatives on matters relating to employee welfare. The Company continues to foster a culture of trust and cooperation, resulting in a motivated workforce and sustained improvement in performance.

Industrial relations remained cordial throughout the year. As at 31 March 2026, the Company had 112 employees.

ANALYSIS OF SIGNIFICANT CHANGES IN FINANCIAL RATIOS

As per the recent amendments to the SEBI Listing Obligations & Disclosure Requirements (LODR), we give below additional information in respect of financial parameters that are applicable to our company:

Detail of Significant changes (i.e. change of 25% of more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanation therefore as under:

Sr. No.	Particular	Numerator	Denominator	31.03.2026	31.03.2025	Movement in %	Reason for Movement if >25%
(a)	Current Ratio	Current Assets	Current Liabilities	1.85	2.51	-26.26	This Ratio is decreased due to increase in debts
(b)	Debt-Equity Ratio	Total Debt	Shareholders Equity	0.39	0.20	+-95.42	This ratio is decreased due increase in Debts
(c)	Debt Service Coverage Ratio	Net Operating Income	Total Debt Service	-1.03	5.21	119.83	This ratio is decreased due to increase in debts.
(d)	Return on Equity Ratio	Profit After Tax	Average Shareholders Equity	12.54	26.50	52.69	This Ratio is decreased due to lower profits during the year
(e)	Trade Receivables Turnover Ratio (in times)	Revenue	Average Trade Receivable	3.74	4.28	12.61	Reason is not required to disclose.
(f)	Trade Payables Turnover Ratio (in times)	Purchase of Services & other Expenses	Average Trade Payables	7.39	10.80	31.59	This ratio is decreased due to decrease in purchases
(g)	Net Capital Turnover Ratio (in times)	Revenue	Net Working Capital	3.27	2.25	-45.51	This ratio is increased due to decrease in working capital

(h)	Net Profit Ratio	Net Profit	Revenue	8.53	14.16	39.79	This ratio is decreased due to lower profits during the year
(i)	Return on Capital Employed	Operating Profit	Total Capital Employed	21.69	32.23	32.69	This ratio is decreased due to lower profits during the year
(k)	Inventory Turnover Ratio	Revenue	Average Inventory	3.48	4.41	21.18	Reason is not required since movement is not more than 25%
(l)	Interest Coverage Ratio	Earnings before Interest and Tax (EBIT)	interest Expense / Finance Cost	5.88	16.81	-65.02%	Due to Lower Profit Margin during the year
(m)	Operating Profit Margin (%)	Operating Profit	Revenue from Operations	49.21	45.42	+8.34%	-
O	Return on Net Worth	Profit After Tax	Average Shareholders' Equity / Net Worth	11.91	20.96	-43.18%	Due to Lower Profit Margin during the year

Cautionary Note

Certain statements in "Management Discussion and Analysis" section may be forward looking and are stated as required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Management envisages in terms of future performance and outlook.

For and on behalf of Board of Directors
For, Loyal Equipments Limited

Registered office:
Block No.35/1-2-3-4 Village - Zak, Gandhinagar, Dahegam - 382330, Gujarat, India.

Place: Dahegam
Date: September 05, 2026

Sd/-
Patel Alkeshkumar
Chairman and Managing Director
DIN: 02672297

Sd/-
Hemaben Rameshchandra Patel
Whole-Time Director
DIN: 10644176

ANNEXURE - D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to clause (o) of Sub-Section 3 of Section 134 of the Act, Section 135 read with Companies Act, 2013] (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. A Brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or programmes:

The Company believes that its long-term success and sustainability are closely linked to the well-being of the community and society at large. Corporate Social Responsibility (CSR) is viewed as an integral part of conducting business in a responsible, ethical, and sustainable manner.

The CSR Policy of the Company aims to promote good corporate governance, sustainable value creation, corporate philanthropy, and active support for community development initiatives. The projects and programmes to be undertaken will be in line with the activities specified under Schedule VII of the Companies Act, 2013, with a focus on areas contributing to inclusive growth and social welfare.

The Company has formulated its CSR Policy in compliance with the provisions of the Companies Act, 2013, and the same is available on the Company's website https://loyalequipments.com/investor-relation/policies/.

2. The Composition of CSR Committee as at March 31, 2026:

The Composition of the CSR Committee: As on 31st March 2026, the composition of the CSR Committee is comprising of the following members of Committee:

Sr. No.	Name of Director	Designation	Nature of Directorship
1.	Mr. Sharad Vyas	Chairman	Non-Executive Independent Director
2.	Mr. Patel AlkeshKumar	Member	Chairman and Managing Director
3.	Ms. Hemaben Rameshchandra Patel	Member	Whole Time Director

3. Web Link of the Website of the Company for Composition of CSR Committee, CSR Policy ~~and CSR Projects~~ Approved by the Board: https://loyalequipments.com/

4. Details of Impact Assessment of CSR Projects Carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, If Applicable.

Not Applicable for the financial year under review.

(Amount in Lakhs)

a)	**Net profit for the year (as per Section 198)**	**FY 2024-25**	**FY 2023-24**	**FY 2022-23**
		1358.78	950.44	624.38
	Average net profit of the Company for last three financial year as per section 135(5)	977.87		
b)	**Two percent of average net profit of the company as per section 135(5)**	19.56		
c)	**Surplus arising out of CSR projects/ programmes/ activities of the previous financial year.**	NIL		
d)	**Amount required to be set off for the financial year**	0.77		
e)	**Total CSR obligation for the financial year (b+c-d)**	18.79		

5.

(Amount in Lakhs)

a)	**Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)**	20.21

b)	**Amount spent in Administrative Overheads**	NIL
c)	**Amount spent on Impact Assessment, if applicable**	NA
d)	**Total amount spent for the Financial Year [(a)+(b)+(c)]**	20.21

6. CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (for FY 2025-26) (in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
20.21	NIL				

7. Excess amount for set-off, if any:

(Amount in Lakhs)

Sr. No.	Particular	Amount
1	**Two percent of average net profit of the company as per sub-section (5) of section 135**	19.56
2	**Total amount spent for the Financial Year**	20.21
3	**Excess amount spent for the Financial Year [(ii)-(i)] Year, if any**	0.65
4	**Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any**	NIL
5	**Amount available for set off in succeeding Financial Year [(iii)-(iv)]**	0.65

Note: The Company has an amount of ₹0.77 lakh available for set-off from the previous Financial Year. Further, the Company has incurred excess CSR expenditure of ₹0.65 lakh during the Financial Year 2025-26. Accordingly, an aggregate amount of ₹1.42 lakh is available for set-off against the CSR obligation of the succeeding Financial Year, subject to the provisions of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014, and approval of the Board of Directors.

8. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
NIL								

9. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:**

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

10. **Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5):** Not applicable

For and on behalf of Board of Directors
For, Loyal Equipments Limited

Registered office:
Block No.35/1-2-3-4 Village - Zak, Gandhinagar, Dahegam - 382330, Gujarat, India.

Place: Dahegam
Date: September 05, 2026

Sd/-
Patel Alkeshkumar
Chairman and Managing Director
DIN: 02672297

Sd/-
Hemaben Rameshchandra Patel
Whole-Time Director
DIN: 10644176

ANNEXURE - E

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2026

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

To,
The Members
LOYAL EQUIPMENTS LIMITED
Block No.35/1-2-3-4 Village - Zak, Gandhinagar,
Dahegam, Gujarat, India, 382330

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

Auditor's responsibility

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and there representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 ('Audit Period') generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, ~~Overseas Direct Investment and External Commercial Borrowings~~; (Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit Period).

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

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

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

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

iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;*(Not applicable to the Company during the period)*.

v. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;*(Not applicable to the Company during the period)*.

vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Act and dealing with clients;

vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;*(Not applicable to the Company during the period);*

viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;*(Not applicable to the Company during the period);*

ix. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015;

As confirmed by the management, there are no sector specific laws that are applicable specifically to the company.

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

i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS- 2) issued by The Institute of Company Secretaries of India.
ii. The Listing Agreements entered into by the Company with BSE Limited read with SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

Observations as per SEBI Regulations:

- *The Company has not intimated to stock exchange about Resignation of Mr. Rishi Roop Kapoor, Chief Executive Office (KMP) within prescribed period under regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

- *There was a delay in submission of the intimation regarding closure of the Trading Window by the Company, pursuant to the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015.*

Observations as per Companies Act, 2013:

- *The Company has made delay in filing certain e-forms for the financial year 2025-26 and the Company has submitted e-forms with additional fees during the financial year.*

- *The tenure of Mr. Babubhai Bhulabhai Patel (DIN: 00116495), Mr. Girish Nathubhai Desai (DIN: 02824731), and Mr. Kalpesh Lalitchandra Joshi (DIN: 07210197) as Independent Directors of the Company elapsed/completed on June 10, 2025. However, the aforesaid Directors continued to act and hold office as Independent Directors of the Company until September 3, 2025. Accordingly, the continuation of the aforesaid Directors as Independent Directors of the Company beyond June 10, 2025 was not in compliance with Section 149 of the Companies Act, 2013*

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes, if any, 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 except above.

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, (except in few cases where meetings were convened at a shorter notice in compliance with the applicable provisions of the Companies Act, 2013, and the relevant Secretarial Standards) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision of Board and committee meeting were carried with requisite majority as recorded in the minutes of the meetings of Board of Directors of the Company or committee of the Board, as the case may be.

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

We further report that during the Audit Period, the Company:

- During the period under review, the following Directors were appointed/reappointed:

  (i) During the reporting period, the appointment of Mrs. Hemaben Rameshchandra Patel (DIN: 10644176) as Whole-Time Director of the Company was regularized in Annual General Meeting.

  (ii) Mr. Alkeshkumar Patel (DIN: 02672297) was re-appointed as the Managing Director of the Company for a period of five (5) consecutive years commencing from September 03, 2025 to September 02, 2030.

  (iii) During the reporting period, following Individuals were appointed as Independent Director on the Board of Directors of the Company for a period of five (5) consecutive years commencing from w.e.f. September 03 2025 till September 02, 2030
  - Mr. Vikas Sharma (DIN: 03354570)
  - Mr. Pradeep Kumar Agarwal (DIN:10209096)
  - Mr. Sharad Vyas (DIN:09088517)

  (iv) During the same period following directors ceased to hold office as Independent Directors of the Company
  - Mr. Babubhai Bhulabhai Patel (DIN: 00116495)
  - Mr. Girish Nathubhai Desai (DIN: 02824731)
  - Mr. Kalpesh Lalitchandra Joshi (DIN: 07210197)

- The Company has appointed M/s. MSV & Associates, Practicing Company Secretaries, as the Secretarial Auditors of the Company for a term of five (5) consecutive years, commencing from the Financial Year 2025–26 and concluding with the Financial Year 2029–30.

- The Board of Directors of the Company, at its meeting held on May 6, 2025, approved the appointment of Mr. Rishi Roop Kapoor as the Chief Executive Officer (CEO) of the Company

- Mr. Rishi Roop Kapoor, Chief Executive Officer (CEO) of the Company, resigned from his position from the Company w.e.f February 28, 2026.

- The Board of Directors of the Company, at its meeting held on May 09, 2025, recommended a final dividend of ₹1/- per equity share for the financial year ended March 31, 2025, which was subsequently approved by the shareholders at the Annual General Meeting, held on September 30, 2025.

For MSV & Associates
Practicing Company Secretaries
FRN: P2018RJ071900
Peer Review Certificate No.: 1924/2022

Sd/-
Name of Company Secretary: Vivek Sharma
Partner
FCS No. 10663|CP. No. 14773
UDIN: F010663H000761941

Place: Jaipur
Date: 07.07.2026

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

ANNEXURE A

To,
The Members
LOYAL EQUIPMENTS LIMITED
Block No.35/1-2-3-4 Village - Zak, Gandhi nagar,
Dahegam, Gujarat, India, 382330

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

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

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. 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. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.

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 the 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. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that may not be detected, even though the audit is properly planned and performed in accordance with audit practices.

7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For MSV & Associates
Practicing Company Secretaries
FRN: P2018RJ071900
Peer Review Certificate No.: 1924/2022

Sd/-
Name of Company Secretary: Vivek Sharma
Partner
FCS No. 10663|CP. No. 14773
UDIN: F010663H000761941

Place: Jaipur
Date: 07.07.2026

ANNEXURE - F

CORPORATE GOVERNANCE REPORT

Corporate Governance is a systematic continuous process by which companies are directed and controlled to enhance their wealth generating capacity and long-term success. It is a key element to carry on business operations based on the underlying principles of integrity, ethics, transparency and accountability. Over the last few decades, corporate governance is getting ever increasing importance across the globe. Systems and policies are required to be upgraded regularly, to meet the challenges of rapid growth in a dynamic business environment.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance revolves around principles of ethical governance and is aimed at conducting of business in an efficient and transparent manner and in meeting its obligations to stakeholders. Your Company beholds Corporate Governance measures as an integral part of business strategy which adds to considerable internal and external values and contributes to the business growth in ethical perspective. Your Company believes that any meaningful policy on Corporate Governance must empower the executive management of the Company. At the same time, Governance must create a mechanism of checks and balances to ensure that the decision-making powers vested in the executive management are used with care and responsibility to meet stakeholders' aspirations and societal expectations.

Our Corporate governance framework has helped us be aligned with the new guidelines of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). We believe that an active, well-informed and independent board is necessary to ensure the highest standards of Corporate Governance. Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financial performance and governance of the Company. Your Company has complied with the requirements of Corporate Governance as laid down under regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

BOARD OF DIRECTORS

The Board of Directors plays a fundamental role in corporate governance, serving as the highest decision-making body responsible for overseeing the company's strategic direction, management, and overall performance. The primary duty of the board is to act in the best interests of the shareholders, ensuring that the company operates within a framework of integrity, accountability, and transparency. The board is tasked with setting the company's vision, mission, and objectives, as well as approving major policies, business strategies, and financial decisions that shape the long-term success of the organization. In fulfilling its fiduciary duties, the board is required to ensure compliance with applicable laws, regulations, and corporate governance standards, and to monitor the performance of the management in executing the company's strategic plans.

All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than ten public companies as on March 31, 2026.

Additionally, the Board of Directors is responsible for establishing effective risk management and internal control systems, ensuring that the company identifies, assesses, and mitigates potential risks to its operations. The board is also accountable for the appointment, evaluation, and removal of KMPs and must ensure that the company's leadership is competent, ethical, and aligned with the organization's values and objectives. Furthermore, the board has a duty to promote shareholder rights, facilitate open communication with stakeholders, and ensure that shareholders receive timely and accurate information regarding the company's performance and governance practices. By fulfilling these roles, the Board of

Directors ensures that corporate governance principles are effectively implemented, enhancing the company's accountability, sustainability, and long-term shareholder value.

Composition of the Board

The Board of Directors of the Company comprises an optimum combination of Executive, Non-Executive, and Independent Directors, ensuring an appropriate balance of skills, experience, expertise, diversity, and independence in accordance with the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"). The balanced composition of the Board facilitates effective decision-making, strategic guidance, objective oversight, and sound corporate governance.

As on March 31, 2026, the Board comprised Six (6) Directors, consisting of Three (3) Executive Directors and Three (3) Independent Directors.

The Independent Directors are Non-Executive Directors who satisfy the criteria of independence prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI LODR Regulations. They have submitted the requisite declarations confirming that they continue to meet the prescribed criteria of independence and are independent of the management. The tenure of the Independent Directors is in compliance with the provisions of the Companies Act, 2013 and the SEBI LODR Regulations.

The present composition of the Board reflects a judicious blend of professional expertise, industry experience, financial acumen, governance knowledge, and independent judgment, enabling the Board to effectively discharge its fiduciary responsibilities and provide strategic direction to the Company.

- None of the Directors on the Board:
- holds directorships in more than ten public companies;
- serves as an Independent Director in more than seven listed entities;
- where serving as a Whole-time Director or Managing Director in a listed entity, serves as an Independent Director in more than three listed entities; or
- is a member of more than ten Committees or acts as Chairperson of more than five Committees (considering only the Audit Committee and Stakeholders' Relationship Committee) across all public companies in which he/she is a director.

The Directors have made the necessary disclosures regarding their directorships and committee memberships/chairmanships in other companies, and the Company is in compliance with the limits prescribed under the Companies Act, 2013 and the SEBI LODR Regulations.

The composition of the Board and its Committees is in conformity with the applicable provisions of the Companies Act, 2013 and the SEBI LODR Regulation

The composition and Category of the Board during the year ended March 31, 2026 of this Report are tabulated below:

Name of Director	DIN	Category cum Designation	Date of Original Appointment	Date of Appointment at current term	Total Directorship in other Companies*	Directorship in other Listed Companies excluding our Company	No. of Committee^		No. of Shares held as on March 31, 2026	Inter-se Relation between Directors
							Director is Member	Director is Chairman		
Alkeshkumar Patel	02672297	Chairman & Managin	20-04-2007	03-09-2025	2	-	2	-	75,76,339	Father of Ms. Helena Alkeshku

		g Director								mar Patel
Helena Alkeshkumar Patel	09296895	Executive Director	28-08-2021	29-09-2023	-	-	0	-	-	Daughter of Mr. Alkeshkumar Patel
Hemaben Rameshchandra Patel	10644176	Executive Director	02-11-2024	30-09-2025	2	-	0	-	50,015	Sister of Mr. Alkeshkumar Patel
Vikas Sharma	03354570	Non-Executive - Independent Director	03-09-2025	03-09-2025	-	-	1	-	-	-
Pradeep Kumar Agarwal	10209096	Non-Executive - Independent Director	03-09-2025	03-09-2025	2	1	0	1	-	-
Sharad Vyas	09088517	Non-Executive - Independent Director	03-09-2025	03-09-2025	1	-	1	1	-	-

^Committee includes Audit Committee and Stakeholder's Relationship Committee across all Public Companies including our Company.
**excluding Section 8 Company, Struck off Company, Amalgamated Company and LLPs.*

None of the Directors of the Company are subject to any disqualification for appointment as Directors, as outlined under Section 164(2) of the Companies Act, 2013.

Details of Chairmanship in Committees

Sr No	Name of Director	Committees
1.	Pradeep Kumar Agarwal	Audit Committee - Loyal Equipments Limited
2.	Vikas Sharma	Nomination and remuneration committee - Loyal Equipments Limited
3.	Sharad Vyas	Stakeholders Relationship Committee- Loyal Equipments Limited

Details of Membership in Committees

Sr No	Name of Director	Committees
1.	Alkeshkumar Patel	Audit Committee & Stakeholders Relationship Committee- Loyal Equipments Limited
2.	Vikas Sharma	Nomination and remuneration committee & Stakeholders Relationship Committee- Loyal Equipments Limited
3.	Pradeep Kumar Agarwal	Audit Committee & Nomination and remuneration committee- Loyal Equipments Limited
4.	Sharad Vyas	Audit Committee, Nomination and remuneration committee & Stakeholders Relationship Committee- Loyal Equipments Limited

BOARD MEETING

Regular meetings of the Board are held at least once in a quarter, inter-alia, to review the quarterly results of the Company. Additional Board meetings are convened, as and when required, to discuss and decide on various business policies, strategies and other businesses. The Board meetings are generally held at registered office of the Company.

During the financial year under review, the Board of Directors of the Company met 6 (Six) times, i.e., on May 09, 2025, August 08, 2025, September 03, 2025, November 14, 2025, February 13, 2026 and March 06, 2026.
The details of attendance of each Director at the Board Meeting and Annual General Meeting are given below;

Name of Director	Attendance at Board Meeting held during FY 2025-26		Attendance in Last AGM held on 30-09-2025
	No. of Board Meetings held during their tenure	No. of board Meeting Attended	
Alkeshkumar Patel	6	6	Yes
Helena Alkeshkumar Patel	6	6	Yes
Hemaben Rameshchandra Patel	6	6	Yes
Vikas Sharma#	3	3	Yes
Pradeep Kumar Agarwal#	3	3	Yes
Sharad Vyas#	3	3	Yes
Babubhai Bhulabhai Patel*	3	3	Yes
Girish Nathubhai Desai*	3	3	Yes
Kalpesh Lalitchandra Joshi*	3	3	Yes

*Babubhai Bhulabhai Patel, Girish Nathubhai Desai and Kalpesh Lalitchandra Joshi have resigned with effect from September 03, 2025.
#Vikas Sharma, Pradeep Kumar Agarwal and Sharad Vyas as Independent Director of the Company with effect from September 03, 2025.

During the year, the Board of Directors has not passed any resolution through circulation in compliance of Section 175 of the Companies Act, 2013.

FAMILIARIZATION PROGRAMMES FOR BOARD MEMBERS

The Company has in place a structured Familiarisation Programme for its Independent Directors to enable them to gain a comprehensive understanding of the Company's business, industry dynamics, operations, regulatory environment, strategic objectives, and their roles, rights, responsibilities, and duties under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The programme also provides periodic updates on statutory and regulatory developments relevant to the Company and its business.

During the financial year, the Company conducted familiarisation programmes for its Independent Directors in accordance with the requirements of the SEBI LODR Regulations. The details of such programmes are available on the Company's website at https://loyalequipments.com/

BOARD SKILLS/EXPERTISE/COMPETENCE MATRIX

The Board of Directors have identified the following parameters with respect to the skill/expertise/competence that are available with the Board in the context of the business and sector for it function effectively:

Industry Knowledge/Experience	Technical Skill/Experience	Behavioural Competencies
Engineering Expertise	Accounting & Finance	Leadership & Mentoring Skills

Understanding of Corporate Law, international laws and other rules, regulations and other policies	Risk Management	Interpersonal Relations
International Experience	Strategic Management	
	Legal & Compliance	
	Governance	

The matrix below sets out the core skills, expertise, and competencies available with the Board of Directors as on March 31, 2026:

core skills / expertise / competencies	Alkeshkumar Patel	Helena Alkeshkumar Patel	Hemaben Rameshchandra Patel	Vikas Sharma	Pradeep Kumar Agarwal	Sharad Vyas
Engineering Expertise	✓	✓	-	-	-	-
Understanding of Corporate Law, international laws and other rules, regulations and other policies	✓	-	✓	-	✓	✓
International Experience	✓	✓	-	-	-	-
Accounting & Finance	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	-	✓	-	✓
Strategic Management	✓	✓	-	✓	-	-
Legal & Compliance	✓	✓	-	-	-	✓
Governance	✓	✓	✓	✓	✓	✓
Leadership & Mentoring Skills	✓	✓	✓	✓	✓	✓
Interpersonal Relations	✓	✓	✓	✓	✓	✓

INDEPENDENT DIRECTORS

In compliance with Section 149 of the Companies Act, 2013, the rules framed thereunder, and the SEBI (LODR) Regulations, 2015, the Company has appointed Three Non-Promoter, Non-Executive Independent Directors. The Board of Directors is of the opinion that all Three Independent Directors meet the criteria prescribed under Section 149 of the Companies Act, 2013, the rules made thereunder, and the SEBI (LODR) Regulations, 2015, and affirm that they are independent of the management of the Company.

A separate meeting of the Independent Directors was held on March 06, 2026, to assess the performance of the Non-Independent Directors, the overall performance of the Board, and the performance of the Chairperson of the Company. The meeting also included a review of the quality, quantity, and timeliness of the flow of information between the Company's management and the Board, which is vital for the Board to effectively and efficiently discharge its responsibilities.

The terms and conditions governing the appointment of Independent Directors, along with the Code for Independent Directors, are available on the Company's website at https://loyalequipments.com/

The Company has obtained declarations from the Independent Directors in accordance with Section 149(7) of the Companies Act, 2013, and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015, confirming their compliance with the Independence criteria as stipulated under the relevant provisions of the Companies Act, 2013 for the financial year 2026. The Board has duly considered these declarations and confirmations, having conducted a thorough assessment of their accuracy and reliability. In the Board's opinion, the Independent Directors satisfy the requisite conditions for reappointment and are fully independent of the management.

Details of Resignation of Independent Director

Mr. Babubhai Bhulabhai Patel, Mr. Girish Nathubhai Desai and Mr. Kalpesh Lalitchandra Joshi, Independent directors of the company have completed their second term as an Independent Director of the Company. They have resigned with effect from September 03, 2025. The Board placed on record its gratitude for the valuable contribution made by them during their tenure as the Independent Directors of the Company.

CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

In compliance with the requirements of Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel. The Code lays down the standards of ethical conduct, integrity, transparency, and professional behaviour expected from the Directors and Senior Management Personnel in the discharge of their duties. The Code also incorporates the duties of Independent Directors as prescribed under the Companies Act, 2013.

All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2026. The Code of Conduct is available on the Company's website and can be accessed at https://loyalequipments.com/

A declaration confirming compliance with the Code of Conduct, signed by the Chairman and Managing Director, forms part of this Corporate Governance Report as

BOARD EVALUATION CRITERIA

During the year, the Board carried out an Annual Evaluation of its own performance and the performance of individual Directors, as well as evaluation of the Committees of the Board. An indicative list of factors on which evaluation of the individual directors, the Board and the Committees was carried out includes, Board structure and composition, degree of fulfilment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information flow, functioning of the Board/ Committees, Board culture and dynamics, quality of relationship between the Board and Management, contribution to decisions of the Board, guidance/support to Management outside Board/Committee meetings.

INSIDER TRADING CODE

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"), as amended from time to time, the Board of Directors of the Company had adopted the Codes of Fair Disclosure and Conduct ("the Code") which in turn contains the Code of Conduct to Regulate, Monitor and Report Trading by Insiders and Code of Fair Disclosure Practices. This Code is applicable to all Directors, Promoters, such identified Designated Persons and their Immediate Relatives and other Connected Persons who are expected to have Unpublished Price Sensitive Information relating to the Company. Ms. Neha Jangid, Company Secretary and Compliance Officer of the Company is the Compliance Officer under the Code.

COMMITTEES OF BOARD

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

The terms of reference for the Board Committees are established by the Board of Directors periodically. For the purposes of corporate governance under the SEBI LODR Regulations, the Company has three committees, namely the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. All decisions regarding the constitution of these committees, the appointment of members, and the determination of terms of reference for committee members are made by the Board of Directors.

Detailed information regarding the role and composition of these committees, including the number of meetings held during the financial year and related attendance, is provided below.

During the financial year 2025-26, there were no instances where the Board did not accept the recommendations made by any of its committees.

AUDIT COMMITTEE

The Audit Committee of the Board has been constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"). The Committee assists the Board in discharging its oversight responsibilities relating to the integrity of the Company's financial statements, financial reporting process, internal financial controls, risk management framework, statutory compliance, internal and statutory audit functions, and the effectiveness of the internal control systems.

The role, powers, and terms of reference of the Audit Committee are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Part C of Schedule II read with Regulation 18 of the SEBI LODR Regulations. During the financial year, the Committee discharged its responsibilities effectively by reviewing the financial reporting process, quarterly and annual financial statements, audit reports, internal audit findings, adequacy of internal financial controls, related party transactions, and compliance with applicable statutory and regulatory requirements, and by making appropriate recommendations to the Board.

Terms of References

The terms of reference of the Committee are in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 and major terms of reference, inter alia, includes the following:

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. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

    a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;

f. Disclosure of any related party transactions;
g. Modified opinion(s) in the draft audit report;

5. Reviewing, with the management, the Half Yearly Financial Statements (and include Quarterly financial statements, if declare voluntarily by company) before submission to the board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization 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;

7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the listed entity with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

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

18. To review the functioning of the whistle blower mechanism;

19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

21. 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.

22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

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

a. Management discussion and analysis of financial condition and results of operations;
b. Management letters / letters of internal control weaknesses issued by the statutory auditors;
c. Internal audit reports relating to internal control weaknesses; and
d. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
e. 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).

Composition of Committee, Meeting and Attendance of Each Member at Meetings

The Audit Committee ordinarily meets at least once every quarter to, inter alia, review and recommend the quarterly, half-yearly, and annual financial results of the Company to the Board. The gap between any two consecutive meetings of the Committee did not exceed one hundred and twenty days, in compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Additional meetings are convened, whenever necessary, to consider specific matters falling within the terms of reference of the Committee. The Statutory Auditors, Internal Auditors, and other senior management personnel are invited to attend the meetings of the Audit Committee, as and when required, to provide necessary clarifications and inputs. During the financial year under review, all the recommendations made by the Audit Committee were accepted by the Board of Directors.

During the Financial Year 2025-26, the Audit Committee met 5 (Five) times, i.e., on May 09, 2025, August 08, 2025, September 03, 2025, November 14, 2025 and February 13, 2026. The composition of the Audit Committee during the year, along with the attendance of its members at the meetings, is provided below:

Name	Category	Designation	Number of meetings during the financial year 2025-26		
			Held	Eligible to attend	Attended
Alkeshkumar Patel	Chairman & Managing Director	Member	5	5	5
Pradeep Kumar Agarwal#	Non-Executive Independent Director	Chairperson	2	2	2
Sharad Vyas#		Member	2	2	2
Babubhai Bhulabhai Patel*		Chairperson	3	3	3
Kalpesh Lalitchandra Joshi*		Member	3	3	3

*These Independent directors have resigned from the directorship w.e.f. September 03, 2025.
#These Independent directors have Appointed as a Director w.e.f. September 03, 2025.

The constitution of Audit Committee as on the date of the report is as under:

Name	Category	Designation
Alkeshkumar Patel	Chairman & Managing Director	Member
Pradeep Kumar Agarwal	Non-Executive Independent Director	Chairperson
Sharad Vyas		Member

The Company Secretary serves as the Secretary to the Audit Committee. The minutes of each Audit Committee meeting are reviewed by the Board at the subsequent Board meeting. The composition of the Audit Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013, and Regulation 18 of the SEBI (LODR) Regulations, 2015.

NOMINATION AND REMUNERATION COMMITTEE

The Company has formed Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, or any subsequent modification(s) or amendment(s) thereof. Nomination and Remuneration Committee meetings are generally held for identifying the persons who are qualified to become Directors and may be appointed in senior management and recommending their appointments and removal.

Terms of References

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

2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   a. Use the services of an external agencies, if required;
   b. Consider candidates from a wide range of backgrounds, having due regard to diversity; and
   c. Consider the time commitments of the candidates.

3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;

4. Devising a policy on diversity of board of directors;

5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

6. 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.

7. The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

8. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Composition of Committee, Meeting and Attendance of Each Member at Meetings

The Nomination and Remuneration Committee typically convenes at least once a year. Additional meetings are held as necessary to recommend the appointment or reappointment of Directors and Key Managerial Personnel, along with their remuneration. During the year under review, the Nomination and Remuneration Committee met 5 (Five) times on the following dates: May 09, 2025, August 08, 2025, September 03, 2025, November 14, 2025 and February 13, 2026.

The composition of the Committee during the year, along with the details of meetings attended by its members, is provided below:

Name	Category	Designation	Number of meetings during the financial year 2025-26		
			Held	Eligible to attend	Attended
Vikas Sharma#	Non-Executive Independent Director	Chairperson	5	2	2
Pradeep Kumar Agarwal#		Member	5	2	2
Sharad Vyas#		Member	5	2	2
Babubhai Bhulabhai Patel*		Member	5	3	3
Kalpesh Lalitchandra Joshi*		Member	5	3	3
Girish Nathubhai Desai*		Chairperson	5	3	3

*These Independent directors have resigned from the directorship w.e.f. September 03, 2025.
#These Independent directors have Appointed as a Director w.e.f. September 03, 2025

The constitution of Nomination and Remuneration Committee as on the date of the report is as under:

Name	Category	Designation
Vikas Sharma	Non-Executive Independent Director	Chairperson
Pradeep Kumar Agarwal		Member
Sharad Vyas		Member

The Board of Directors review the Minutes of the Nomination & Remuneration Committee Meetings at its subsequent Board Meetings.

Performance evaluation criteria for independent directors

The performance of Independent Directors shall be evaluated based on, inter alia, the following criteria:

1. Acting objectively and constructively while discharging their duties and responsibilities.
2. Exercising their responsibilities in good faith and in the best interests of the Company and its stakeholders.
3. Devoting sufficient time and attention to their professional obligations to enable informed, balanced, and independent decision-making.
4. Refraining from misusing their position to the detriment of the Company or its shareholders, or for securing any direct or indirect personal benefit or benefit to any associated person.
5. Maintaining their independence at all times and refraining from any action that may compromise such independence.
6. Promptly informing the Board of Directors of any circumstance that may result in the loss of their independence.
7. Supporting and promoting the implementation of sound corporate governance practices within the Company.
8. Making every effort to attend all meetings of the Board of Directors and the Committees of which they are members.
9. Participating actively and constructively in the deliberations of the Board and its Committees, including effectively discharging their responsibilities as Chairperson or member, where applicable.
10. Striving to attend the general meetings of the Company.
11. Keeping themselves adequately informed about the Company's business, operations, industry developments, and the external environment in which the Company operates.

12. Refraining from unfairly obstructing the functioning of the Board or any of its committees while ensuring effective oversight and governance.

13. Exercising independent judgment to facilitate balanced decision-making and, where appropriate, moderating and resolving conflicts in the best interests of the Company as a whole, including conflicts between management and shareholders.

14. Complying with the provisions of the Company's Memorandum and Articles of Association, applicable policies and procedures, including the Code of Conduct, Insider Trading Code, and other governance frameworks.

The detailed criteria and process for evaluating the performance of Independent Directors are set out in the Company's Performance Evaluation Policy, which is available on the Company's website at the following link:

Remuneration To Directors

The Remuneration Policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives performance workforce. The Policy ensures that the level and composition of remuneration of the Directors is optimum.

a. **All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the listed entity:**
During the year, the NEIDs were neither paid any remuneration nor granted any loans or advances. A Non-Executive Director will be eligible for sitting fees for each meeting of the Board attended by him/her, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014. A Non-Executive Director is also eligible for reimbursement the expenses incurred by him for attending the Board and / or Committee of Board meetings, there are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors except those disclosed in the financial statements for the year ended on 31st March, 2026.

b. **Criteria of making payments to Non-Executive Directors:**
Criteria for making payments to Non-Executive Directors is defined as per the policy which can be accessed at https://loyalequipments.com/.

c. **Remuneration to Executive Directors**
The details of remuneration paid to the Executive Directors for the financial year 2025-26 are given below:

(₹ in Lakhs)

Name & Designation of the Executive Director	Remuneration
Alkeshkumar Patel Chairman & Managing Director	150.00
Hemaben Rameshchandra Patel Whole-Time Director	18.50
Helena Alkeshkumar Patel Whole-Time Director	6.00

d. **Remuneration to Non-Executive Directors**

Adequate sitting fees were paid to the Non-Executive Directors for attending meetings of the Board of Directors and its Committees, as determined by the Board of Directors in consultation with the Nomination and Remuneration Committee and in accordance with the applicable provisions of the Companies Act, 2013.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of Listing Regulations, or any subsequent modification(s) or amendment(s) thereof. The Company has constituted Stakeholder's Relationship Committee mainly to focus on the redressal of Shareholders' / Investors' Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants, etc.

Terms of References

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.

2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

3. Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.

4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.

5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.

6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.

7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and

8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

Composition of Committee, Meeting and Attendance of Each Member at Meetings

During the year under review, stakeholders' relationship committee met 5 (Five) times on the following dates: May 09, 2025, August 08, 2025, September 03, 2025, November 14, 2025 and February 13, 2026.

The composition of the Committee during the year and the details of meetings attended by its members are given below:

Name	Category	Designation	Number of meetings during the financial year 2025-26		
			Held	Eligible to attend	Attended
Alkeshkumar Patel	Chairman & Managing Director	Member	5	5	5
Babubhai Bhulabhai Patel*	Non-Executive Independent Director	Chairperson	3	3	3
Kalpesh Lalitchandra Joshi*		Member	3	3	3
Sharad Vyas#		Chairperson	2	2	2
Vikas Sharma#		Member	2	2	2

*These Independent directors have resigned from the directorship w.e.f. September 03, 2025.
#These Independent directors have Appointed as a Director w.e.f. September 03, 2025

The constitution of Stakeholders' Relationship Committee as on the date of the report is as under:

Name	Category	Designation
Alkeshkumar Patel	Chairman & Managing Director	Member
Sharad Vyas	Non-Executive Independent Director	Chairperson
Vikas Sharma		Member

The Company Secretary and Compliance Officer of the Company serves as the Secretary to the Stakeholders' Relationship Committee. The minutes of each meeting of the Stakeholders' Relationship Committee are reviewed by the Board at the subsequent Board meeting.

Name and Designation of Compliance Officer

In terms of the requirement of SEBI Listing Regulations, Ms. Neha Jangid, Company Secretary & Compliance Officer of the Company is acting as the Compliance Officer.

Details of Investor Complaints

The Company, in coordination with its Registrar and Share Transfer Agent ("RTA"), is committed to addressing investors' complaints, queries, suggestions, and grievances promptly and efficiently. All investor communications are attended to within the prescribed timelines, except in cases involving legal or procedural constraints or disputes relating to facts. The Company also endeavours to consider and implement constructive suggestions received from investors, wherever appropriate.

The details of investor complaints and queries during the Financial Year 2025–26 are provided below:

Platform	Number of shareholders' complaints/ Queries			
	Pending at the beginning of the year	Received during the year	Redressed during the year	Pending at the end of the year
As per RTA under Regulation 13(3)	NIL	NIL	NIL	NIL
On SEBI Scores	NIL	NIL	NIL	NIL
On Smart ODR	NIL	NIL	NIL	NIL

As on 31 March 2026, there were no outstanding investor grievances or complaints. Further, no requests for share transfers, transmission, transposition, issue of duplicate share certificates, rematerialisation, or dematerialisation were pending for approval or processing as on that date.

GENERAL MEETINGS

Details of location, time and date of last three Annual General Meetings and Extra Ordinary General meeting are given below:

Meeting No.	Financial Year	Date	Time	Venue	Whether any Special Resolutions passed
16th	2022-23	Friday, September 29, 2023	11:00 AM	Through Video Conference	Yes
17th	2023-24	Friday, September 13, 2024	11:00 AM	Through Video Conference	Yes
18th	2024-25	Tuesday, September 30, 2025	11:00 AM	Through Video Conference	Yes

During the last three financial years, all Special Resolutions placed before the shareholders of the Company were approved with the requisite majority as prescribed under the Companies Act, 2013 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Special Resolutions were passed by the Members at the Annual General Meetings and/or Extraordinary General Meetings through remote e-voting and e-voting during the meetings, in accordance with the provisions of Sections 108 and 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, under the supervision of the Scrutinizer appointed for the purpose.

The voting results, along with the Scrutinizer's Report for the Annual General Meetings and Extraordinary General Meetings, are available on the website of the Company at https://loyalequipments.com/

POSTAL BALLOT

During the financial year ended March 31, 2026, No Special Resolution was passed through postal ballot and as on the date of this Report there is no special resolution proposed to be conducted through postal ballot.

MEANS OF COMMUNICATION

Website

The Company maintains a dedicated 'Investor relation' section on its website, https://loyalequipments.com/ which provides comprehensive information to investors and other stakeholders. The website hosts, inter alia, the Company's Annual Reports, financial results, shareholding pattern, corporate governance disclosures, policies, Board Committee charters, investor presentations, stock exchange intimations, and other statutory disclosures.

Dissemination of Material Information

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company promptly disseminates all material events, price-sensitive information, statutory disclosures, and other filings to the Stock Exchanges through their electronic filing systems. Such disclosures are also made available on the Company's website to ensure timely and transparent communication with all stakeholders.

Financial Results

The quarterly, half-yearly, and annual financial results of the Company, upon approval by the Board of Directors, are disseminated in accordance with the applicable provisions of the SEBI LODR Regulations. The financial results are published in widely circulated national and regional newspapers, wherever applicable, and are also hosted on the Company's website ***www.loyalequipments.com*** as well as on the websites of BSE Limited https://www.bseindia.com/.

Earnings Calls and Investor Presentations

The Company communicates with analysts, institutional investors, shareholders, and other stakeholders through appropriate channels, including disclosures made in accordance with applicable laws and regulations. The Company’s financial results and other relevant information are made available on its website, as applicable, to facilitate timely and wider dissemination of information and promote transparency in its communication with stakeholders.

Annual Report and Annual General Meeting

The Annual Report, comprising the Audited Financial Statements, Board's Report, Management Discussion and Analysis Report, Corporate Governance Report, Business Responsibility and Sustainability Report (where applicable), Auditors' Reports, and other statutory information, is circulated to the Members through electronic mode and is also made available on the Company's website. The Annual General Meeting provides shareholders with an opportunity to interact with the Board of Directors and the senior management of the Company.

Communication with Stock Exchanges

The Company maintains regular communication with the Stock Exchanges and ensures timely submission of all disclosures, including financial results, notices, corporate announcements, and other material information, in compliance with the applicable provisions of the SEBI LODR Regulations.

Through these communication channels, the Company remains committed to maintaining a high level of transparency, timely dissemination of information, and continuous engagement with its shareholders, investors, analysts, and other stakeholders.

GENERAL SHAREHOLDER INFORMATION

Company Registration details

i. Company Registration Details:
The Company is registered in the State of Gujarat, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L29190GJ2007PLC050607.

ii. Annual General Meeting:

Date & Time	Tuesday, September 29, 2026 at 11:00 A.M
Venue	Through Video Conference

As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the forthcoming AGM are given herein and in the Annexure to the Notice of the 19th AGM to be held on September 29, 2026

iii. Financial Calendar:

Year ending	March 31, 2026
AGM in	September
Dividend Payment	NA

iv. Listing on Stock Exchanges: Loyal shares is listed on the following Stock Exchange:

Name & Address	Telephone / Fax / E-mail ID / Website	Scrip Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.	**Telephone:** (022) 22721233/4 **Fax:** (022) 22721919 **E-mail ID:** corp.relations@bseindia.com **Website:** https://www.bseindia.com/	539227

v. **Dividend Policy**: Dividends, other than interim dividend(s), are to be declared at the Annual General Meetings of shareholders based on the recommendation of the Board of Directors. Generally, the factors that may be considered by the Board of Directors before making any recommendations for dividend include, without limitation, the Company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions.

vi. **Registrars and Transfer Agents**: Name and Address are as under:

MUFG Intime India Private Limited (Formerly Known as Link Intime India Pvt. Ltd)
C-101, Embassy 247 Park, LBS Marg, Vikhroli, Mumbai, Maharashtra 400083

vii. Share Transfer System: 100.00% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company.

viii. Shareholding as on March 31, 2026:

Distribution of equity shareholding as on March 31, 2026:

Sr. No.	Category	Number of Shareholders		Equity Shares	
		No. of Share holders	% of Total	No. of Shares	% of Total
1	1 to 500	5279	88.678	486880	4.5123
2	501 to 1000	297	4.9891	230776	2.1388
3	1001 to 2000	175	2.9397	258162	2.3926
4	2001 to 3000	65	1.0919	163037	1.511
5	3001 to 4000	29	0.4871	101425	0.94
6	4001 to 5000	18	0.3024	84061	0.7791
7	5001 to 10000	47	0.7895	316445	2.9328
8	10001 to 99999999999	43	0.7223	9149214	84.7935
Total		**5953**	**100**	**10790000**	**100**

By category of shareholders

3	Description	Total Shares	% Equity
1	Promoters	7599985	70.4354
2	Public	2738039	25.3757
3	Clearing Members	20135	0.1866
4	Hindu Undivided Family	152348	1.4119
5	Non-Resident (Non Repatriable)	19472	0.1805
6	Non-Resident Indians	197944	1.8345
7	Other Bodies Corporate	19621	0.1818
8	Alternate Invst Funds - III	42155	0.3907
9	Body Corporate - Ltd Liability Partnership	301	0.0028
	TOTAL	**10790000**	**100**

ix. Dematerialisation of shares and liquidity: The Company's shares are compulsorily traded in dematerialised form on BSE. 100.00 % of the Equity share capital is dematerialised as on March 31, 2026. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE876S01017.

x. Outstanding GDRs / ADRs / Warrants / any other convertible instruments: As on date, the Company does not have any outstanding instruments of the captioned type.

xi. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund ("IEPF"): No amount pursuant to Sections 124 and 125 of the Companies Act, 2013 and other applicable provisions, if any, of the Act, all unclaimed / unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment.

xii. Annual Listing Fee to Stock Exchange
The Company has paid the Annual Listing Fee for the Financial Year 2025-26 to BSE Limited in relation to its listed securities.

xiii. Annual Custodial Fee to Depositories
The Company has timely paid the annual custodian fee for the financial year 2025-26 to National Securities Depository Limited and Central Depository Services (India) Limited.

xiv. Plant Locations

As the Company is engaged in the manufacturing process and the plant of company is situated at Block No. 35/1-2-3-4, Village Zak, Dahegam, Gandhinagar – 382 330.

xv. Address for correspondence:

Loyal Equipments Limited
Block No. 35/1-2-3-4, Village Zak,
Dahegam, Gandhinagar – 382 330, Gujarat, India.

xvi. Compliance Officer and Public Spokesperson

Ms. Neha Jangid
Company Secretary
Loyal Equipments Limited
Block No. 35/1-2-3-4, Village Zak,
Dahegam, Gandhinagar – 382 330, Gujarat, India.
E-mail: cs@loyalequipments.com

DISPUTE RESOLUTION MECHANISM AT STOCK EXCHANGES (SMART ODR)

As per SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31st July 2023, a common Online Dispute Resolution Portal (ODR Portal) has been established for investors to facilitate online conciliation and arbitration of disputes related to securities. Investors can now opt for arbitration with Stock Exchanges in case of any dispute against the Company or its RTA regarding delays or defaults in processing investor service requests. This is in addition to the existing SCORES system, where investors initially lodge their complaints or grievances against the Company.

If an investor is not satisfied with the resolution provided by the Company, RTA, or SCORES, they may initiate the Online Dispute Resolution process through the ODR Portal at https://smartodr.in/login.

As on March 31, 2026, no matters, relating to the Company, were pending in SMART ODR mechanism.

OTHER DISCLOSURE INFORMATION

Compliance with Non-mandatory Requirements

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

The Board

The Board periodically reviewed the compliance with all the applicable laws and steps taken by your Company to rectify instances of noncompliance, if any. Your Company is in compliance with all mandatory requirements of Listing Regulations.

Shareholders' Right

The Company ensures that the disclosure of all the information is disseminated on a non-discretionary basis to all the Shareholders. The quarterly results are uploaded on the website of the Company http://www.loyalequipments.com/. The same are also available on the sites of stock exchange (BSE) where the shares of your Company are listed.

Audit Qualification

Your Company's Financial Statements are unqualified.

Reporting of Internal Auditor

The Internal Auditor of your Company regularly report their findings of the internal audit to the Audit Committee Members

Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

All related party transactions that were entered into during FY 2025-26 were on arm's length basis and, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. There were no material significant related party transactions entered into by the Company with Promoters, Directors, KMPs or other designated persons which may have a potential conflict with the interest of the Company at large.

The Company has revised the related party transaction policy in accordance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the same is uploaded on Company's website at http://www.loyalequipments.com/.

Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years;

Your Company has timely complied with all the requirements of the Stock Exchanges, SEBI and other Statutory Authority on all matters related to capital markets. From the date of listing, no penalties or strictures have been imposed on the Company by these authorities.

Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel have been denied access to the audit committee.

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior actual or suspected fraud or violation of Company's Code of Conduct.

Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safe guards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time.

The Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The said policy is placed on the website of the Company at https://loyalequipments.com/.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

Web link where policy for determining 'material' subsidiaries is disclosed

The Company has formed the policy for determining 'material subsidiaries. The same has been placed on the website of the Company and web-link to the same is as under http://www.loyalequipments.com/

Web link where policy on dealing with related party transactions is disclosed

The policy of Related party transactions can access at http://www.loyalequipments.com/

Disclosure of commodity price risks and commodity hedging activities

The Company has not undertaken any commodity hedging activities during the Financial Year 2025-26. Accordingly, there are no commodity hedging transactions to report under the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The disclosure requirements under Regulation 32(7A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the utilisation of funds raised through preferential allotment or Qualified Institutions Placement are not applicable to the Company for the Financial Year 2025-26, as the Company did not raise any funds through preferential allotment or Qualified Institutions Placement during the year.

MD / CFO CERTIFICATION

Pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requisite certificate duly signed by the Managing Director (MD) and the Chief Financial Officer (CFO) of the Company was placed before the Board of Directors for the Financial Year 2025-26. The said certificate forms part of this Annual Report as **Annexure I.**

SECRETARIAL COMPLIANCE REPORT

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 (as amended from time to time), every listed entity is required to obtain an Annual Secretarial Compliance Report from a Practising Company Secretary in respect of compliance with all applicable SEBI Regulations and circulars/guidelines issued thereunder.

Accordingly, the Company has obtained the Annual Secretarial Compliance Report for the Financial Year 2025-26 from Mr. Vivek Sharma, Partner of M/s MSV & Associates, Practicing Company Secretaries, who have certified the Company's compliance with the applicable provisions of the SEBI Regulations and the circulars/guidelines issued thereunder. The Report has been submitted to the Stock Exchanges within the prescribed timelines.

CERTIFICATE ON CORPORATE GOVERNANCE

The Company has complied with all the mandatory requirements of Corporate Governance as prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

A certificate from Mr. Vivek Sharma, Partner of M/s MSV & Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under the SEBI LODR Regulations for the Financial Year 2025-26, forms part of this Annual Report as **Annexure II.**

CERTIFICATE REGARDING NON-DISQUALIFICATION OF DIRECTORS

In accordance with Schedule V of the SEBI LODR Regulations, the Company has obtained a certificate from Mr. Vivek Sharma, Partner of M/s MSV & Associates, Practicing Company Secretaries, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as a Director by the Securities and Exchange Board of India (SEBI), the Ministry of Corporate Affairs (MCA), or any other statutory or regulatory authority as on March 31, 2026. The said certificate forms part of this Annual Report as **Annexure III.**

CODE OF CONDUCT FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

In compliance with the requirements of Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel.

The Code lays down the standards of ethical conduct, integrity, transparency, and professional behaviour expected from the Directors and Senior Management Personnel in the discharge of their duties. The Code also incorporates the duties of Independent Directors as prescribed under the Companies Act, 2013. All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2026. The Code of Conduct is available on the Company's website and can be accessed at https://loyalequipments.com/investor-relation/policies/.

A declaration confirming compliance with the Code of Conduct, signed by the Chairman and Managing Director, forms part of this Corporate Governance Report as **Annexure IV**.

STATUTORY AUDITORS

Total fees for all services paid by the Company to the Statutory Auditors is given below:

(Amount in Lakhs)

Particulars	2025-26	2024-25
Audit Fees	7.50	7.50

DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

To foster a positive workplace environment free from harassment of any nature we have framed Prevention of Sexual Harassment Policy through which we address complaints of sexual harassment at all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate. The Company is committed to creating and maintaining a safe and conducive work environment to its employees without fear of sexual harassment, exploitation and intimidation. Further, the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review,

Number of Complaints filed during FY 2025-26	NIL
Number of Complaints disposed of during FY 2025-26	NIL
Number of Complaints pending for FY 2025-26	NIL

The Anti-Sexual Harassment Policy, as adopted by the Board of Directors, is placed on the website of the Company at www.loyalequipments.com.

DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS / COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT

Information regarding loans, guarantees, and investments, as per the provisions of Section 186 of the Companies Act, 2013, is disclosed in the Notes to the Financial Statements for the year ending March 31, 2026.

DETAILS OF MATERIAL SUBSIDIARIES

In terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), a "Material Subsidiary" is determined in accordance with the applicable provisions of the SEBI LODR Regulations and the Company's Policy for Determining Material Subsidiaries.

As at March 31, 2026, the Company does not have any subsidiary. Accordingly, there is no Material Subsidiary of the Company within the meaning of Regulation 16(1)(c) of the SEBI LODR Regulations.

Consequently, the provisions relating to Material Subsidiaries, including the requirements applicable to Secretarial Audit of Material Subsidiaries under Regulation 24A of the SEBI LODR Regulations, are not applicable to the Company for the Financial Year 2025-26.

COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with all the applicable requirements of the Corporate Governance Report as specified under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no instances of non-compliance with the applicable requirements of sub-paragraphs (2) to (10) of the Corporate Governance Report during the Financial Year 2025-26.

Adoption of Discretionary Requirements

The discretionary requirements specified under Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company and, accordingly, have not been adopted during the Financial Year 2025-26.

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 shall be made in the Section on Corporate Governance of the Annual Report.

The Company has complied with all the applicable mandatory requirements of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company remains committed to maintaining the highest standards of Corporate Governance and continues to adhere to the applicable statutory and regulatory requirements.

Sr. No.	Particulars	Regulation No.	Compliance Status (Yes/No/NA)
1	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
2	Board composition	17(1), 17(1A), 17(1C), 17(1D) & 17(1E)	Yes
3	Meeting of Board of Directors	17(2)	Yes
4	Quorum of Board Meeting	17(2A)	Yes
5	Review of Compliance Reports	17(3)	Yes
6	Plans for orderly succession for appointments	17(4)	Yes
7	Code of Conduct	17(5)	Yes
8	Fees/Compensation	17(6)	Yes
9	Minimum Information	17(7)	Yes
10	Compliance Certificate	17(8)	Yes
11	Risk Assessment & Management	17(9)	NA
12	Performance Evaluation of Independent Directors	17(10)	Yes
13	Recommendation of Board	17(11)	Yes
14	Maximum Number of Directorships	17A	Yes

15	Composition of Audit Committee	18(1)	Yes
16	Meeting of Audit Committee	18(2)	Yes
17	Role of Audit Committee and Information to be Reviewed by the Audit Committee	18(3)	Yes
18	Composition of Nomination & Remuneration Committee	19(1) & 19(2)	Yes
19	Quorum of Nomination and Remuneration Committee Meeting	19(2A)	Yes
20	Meeting of Nomination and Remuneration Committee	19(3A)	Yes
21	Role of Nomination and Remuneration Committee	19(4)	Yes
22	Composition of Stakeholders Relationship Committee	20(1), 20(2) & 20(2A)	Yes
23	Meeting of Stakeholders Relationship Committee	20(3A)	Yes
24	Role of Stakeholders Relationship Committee	20(4)	Yes
25	Composition and Role of Risk Management Committee	21(1), 21(2), 21(3) & 21(4)	NA
26	Meeting of Risk Management Committee	21(3A)	NA
27	Quorum of Risk Management Committee Meeting	21(3B)	NA
28	Gap Between the Meetings of the Risk Management Committee	21(3C)	NA
29	Vigil Mechanism	22	Yes
30	Policy for Related Party Transactions	23(1), 23(1A), 23(5), 23(6) & 23(8)	Yes
31	Prior or Omnibus Approval of Audit Committee for all Related Party Transactions	23(2) & 23(3)	Yes
32	Approval for Material Related Party Transactions	23(4)	Yes
33	Disclosure of Related Party Transactions on Consolidated Basis	23(9)	NA
34	Composition of Board of Directors of Unlisted Material Subsidiary	24(1)	NA
35	Other Corporate Governance Requirements with Respect to Subsidiary of Listed Entity	24(2),24(3),24(4),24(5) & 24(6)	NA
36	Alternate Director to Independent Director	25(1)	Yes
37	Maximum Tenure	25(2)	Yes
38	Appointment, Re-appointment or Removal of an Independent Director through Special Resolution or the Alternate Mechanism	25(2A)	Yes
39	Meeting of Independent Directors	25(3) & 25(4)	Yes
40	Familiarization of Independent Directors	25(7)	Yes
41	Declaration from Independent Director	25(8) & 25(9)	Yes
42	Directors and Officers Insurance	25(10)	NA

43	Confirmation with Respect to Appointment of Independent Directors who Resigned from the Listed Entity	25(11)	Yes
44	Memberships in Committees	26(1)	Yes
45	Affirmation with Compliance to Code of Conduct from Members of Board of Directors and Senior Management Personnel	26(3)	Yes
46	Policy with Respect to Obligations of Directors and Senior Management	26(2) & 26(5)	Yes
47	Approval of the Board and Shareholders for Compensation or Profit Sharing in Connection with Dealings in the Securities of the Listed Entity	26(6)	NA
48	Vacancies in Respect of Key Managerial Personnel	26A(1) & 26A(2)	Yes

For and on behalf of Board of Directors
For, Loyal Equipments Limited

Registered office:
Block No.35/1-2-3-4 Village - Zak, Gandhinagar, Dahegam -382330, Gujarat, India.

Sd/-
Patel Alkeshkumar
Chairman and Managing Director
DIN: 02672297

Sd/-
Hemaben Rameshchandra Patel
Whole-Time Director
DIN: 10644176

Place: Dahegam
Date: September 05, 2026

ANNEXURE - I

CERTIFICATION BY MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO)

We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2026 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2026 which are fraudulent, illegal or violative of the Company’s Code of Conduct.

4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

5. We further certify that we have indicated to the auditors and the Audit Committee:

   a. There have been no significant changes in internal control system over financial reporting during the year;
   b. There have been no 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 been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company’s internal control system over financial reporting.

Place: Dahegam
Date: September 05, 2026

Sd/-
Patel Alkeshkumar
Chairman and Managing Director
DIN: 02672297

Sd/-
Amitkumar Chandubhai Patel
Chief Financial Officer

ANNEXURE - II

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
LOYAL EQUIPMENTS LIMITED
Block No.35/1-2-3-4 Village - Zak, Gandhinagar,
Dahegam, Gujarat, India, 382330

We, MSV And Associates, Practicing Company Secretaries, have examined the compliance of the conditions of Corporate Governance by **LOYAL EQUIPMENTS LIMITED** ('the Company') for the year ended on March 31, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para-C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility
The compliance of the conditions of Corporate Governance is the responsibility of the management including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility
Our responsibility is limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion
Based on our examination of the relevant records and according to the information and explanations provided to us, and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para-C and D of Schedule V of the Listing Regulations during the year ended March 31, 2026.

We further state that such compliance 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 MSV & Associates
Practicing Company Secretaries
FRN: P2018RJ071900
Peer Review Certificate No.: 1924/2022

Sd/-
Name of Company Secretary: Vivek Sharma
Partner
FCS No. 10663|CP. No. 14773
UDIN: F010663H000761921

Place: Jaipur
Date: 07.07.2026

ANNEXURE - III

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of the Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Loyal Equipments Limited
Block No.35/1-2-3-4 Village - Zak, Gandhinagar,
Dahegam, Gujarat, India, 382330

In Pursuance of sub clause (i) of clause 10 of Part C of schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirement) Regulations, 2015; (LODR) in respect of LOYAL EQUIPMENTS LIMITED (CIN: L29190GJ2007PLC050607), we have examined the relevant registers, records, forms, returns and disclosures provided by the Directors (as enlisted in Table A).

In our opinion and to the best of our knowledge and based on the following:

i. Documents available on the website of the Ministry of Corporate Affairs;

ii. Verification of Directors Identification Number (DIN) status on the website of the Ministry of Corporate Affairs; and

iii. Disclosures provided by the Directors (as enlisted in Table A) to the Company.

We hereby certify that none of the Directors on the board of the company (as enlisted in Table A) has been Debarred or Disqualified from being appointed or continuing as Director of company by the SEBI/ Ministry of Corporate Affairs or any statutory authority as on March 31st, 2026.

List of Directors (Table A)

Sr. No.	Name of the Directors	DIN	Date of appointment	Designation
1.	Helena Alkeshkumar Patel	09296895	28/08/2021	Whole-time Director
2.	Patel Alkeshkumar	02672297	20/04/2007	Managing Director
3.	Pradeep Kumar Agarwal	10209096	03/09/2025	Independent Director
4.	Sharad Vyas	09088517	03/09/2025	Independent Director
5.	Vikas Sharma	03354570	03/09/2025	Independent Director
6.	Hemaben Rameshchandra Patel	10644176	02/11/2024	Whole-time director

Ensuring the eligibility 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 MSV & Associates
Practicing Company Secretaries
FRN: P2018RJ071900
Peer Review Certificate No.: 1924/2022

Sd/-
Name of Company Secretary: Vivek Sharma
Partner
FCS No. 10663|CP. No. 14773
UDIN: F010663H000761897

Place: Jaipur
Date: 07.07.2026

ANNEXURE - IV

DECLARATION BY CHAIRMAN AND MANAGING DIRECTOR AFFIRMING COMPLIANCE WITH CODE OF CONDUCT

I, Alkesh Patel, Chairman and Managing Director of LOYAL Equipments Limited, hereby formally declare and affirm that, to the best of my knowledge and belief, all the Directors and Senior Management Personnel of the Company have fully complied with the provisions of the Code of Conduct and Ethics for Directors and Senior Management Personnel, as established by the Company. Each of the Directors and Senior Management Personnel has provided their explicit affirmation of such compliance as of March 31, 2026, in accordance with the Company's governance standards.

Sd/-
Patel Alkeshkumar
Chairman and Managing Director
DIN: 02672297

Place: Dahegam
Date: September 05, 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

TO THE MEMBERS OF
LOYAL EQUIPMENTS LIMITED OPINION

We have audited the accompanying financial statements of **Loyal Equipments Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), for the year ended on March 31, 2026, the Statement of Changes in Equity for the year ended on March 31st, 2026, the Cash flow statement for the year ended & and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its Profit and total 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 financial statements in accordance with the standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provision of the Act, and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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.

Sr. No.	Key Audit Matter
1.	**Valuation of Inventories:** The company has Inventories amounting to Rs. 2840.14 Lakhs (i.e. 30.59% of total assets) at the Balance Sheet Date March 31, 2026 Accordingly, appropriateness of the estimates used to identify the valuation of inventories, is determined to be a key audit matter for our audit of Ind AS financial statements.
	Auditor Response to key Audit Matter:

	Principal Audit Procedures: We have performed the following procedures in relation to the recoverability of trade receivables: • We reviewed the management policy for physical verification and the documents related to management's physical count procedure actually followed during the year • We understood the management process for assessment of value in use/ net realisable value of various class of inventories and making provision for obsolete inventory. • We reviewed the management's judgement applied in estimating the value of inventory obsolescence for stores & spares, taking into consideration management assessment of the present and future condition of the inventory. • We performed substantive audit procedures that included review of working prepared by the management for valuation of inventories and observed that appropriate allocation of fixed cost and variable cost is done in respect of Finished Goods and Work in Progress which is in lines with prevailing accounting standards.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON.

The company's board is responsible for the preparation of the other information. The other information comprises the information included Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the Financial Statements and our Auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements to give a true and fair view of the financial position, financial performance, & cash flows of the Company in accordance with accounting standard & accounting principles generally accepted in India. 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Balance Sheet, the Statement of Profit and Loss & Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

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 is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of internal financial control over financial reporting of the company & the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanation given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

(ii) The Company has made provision, as at March 31, 2026 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

(iii) The Company is not liable to transfer any amounts, to the Investor Education and Protection Fund during the year ended March 31, 2026.

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

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

(v) The company has declared and paid dividend during the year 2025-26.

(vi) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For A Y & Company
Chartered Accountants
FRN: 020829C

Sd/-
CA Arpit Gupta
Partner
M.NO.: 421544
UDIN: 26421544DDRHHD7974
Place: Dahegam
Date: 13.05.2026

ANNEXURE “A” TO THE AUDITOR’S REPORT

Report on the Internal Financial Control under clause (i) of sub section 3 of Section 143 of companies Act, 2013 (‘The Act’)

We have audited the internal financial control over financial reporting of Loyal Equipments Limited (‘the company’) as of 31st March, 2026 in conjunction with our audit of the financial statement of the company for the year ended on that date.

Management Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by ICAI and the standards on auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A Y & Company
Chartered Accountants
FRN: 020829C

Sd/-
CA Arpit Gupta
Partner
M.NO.: 421544
UDIN: 26421544DDRHHD7974
Place: Dahegam
Date: 13.05.2026

ANNEXURE "B" TO THE AUDITOR'S REPORT

Referred to in Paragraph 2 Under "Report on Other Legal and Regulatory Requirements" of Our Report to the member of Loyal Equipments Limited of Even Date

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

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

(b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties are held in the name of the company.

(d) The company has not revalued its Property, Plant & Equipment (including Right of use assets) or intangible assets during the year

(e) No proceeding have been initiated or are pending against the company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) (a) The inventories, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company

3) In our opinion the investments made by the company are prima facie, not prejudicial to the interest of the company. Further the company has not, provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, LLP or other parties covered in register maintained under section 189 of the companies act 2013. Hence the question of reporting such loans are not prejudicial to the company's interest or whether the receipt of the principal amount and interest are regular and whether reasonable steps for recovery of overdues of such loan are taken, does not arise.

4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

6) As informed to us, the maintenance of Cost Records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company & the company is regularly maintaining those records.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods & Service Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities and no statutory dues were outstanding as at 31st March, 2026 for a period of more than six months from the date they became payable except as followings:

b) According to the information and explanation given to us, there are no dues of income tax, Goods & service tax & duty of customs outstanding on account of any dispute.

8) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9)

a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

10) a) The Company has not raised any money by way of initial public offer during the year.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) hence reporting under this clause is not applicable.

11) a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) No report under sub section (12) of section 143 of the companies' act has been filed in Form ADT- 4 as prescribed under rule 13of companies (Audit and Auditors) Rules, 2014 with the central Government during the year and upto the date of this report.

c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

12) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14) a) In our opinion the company has an internal audit system commensurate with the size and nature of its business.

b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

17) The company has not incurred cash losses in the financial year. Further the company has not incurred cash loss in the immediately preceding financial year too.

18) During the year under review, there has been no resignation of statutory auditors.

19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that 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.

20) There are no unspent amounts towards Corporate Social Responsibility (CSR) requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

21) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For A Y & Company
Chartered Accountants
FRN: 020829C

Sd/-
CA Arpit Gupta
Partner
M.NO.: 421544
UDIN: 26421544DDRHHD7974
Place: Dahegam
Date: 13.05.2026

LOYAL EQUIPMENTS LIMITED

Block No. 35/1,2,3,4, Village Zak, Dahegam, Gandhinagar (Gujarat)

BALANCE SHEET AS AT 31ST MARCH 2026

CIN No L29190GJ2007PLC050607, E-Mail ID-info@loyalequipments.com, Tel. 2716-269033

Particulars	Note No.	Amount (In Lakhs) 31.03.2026	Amount (In Lakhs) 31.03.2025
ASSETS			
A. Non-Current Assets			
(i) Fixed Assets			
(a) Plant, Property and Equipment	2	1523.62	1167.40
(b) Right of Use Assets	2	452.89	93.26
(c) Capital Work-in-Progress	2	1589.97	272.01
(d) Investment Properties		0.00	0.00
(e) Goodwill		0.00	0.00
(f) Other Intangible Assets	2	32.44	37.29
(g) Intangible Assets under Development		0.00	0.00
(h) Biological Assets other then bearer Plants		0.00	0.00
(ii) Financial Assets			
(a) Investments	3	211.33	200.81
(b) Trade Recievables		0.00	0.00
(c) Loans & Advances	4	209.45	182.40
(iii) Deferred Tax Assets (Net)	16	17.04	22.66
(iv) Other Non Current Assets		0.00	0.00
B. Current Assets			
(i) Inventories	5	2840.14	1704.17
(ii) Financial Assets			
(a) Current Investments		0.00	0.00
(b) Trade Recievables	6	1992.61	2230.40
(c) Cash & Cash Equivalents	7	31.57	1259.69
(d) Short Term Loans & Advances	8	57.08	334.64
(iv) Current Tax Assets (Net)	9	0.00	0.00
(v) Other Current Assets	10	326.31	40.64
TOTAL ASSETS		**9284.44**	**7545.37**
EQUITY AND LIABILITIES			
A. Equity			
(i) Equity Share Capital	11	1079.00	1079.00
(ii) Other Equity	12	4575.95	4008.49
Total Equity		**5654.95**	**5087.49**
B. Liabilities			
Non-Current Liabilities			
(i) Financial Liabilities			
(a) Long Term Borrowings	13	292.30	125.85
(b) Trade Payables		0.00	0.00
(c) Other Long Term Liabilities	14	437.87	64.36
(ii) Long Term Provisions	15	63.89	48.91
(iii) Deferred Tax Liabilities	16	0.00	0.00
(iv) Other Long Term Liabilities		0.00	0.00
Current Liabilities			
(i) Financial Liabilities			
(a) Short Term Borrowings	17	1479.95	832.80
(b) Trade Payables	18		
Due to Micro, Small & Medium Enterprises		0.00	0.00
Due to Creditors Other than Micro, Small & Medium Enterprises		987.53	405.97
(c) Other Current Liabilities	19	353.79	949.63
(ii) Short Term Provisions	20	9.94	6.30
(iii) Current Tax Liabilities (Net)		4.22	24.06
TOTAL EQUITY AND LIABILTIES		**9284.44**	**7545.37**
Significant Accounting Policies & Notes on Financial Statements	1		

As per Our Separate Report of Even Date
For A Y & Company
Chartered Accountants
Firm Registration No. : 020829C

Sd/-

CA Arpit Gupta
Partner
M.No. 421544
UDIN: 26421544DDRHHD7974

Place : Dahegam
Date: 13.05.2026

For and On behalf of the Board
For Loyal Equipments Limited

Sd/-	Sd/-
Alkesh R Patel	**Hemaben M Patel**
Managing Director	**Director**
DIN 02672297	**DIN 10644176**

Sd/-	Sd/-
Amit C Patel	**Neha Jangid**
Chief Financial Officer	**Company Secretary**
	M.No. 56820

LOYAL EQUIPMENTS LIMITED

Block No. 35/1,2,3,4, Village Zak, Dahegam, Gandhinagar (Gujarat)

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED ON 31 MARCH 2026

CIN No L29190GJ2007PLC050607, E-Mail ID-info@loyalequipments.com, Tel. 2716-269033

Particulars	Note No.	Amount (In Lakhs) 31.03.2026	Amount (In Lakhs) 31.03.2025
A.INCOME			
I) Revenue from Operations	21	7897.84	7530.01
II) Other Income	22	99.47	41.57
III TOTAL INCOME (I+II)		**7997.31**	**7571.58**
IV. EXPENDITURE			
a) Cost of Raw Material Consumed	23	4807.32	3708.56
b) Purchases of Stock in Trade		0.00	0.00
c) Changes in Inventory of Finished Goods, Work In Progress & Stock In Trade	24	-795.73	401.07
d) Employee Benefit Expenses	25	857.37	702.98
e) Finance Costs	26	178.91	85.95
f) Depreciation and Amortisation Expenses	27	273.97	236.34
g) Other Expenses	28	1802.19	1077.90
TOTAL EXPENSES (IV)		**7124.03**	**6212.80**
(V) Profit/(loss) before exceptional items and tax (III-IV)		873.28	1358.78
(VI) Exceptional items		0.00	0.00
(VII) Profit/(loss) before tax from Continuing Operations (V-VI)		873.28	1358.78
(VIII) Tax Expenses			
a) Current year Tax		192.55	311.48
b) Deferred Tax		7.36	(18.89)
c) Tax Related to Earlier year		0.00	0.00
(IX) Profit/(Loss) for the period from continuing operations (VII-VIII)		**673.37**	**1066.20**
X Profit/(Loss) from discontinued operations		0.00	0.00
XI Tax Expenses of discontinued operations		0.00	0.00
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		0.00	0.00
XIII Profit/(loss) for the period (IX+XII)		**673.37**	**1066.20**
XIV Other Comprehensive Income			
A (i) Items that will be reclassified to Profit or loss		0.00	0.00
(ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
B (i) Items that will not be reclassified to profit or loss		6.90	0.26
(ii) Income tax relating to items that will not be reclassified to profit or loss		-1.74	-0.07
XV Total Comprehensive Income for the period (XIII+XIV)(Comprising profit (Loss) and other comprehensive income for the period)		**668.21**	**1066.00**
XVI Earnings per equity share (for continuing operation) :			
(1) Basic		6.24	10.21
(2) Diluted		6.24	10.21
XVII Earnings per equity share (for discontinued operation) :			
(1) Basic		0.00	0.00
(2) Diluted		0.00	0.00
XVIII Earnings per equity share (for discontinued & Continuing operation) :			
(1) Basic		6.24	10.21
(2) Diluted		6.24	10.21
Significant Accounting Policies & Notes on Financial Statements	1		

As per Our Separate Report of Even Date
For A Y & Company
Chartered Accountants
Firm Registration No. : 020829C

Sd/-

CA Arpit Gupta
Partner
M.No. 421544
UDIN: 26421544DDRHHD7974

Place : Dahegam
Date: 13.05.2026

For and On behalf of the Board
For Loyal Equipments Limited

Sd/-
Alkesh R Patel
Managing Director
DIN 02672297

Sd/-
Hemaben M Patel
Director
DIN 10644176

Sd/-
Amit C Patel
Chief Financial Officer

Sd/-
Neha Jangid
Company Secretary
M.No. 56820

Loyal Equipments Limited
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Particulars	Amount (Rs. In Lakhs) 31.03.2026	Amount (Rs. In Lakhs) 31.03.2025
Cash flows from operating activities		
Profit before taxation & Extraordinary items	873.28	1,358.78
Adjustments for:		
Depreciation	273.97	236.34
Non Cash Expense	62.02	27.92
Payment of Lease Rent	(72.00)	(64.50)
Prior Period Items	(4.48)	(107.95)
Payment of Gratuity	(2.03)	-
Investment income	(59.79)	(40.07)
Finance Cost	178.91	85.95
Working capital changes:		
(Increase) / Decrease in trade and other receivables	237.79	(942.98)
(Increase) / Decrease in other current assets	(285.67)	(5.20)
(Increase) / Decrease in Short Term Loans & Advances	277.56	(251.64)
(Increase) / Decrease in inventories	(1,135.96)	3.50
Increase / (Decrease) in trade payables	581.57	51.40
Increase / (Decrease) in other current liabilities	(586.74)	272.20
Cash generated from operations	**338.42**	**623.75**
Income taxes paid/(Refund)	(192.55)	(311.46)
Net cash from operating activities	**145.87**	**312.29**
Cash flows from investing activities		
Purchase of Fixed Assets (Net of Sales)	(1,923.00)	(500.99)
Long terms loans & Advances Granted/Received	(27.05)	(52.45)
Purchase of Investments	(10.52)	(191.60)
Interest received	59.79	40.07
Net cash used in investing activities	**(1,900.77)**	**(704.96)**
Cash flows from financing activities		
Payment of Long Term Borrowings	166.45	(111.45)
Proceeds from Short Term Borrowings	647.15	(152.43)
Proceeds from Share Capital	-	1,171.09
Payment of Dividend	(107.90)	-
Payment of Finance Cost	(178.91)	(85.95)
Net cash used in financing activities	**526.79**	**821.26**
Net increase in cash and cash equivalents	**(1,228.11)**	**428.59**
Cash and cash equivalents at beginning of period	**1,259.69**	**831.11**
Cash and cash equivalents at end of period	**31.57**	**1,259.69**
Cash and cash equivalents comprises of		
Cash in Hand	**21.04**	**20.73**
Balance with Scheduled Banks	**10.53**	**1,238.96**

As per Our Separate Report of Even Date
For A Y & Company
Chartered Accountants
Firm Registration No. : 020829C

For and On behalf of the Board
For Loyal Equipments Limited

Sd/-
Alkesh R Patel
Managing Director
DIN 02672297

Sd/-
Hemaben M Patel
Director
DIN 10644176

Sd/-
CA Arpit Gupta
Partner
M.No. 421544
UDIN: 26421544DDRHHD7974

Sd/-
Amit C Patel
Chief Financial Officer

Sd/-
Neha Jangid
Company Secretary
M.No. 56820

Place : Dahegam
Date: 13.05.2026

LOYAL EQUIPMENTS LIMITED
Block No. 35/1,2,3,4, Village Zak, Dahegam, Gandhinagar (Gujarat)
CIN No L29190GJ2007PLC050607, E-Mail ID-info@loyalequipments.com, Tel. 2716-269033

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON MARCH 31, 2026

A) EQUITY SHARE CAPITAL

Particulars	Amount (In Lakhs)
Equity Shares of Rs. 10 each issued, subscribed & Paid	
As at 01 April, 2024	**1020.00**
changes in Equity share Capital during the year	59.00
As at 31st March, 2025	**1079.00**
changes in Equity share Capital during the year	0.00
As at 31st March, 2026	**1079.00**

B) OTHER EQUITY

Particulars	Other Equity			
	Reserves & Surplus			Amount (In Lakhs)
	General Reserve	Securities Premium	Retained Earnings	
As at 31st March, 2024	**0.00**	**0.00**	**1938.36**	**1938.36**
Profit/(Loss) for the period	0.00	0.00	1066.20	1066.20
Other Comprehensive Income	0.00	0.00	-0.20	-0.20
Total Comprehensive Income	0.00	0.00	1066.00	1066.00
Transfer to General Reserve	0.00	0.00	0.00	0.00
Addition during the year	0.00	1112.09	0.00	1112.09
Utilization of Reserves	0.00	0.00	107.95	107.95
Balance As at 31st March, 2025	**0.00**	**1112.09**	**2896.41**	**4008.49**
Profit/(Loss) for the period	0.00	0.00	673.37	673.37
Other Comprehensive Income	0.00	0.00	5.16	5.16
Total Comprehensive Income	0.00	0.00	668.21	668.21
Utilization of Reserves	0.00	107.90	0.00	107.90
Prior Period Items	0.00	0.00	-7.14	-7.14
As at 31st March, 2026	**0.00**	**1004.19**	**3571.76**	**4575.95**

Significant Accounting Policies & Notes on Financial Statements 1

As per Our Separate Report of Even Date
For A Y & Company
Chartered Accountants
Firm Registration No. : 020829C

For and On behalf of the Board
For Loyal Equipments Limited

Sd/-
Alkesh R Patel
Managing Director
DIN 02672297

Sd/-
Hemaben M Pa
Director
DIN 10644176

Sd/-
CA Arpit Gupta
Partner
M.No. 421544
UDIN: 26421544DDRHHD7974

Sd/-
Amit C Patel
Chief Financial Officer

Sd/-
Neha Jangid
Company Secretary
M.No. 56820

Place : Dahegam
Date: 13.05.2026

NOTE NO. 1
Notes Forming Part of Financial Statements for the year ended on March 31st, 2026

i. GENERAL INFORMATION

Loyal Equipments Limited ('the Company') was incorporated on April 20, 2007 and is engaged in the business of manufacturing of Industrial & Engineering Equipments.

ii. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the companies Act, 2013 ("the Act") read with the companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act, as applicable.

iii. ROUNDING OF AMOUNTS:

The financial statements including notes thereon are presented in Indian ₹ which is the Company's functional currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest Lakhs, unless stated otherwise.

iv. SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPERATION:

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, read with section 133 of the Companies Act, 2013.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies stated out below.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Current & Non-Current Classifications
All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Act. The Company has ascertained its operating cycle to be 12 months for the purpose of current and non-current classification of assets and liabilities.

B. PROPERTY, PLANT & EQUIPMENTS:

On transition to Ind AS, the Company has adopted optional exemption under Ind AS 101 to use the carrying value of Property, Plant and Equipment as the deemed cost. Subsequently Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment loss, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Costs directly attributable to acquisition are capitalized until the Property, Plant and Equipment are ready for use, as intended by management.

C. CAPITAL WORK IN PROGRESS:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

D. INTANGIBLE ASSETS UNDER DEVELOPMENT:

Intangible Asset under Development includes all cost incurred for the development of Intangible Assets including cost of employee benefits and other directly attributable expenses.

E. INTANGIBLE ASSETS:

Intangible assets acquired are measured on initial recognition at cost and stated at cost less accumulated amortisation and impairment loss, if any. Intangible assets development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs capitalized include the costs of material, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use.

Acquired Intangible Assets are amortised under straight-line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013.

F. DEPRECIATION/AMORTIZATION ON PROPERTY PLANT AND EQUIPMENTS:

Depreciable amount for Property, Plant and Equipment is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant and Equipment is provided on Written Down Value method, as per the useful life prescribed in Schedule II to the Companies Act, 2013. The estimated useful lives of the assets are as follow:

Assets	**Useful Life (in Years)**
Building	30
Plant & Equipments (Electric Installations)	10
Plant & Equipments (Machinery)	15
Furniture & Fixtures	10
Vehicles	6
Office Equipments	5
Computers	3

Depreciation on additions during the year is provided on pro-rata basis with reference to date of addition/installation. Depreciation on assets disposed /discarded is charged up to the date on which such asset is sold.

Land is not depreciated.

G. IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT/INTANGIBLE ASSETS.

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).

The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

H. DERECOGNITION OF PROPERTY, PLANT AND EQUIPMENT/INTANGIBLE ASSETS:

The carrying amount of an item of Property, Plant and Equipment / Intangible Assets is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of Property, Plant and Equipment / Intangible Assets is measured as the difference between the net disposal in proceeds and the carrying amount of the item and is recognised in the statement of profit and loss when the item is derecognised.

I. CASH & CASH EQUIVALENTS:

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of working capital loan outstanding as they are considered an integral part of the Company's cash management.

J. CASH FLOW STATEMENTS:

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated

K. INVENTORIES:

Inventories of raw materials and work in progress and finished goods, are valued at lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. Cost of Work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also include all other costs incurred in bringing the inventories to their present location and conditions. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

L. FINANCIAL INSTRUMENTS:

Financial instruments are any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- **Initial Recognition**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

- **Subsequent Measurement:**
  Financial assets are classified into the following specified categories: Amortised cost, Financial Assets at Fair Value Through Profit and Loss (FVTPL), Fair Value Through Other Comprehensive Income (FVTOCI). The classification depends on the Company's business model for managing the financial assets and the contractual terms of cash flows.

Debt Instruments:

Amortised Cost
A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This category generally applies to trade and other receivables.

Fair value through other comprehensive income (FVTOCI)
A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets.
b) The asset's contractual cash flows represent solely payments of principal and interest.

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

Fair value through Profit and Loss (FVTPL)
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

- **Derecognition of financial assets**

A financial asset is derecognised only when:
a) The Company has transferred the rights to receive cash flows from the asset or the rights have expired or

b) The Company retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

- **Impairment of financial assets:**

  The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Financial liabilities and equity instruments:

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the value of proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities:

- **Subsequent Measurement**

  Financial liabilities measured at amortised cost Financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the statement of profit and loss.

- **Financial liabilities measured at fair value through profit or loss (FVTPL)**

  Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities at fair value through profit or loss are carried in the financial statements at fair value with changes in fair value recognized in other income or finance costs in the statement of profit and loss.

- **Derecognition of financial liabilities:**

  A financial liability is derecognized 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 recognized in the statement of profit and loss.

- **Determination of fair value:**

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date.

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

M. LEASE:

Effective April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company’s incremental borrowing rate at the date of initial application.

The Company as lessee:

The Company’s lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

N. FAIR VALUE MEASUREMENT:

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

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

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 —inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

O. BORROWINGS AND BORROWING COSTS:

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the Effective Interest Rate (EIR). Further the management has not found any material difference between EIR & Actual Rate of Interest, so that the Actual rate of interest is taken for amortisation purpose.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

P. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions are recognised when there is a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but

discloses its existence in the financial statements.
A contingent asset is a possible asset that arises 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 Company. Contingent assets are not recognized, but its existence is disclosed in the financial statements.

Q. REVENUE RECOGNITION:

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

- **Sale of services**
  The Company recognizes revenue on accrual basis when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues and costs depends on the nature of the services rendered. Revenue is recognized when no significant uncertainty exists as to its realization or collection.
- **Sale of goods:**
  Revenue from the sale of goods is recognised when the goods are delivered, titles have passed and all the following conditions are satisfied:

  i. the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
  ii. the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
  iii. the amount of revenue can be measured reliably;
  iv. it is probable that the economic benefits associated with the transaction will flow to the company; and
  v. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

  The amount recognised as revenue in its Statement of Profit and Loss is exclusive of Goods and Service Tax, Service Tax and Value Added Taxes (VAT).

- **Other Income:**
  Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the company and the amount of income can be measured reliably.

R. EMPLOYEE BENEFITS:

- **Short term employee benefits**
  All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability after deducting any amount already paid.

- **Long Term Employment benefits:**
-

  Defined Contribution Plan
  The Company makes contributions to Provident Fund, etc. for eligible employees and these contributions are charged to The Statement of Profit and Loss on accrual basis.

Defined Benefit Plan

The Company have a defined benefit plan for its employees, which requires contribution to be made to a separately Administrated Fund.

Liability for defined benefit plans i.e. Gratuity is determined based on the actuarial valuation carried out by an independent actuary at the year end. As these liabilities are relatively long term in nature, the actuarial assumptions take in account the requirements of the relevant Ind AS coupled with a long term view of the underlying variables / trends, wherever required.

Service cost and net interest cost on the defined benefit liabilities/assets are recognized in the statement of profit and loss as employee benefit expense. Gains and losses on re measurement of defined benefits liabilities/plan assets arising from changes in actuarial assumptions and experience adjustments are recognised in the other comprehensive income and are included in retained earnings in the balance sheet.

S. FOREIGN CURRENCY TRANSLATION:

The functional Currency of the Company is Indian Rupee.

Transactions and translations:

All transactions in foreign currency are recorded at the rates of the exchange prevailing on the dates when the relevant transactions took place. Any gain/ loss on account of the fluctuations in the rate of exchange is recognized in the Statement of Profit and Loss.

Monetary items in the form of loans, current assets and current liabilities in foreign currencies at the close of the year are converted in the Indian currency at the appropriate rate of exchange prevailing on the dates of the Balance Sheet. Resultant gain or loss on account of fluctuation in the rate of exchange is recognized in the Statement of Profit and Loss.

T. INCOME TAX:

- **Current and deferred tax for the year**

  Income tax expense comprises of current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

- **Current Tax**

  The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘Profit Before Tax’ as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is determined on the basis of taxable income in accordance with the applicable tax rates and the provisions of applicable tax laws.

- **Deferred Tax**

  Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

  The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

U. Earnings per Equity Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.
The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

V. CRITICAL ACCOUNTING JUDGMENT AND ESTIMATES:

The preparation of financial statements in conformity with Ind AS requires the Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the applicability of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statement and reported amounts of revenue and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in the estimates are made as the Management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material. Their effects are disclosed in the notes to the financial statement.

LOYAL EQUIPMENTS LIMITED

Block No. 35/1,2,3,4, Village Zak, Dahegam, Gandhinagar (Gujarat)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31/03/2026

CIN No L29190GJ2007PLC050607, E-Mail ID-info@loyalequipments.com, Tel. 2716-269033

NON CURRENT ASSETS

NOTE NO. : 2

Rs. In Lakhs

		Gross Caryying Amount					Accumulated Depreciation					Net Carrying Amount	
	Fixed Assets	**Balance as at 01/04/2025**	**Additions/ (Disposals)**	**Acquired through business combinations**	**Disposals/Transfers**	**Balance as at 31/03/2026**	**Balance as at 01/04/2025**	**Depreciation charge for the year**	**Adjustment**	**Eliminated On disposals**	**Balance as at 31/03/2026**	**As at 31/03/2026**	**As at 31/03/2025**
A	**Tangible Assets**												
	Land/Shed	13.95	0.00	0.00	0.00	13.95	0.00	0.00	0.00	0.00	0.00	13.95	13.95
	Buildings	1372.97	0.00	0.00	0.00	1372.97	585.56	109.13	0.00	0.00	694.68	678.28	787.41
	Plant and Equipment	947.68	551.89	0.00	0.00	1499.58	657.32	76.92	0.00	0.00	734.24	765.34	290.36
	Furniture and Fixtures	18.04	0.00	0.00	0.00	18.04	16.32	0.57	0.00	0.00	16.88	1.16	1.72
	Vehicles	192.77	21.39	10.70	0.00	203.46	121.33	29.87	-10.53	0.00	140.67	62.79	71.45
	Office equipment	88.62	4.81	0.00	0.00	93.43	86.12	4.76	0.46	0.00	91.34	2.09	2.51
	Total	2634.04	578.09	10.70	0.00	3201.43	1466.64	221.24	-10.07	0.00	1677.81	1523.62	1167.40
B	**Intangible Assets**												
	Softwares	140.03	2.59	0.00	0.00	142.62	102.74	7.44	0.00	0.00	110.18	32.44	37.29
	Total	140.03	2.59	0.00	0.00	142.62	102.74	7.44	0.00	0.00	110.18	32.44	37.29
C	**Capital Work in Progress**												
	Corporate Office New building	272.01	1317.96	0.00	0.00	1589.97	0.00	0.00	0.00	0.00	0.00	1589.97	272.01
	Total	272.01	1317.96	0.00	0.00	1589.97	0.00	0.00	0.00	0.00	0.00	1589.97	272.01
D	**Right to Use Assets**												
	Leasehold Land	265.81	498.18	0.00	265.81	498.18	172.55	45.29	0.00	172.55	45.29	452.89	93.26
	Total	265.81	498.18	0.00	265.81	498.18	172.55	45.29	0.00	172.55	45.29	452.89	93.26
	Grand Total	3311.89	2396.82	10.70	265.81	5432.20	1741.92	273.97	-10.07	172.55	1833.28	3598.92	1569.96

Capital WIP Aging Summary

31.03.2026

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	1,317.96	272.01	-	-	1,589.97

31.03.2025

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	272.01	-	-	-	272.01

Particulars	Amount (In Lakhs) 31.03.2026	Amount (In Lakhs) 31.03.2025
FINANCIAL ASSETS - NON CURRENT		
NOTE NO. 3		
INVESTMENTS		
Investment in Equity Instruments & Mutual Funds	211.33	200.81
	211.33	**200.81**
NOTE NO. 4		
Non Current Assets		
Security Deposits & Bank Guarantee	209.45	182.40
TOTAL	**209.45**	**182.40**
CURRENT ASSETS		
NOTE NO.5		
INVENORIES		
Raw Material	1490.95	1150.71
WIP	1349.19	553.46
Finished Goods	0.00	0.00
	2840.14	**1704.17**
NOTE NO. 6		
TRADE RECIEVABLES		
Less than Six Months	1877.57	1924.84
More than Six Months	115.04	305.56
Less: Provision for ECL	0.00	0.00
	1992.61	**2230.40**

Ageing Summary of Trade Receivable	31 March 2026	31 March 2025
Undisputed, considered good		
- Not Due	0.00	0.00
- less than 6 months	1877.57	1924.84
- 6 months to 1 year	99.70	129.54
- 1 year to 2 years	0.00	95.81
- 2 year to 3 years	0.00	64.87
- More than 3 years	15.34	15.34

Particulars	31.03.2026	31.03.2025
NOTE NO. 7		
CASH & CASH EQUIVALENTS		
Balance with Scheduled Banks	10.53	10.53
Cash in Hand	21.04	20.73
Balance in Fixed Deposits	0.00	1228.43
	31.57	**1259.69**
NOTE NO.8		
SHORT TERM LOANS & ADVANES		
(Unsecured and Considered Good)		
Advance Against Order	42.24	311.31
Staff Advance	14.84	23.33
	57.08	**334.64**

8.1 Loans & Advances granted to Promoter,Director, KMP & Related Parties

Type of Borrower	31.03.2026	31.03.2025
Promotoers	-	-
Directors	-	-
KMPS	-	-
Related Parties	-	-

Particulars	31.03.2026	31.03.2025
NOTE NO. 9		
Current Tax Assets		
Advance Income Tax (Net)	0.00	0.00
	0.00	**0.00**
NOTE NO.10		
OTHER CURRENT ASSETS		
Prepaid Expenses	37.46	17.82
Income Tax Refundable	22.55	22.55
GST Receivable	240.82	0.00
Kotak Mahindra Bank Dividend Account	0.48	0.27
Other Receivables	24.99	0.00
	326.31	**40.64**

Particulars	Amount (In Lakhs) 31.03.2026	Amount (In Lakhs) 31.03.2025
NOTE NO.11		
EQUITY SHARE CAPITAL		
Authorised Capital	1500.00	1500.00
(1,50,00,000.00 Equity shares of Rs. 10 Each Fully Paid-Up) (Previous Year 150,00,000.00 Equity shares of Rs. 10 Each Fully Paid-Up)		
Issued, Subscribed and Paid Up Capital	1079.00	1079.00
(1,07,90,000.00 Equity shares of Rs. 10 Each Fully Paid-Up) (Previous Year 1,07,90,000.00 Equity shares of Rs. 10 Each Fully Paid-Up)		
	1079.00	**1079.00**

11.1) The reconciliation of the number of shares outstanding is set out below :-

Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	10790000	10200000
Add : Shares issued during the year	0.00	590000.00
Equity Shares at the end of the year	**10790000**	**10790000**

11.2) The details of Shareholders holding more than 5% shares :-

Name of the Shareholder (% of Holding)	No. of Shares (% of holding)	No. of Shares (% of holding)
Alkesh R Patel	7549940	7549940
	69.97%	69.97%

11.3 The company has only one class of equity shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share and dividend as and when declared by the company.

11.4) Shareholding of Promoters

	31.03.2026		
Name of Promoters	**No. of Shares**	**% of Shareholding**	**Change in Shareholding**
Alkesh R Patel	7,549,940	69.97%	0.00%

	31.03.2025		
Name of Promoters	**No. of Shares**	**% of Shareholding**	**Change in Shareholding**
Alkesh R Patel	7,549,940	69.97%	259.53

NOTE NO.12		
OTHER EQUITY		
A) Securities Premium		
As per Balance sheet of Previous Financial Year	1112.09	0.00
Add : Addition in Current Year	0.00	1112.09
Less : Utilized in Current Year	107.90	0.00
	1004.19	1112.09
B) Retained Earnings		
As per Balance sheet of Previous Financial Year	2896.41	1938.36
Add : Transfer from Profit of the Current Year	668.21	1066.00
Add: Prior Period Items	7.14	-107.95
TOTAL (A+B+C)	**4575.95**	**4008.49**

Particulars	Amount (In Lakhs) 31.03.2026	Amount (In Lakhs) 31.03.2025
NON CURRENT LIABILITIES		
FINANCIAL LIABILITIES		
NOTE NO. 13		
Long Term Borrowing		
A) Secured		
HDFC Capex Loan	292.30	125.85
	292.30	**125.85**
B) Unsecured	**0.00**	**0.00**
	0.00	**0.00**
TOTAL (A+B)	**292.30**	**125.85**

Note 13.1) Terms of Loans

a) HDFC Capex Loan has been secured Primiraly by way of hypothecation of Stock & Book Debts on entire Exposure & Equitable Mortgage of Industrial land Block No. 35/1, 35/2, 35/3, 35/4 & Block No. 34 @ 8.65% Per Annum

c) There are no defaults in repayment of loans and interest during the year.

Particulars	Amount (In Lakhs) 31.03.2026	Amount (In Lakhs) 31.03.2025
NOTE NO. 14		
Other Non Current Liability		
Lease Liability	437.87	64.36
	437.87	**64.36**
NOTE NO. 15		
Long Term Provision		
Provision for Gratuity	63.89	48.91
	63.89	**48.91**
NOTE NO. 16		
Deferred Tax Liabilities/(Assets) (net)		
Deferred Tax Liabilities as of Previous Year	(22.66)	-3.70
Add/Less : Adjustments in Current Year	5.62	(18.96)
Total	**-17.04**	**-22.66**
CURRENT LIABILITIES		
FINANCIAL LIABILITIES		
NOTE NO. 17		
Short Term Borrowings		
A) Secured		
Current Maturities of Long Term Debt	227.07	111.45
HDFC Bank Limited CC	1252.88	721.35
	1479.95	**832.80**
B) Unsecured	0.00	0.00
	0.00	**0.00**
TOTAL (A+B)	**1479.95**	**832.80**

17.1) Terms of Loan

a) HDFC Bank Overdraft facility, GECL Loan & WCDL Loan has been secured Primiraly by way of hypothecation of Stock & Book Debts on entire Exposure & Equitable Mortgage of Industrial land Block No. 35/1, 35/2, 35/3, 35/4 & Block No. 34 @ 8.65% Per

b) There is no default in repayment of loan & Interest

NOTE NO. 18
Trade Payables

Trade Payable Due to Micro, Small & Medium Enterprises	0.00	0.00
Trade Payable Due to Other than Micro, Small & Medium Enterprises	987.53	405.97
	987.53	**405.97**

Ageing Summary of Trade Payable	**31 March 2026**	**31 March 2025**
Micro, Small & Medium Enterprises		
- Not Due	0.00	0.00
- less than 1 year	0.00	0.00
- 1 year to 2 years	0.00	0.00
- 2 year to 3 years	0.00	0.00
- More than 3 years	0.00	0.00
	0.00	**0.00**
Other than Micro, Small & Medium Enterprises		
- Not Due	0.00	0.00
- less than 1 year	987.53	402.00
- 1 year to 2 years	0.00	0.00
- 2 year to 3 years	0.00	3.97
- More than 3 years	0.00	0.00
	987.53	**405.97**

NOTE NO. 19
Other Current Liabilities

Unpaid Electricity bill	1.75	1.25
Unpaid Prof. Tax	0.22	0.20
Provident Fund Payable	3.42	3.17
ESI Payable	0.25	0.24
Unpaid Salary	51.80	50.22
GST Payable	0.00	146.24
Advance Received from Customers	199.53	671.10
Audit Fees Payable	3.75	0.00
T.D.S Payable	18.90	10.81
Kotak Securities Demat Account	0.04	0.02
Lease Liability	31.41	40.52
Employee IFB Payable	13.99	4.01
Retention	24.05	17.39
Unclaimed Dividend	0.26	0.04
Unclaimed Investor Fund	4.42	4.42
	353.79	**949.63**

NOTE NO. 20
Short Term Provisions

Provision for Gratuity	9.94	6.30
	9.94	**6.30**

NOTE NO. 20
Current Tax Liability

Current Tax Liability	4.22	24.06
	4.22	**24.06**

Particulars	Amount (In Lakhs) 31.03.2026	Amount (In Lakhs) 31.03.2025
NOTE NO. - 21		
REVENUE FROM OPERATIONS		
Sales		
- Domestic	5775.02	7214.58
- Export	2122.82	315.43
TOTAL	**7897.84**	**7530.01**
NOTE NO. - 22		
OTHER INCOME		
Interest Income	59.77	40.07
Dividend Income	0.02	0.00
Discount Received	0.00	0.00
Income from Various Subsidies	24.99	1.49
Other Incomes	14.69	0.00
TOTAL	**99.47**	**41.57**
NOTE NO. - 23		
COST OF RAW MATERIAL CONSUMED		
Opening stock of Raw Material	1150.71	753.14
Add : Purchases During the Year	5147.55	4106.13
Less : Closing Stock of Raw Material	1490.95	1150.71
	4807.32	**3708.56**
NOTE NO. - 24		
CHANGES IN INVENTORY OF FINISHED GOODS WORK IN PROGRESS & STOCK IN TRADE		
Inventories at the begening of the Year		
- Work In Progress	553.46	954.53
- Finished Goods	0.00	0.00
- Stock in Trade	0.00	0.00
Inventories at the end of the Year		
- Work In Progress	1349.19	553.46
- Finished Goods	0.00	0.00
- Stock in Trade	0.00	0.00
Net Change in the Inventory of Finished Goods Work in Progress & Stock in Trade	**-795.73**	**401.07**
NOTE NO. - 25		
EMPLOYEE BENEFIT EXPENSES		
Bonus & Incentive	26.30	22.44
Staff Welfare Expenses	19.13	15.48
Salary to Staff	677.58	550.75
Directors Remuneration	96.00	77.17
Contribution to Statutory Fund	24.13	22.39
Provision for Gratuity (Current Service Cost & Interest Cost)	13.77	14.50
Staff Medical Expenses	0.46	0.26
TOTAL	**857.37**	**702.98**
NOTE NO. - 26		
FINANCE COST		
Interest expenses	154.64	80.83
Bank Charges	24.26	5.12
TOTAL	178.91	85.95
NOTE NO. - 27		
DEPRECIATION & AMORTISATION EXPENSES		
Depreciation	273.97	236.34
TOTAL	**273.97**	**236.34**

NOTE NO. - 28
OTHER EXPENSES

DIRECT EXPENSES

Power & fuel	24.79	27.35
Testing & Inspection	201.76	118.91
Job Work	850.29	475.72
Transportation Exp.	119.77	89.27
Import Material Clearing Charges	85.04	28.74
Engineering Design & Consultancy Exps.	52.97	4.83
Repair of Plant & Machinery	29.97	18.46
Other Direct Exp.	59.43	32.97
Total (A)	**1424.03**	**796.25**

INDIRECT EXPENSES

Audit Fees	7.50	7.50
Advertisment Exp.	65.78	39.81
AMC Charges	32.47	6.11
Annual Listing Fees	0.45	4.15
Adjustment on Account of FVTPL	0.00	8.40
Demat Charges	0.02	0.02
Forex Gain/Loss	11.22	8.02
Repairs & Maintenance	4.09	2.04
Director Sitting Fees	1.53	0.75
Donation & CSR Expenses	20.42	5.54
Export Material Clearing Charges	5.14	27.66
Insurance	30.58	24.33
Sales & Marketing Expenses	63.91	0.00
Professional & Legal Fees	44.55	59.01
Late Delivery Charges	33.71	27.99
Travelling & Conveyance Expenses	20.91	25.23
Office Miscellaneous Expenses	3.20	5.58
Software Expenses	13.40	12.55
Postage & Courier	1.23	1.10
Telephone Exps.	3.44	2.88
Printing & Stationary Expenses	5.70	8.39
Website Exp.	2.76	1.60
Vehicle Running & Maintenance	1.65	1.10
Other Misc. Exp.	3.69	1.11
ZAK Panchayat Tax	0.80	0.80
Total (B)	**378.16**	**281.65**
TOTAL (A+B)	**1802.19**	**1077.90**

29. EARNINGS PER SHARE:

Particulars	2025-26	2024-25
Profit after tax as per Statement of Profit & loss available to equity shareholders (In Lakhs) (a)	673.37	1066.20
Number of equity shareholder at the end of the year (In Nos)	10790000	10790000
Weighted average no of Equity shareholder at the end of the year (In Nos) (b)	10790000	10445834
Basic/Diluted Earnings Per Share (a/b)	6.24	10.21

30. EMPLOYEE BENEFITS:

a) Contribution to Employee Provident Fund:

(Amount In Lakhs)

Particulars	2025-26	2024-25
Contribution to employee provident Fund	24.13	22.39

b) Gratuity:

The following table summarizes the components of expense recognized in the Statement of Profit & Loss and the amount recognized in the Balance sheet according to Actuarial Report:

(Amount In Lakhs)

Particulars	Non Current	Current	Total
Defined benefit Obligation	63.89	9.94	73.84
Fair value of Plan Assets	-	-	-

Particulars	As at 31st March 2026	As at 31st March 2025
(i) Change in defined benefit obligation		
Defined benefit obligation, beginning of the year	55.21	40.44
Current service cost	10.04	7.07
Interest cost	3.73	2.93
Past service cost	-	4.50
Benefits paid	(2.03)	-
Acturial (gains)/losses	6.90	0.26
Defined benefit obligation, end of the year	**73.84**	**55.21**
(ii) Net Liability/(Asset) recognized in the Balance Sheet		
Present value of defined benefit obligation	73.84	55.21
Fair value of plan assets	-	-
Net liability	**73.84**	**55.21**
Current	9.94	6.30
Non–current	63.89	48.91
(iii) Expenses recognized in Statement of Profit or Loss		
Current service cost	10.04	7.07
Past Service cost	-	4.50
Interest cost	3.73	2.93
Total Expense recognised in statement of profit or loss	**13.77**	**14.50**

(iv) Remeasurements recognized in other comprehensive income(OCI)		
Changes in demographic assumptions	-	-
Changes in financial assumptions	-	-
Experience adjustments	6.90	0.26
Total Acturial (Gain) / Loss recognised in OCI	**6.90**	**3.27**

Particulars	**As at 31st March 2026**
(v) Maturity Profile of Defined Benefit Obligation	
01 April 2026 to 31 Mar 2027	9.94
01 April 2027 to 31 Mar 2028	4.08
01 April 2028 to 31 Mar 2029	19.22
01 April 2029 to 31 Mar 2030	2.39
01 April 2029 to 31 Mar 2031	2.57
01 April 2031 Onwards	35.62
(vi) Sensitivity Analysis for significant assumptions*	
Increase/(Decrease) on present value of defined benefits obligation at the end of the year	
1% increase in salary growth rate	77.95
1% decrease in salary growth rate	70.06
1% increase in withdrawal rate	73.97
1% decrease in withdrawal rate	73.65
1% increase in discount rate	70.17
1% decrease in discount rate	77.90
(vii) Acturial Assumptions	
Discount rate (p.a)	7.25%
Salary Escalation Rate (p.a.)	5.00%
Retirement age	60 years
Mortality (Including provision for disability)	IALM 2012-14
Employee Withdrawal rate	10.00% p.a.

31. CIF Value of Imports:

(Amount In Lakhs)

Particulars	**2025-26**	**2024-25**
Raw Material	316.78	195.70

32. Contingent Liabilities not provided for:

- In respect of Bank Guarantees 80.36 Lakhs (Previous year: 125.28 Lakhs).
- In respect of Direct Tax Matters : 3.97 Crores

33. Segment Reporting:

The Company is primarily engaged in the Equipments Manufacturing, which in the context of Ind AS 108 on "Operating Segments" constitutes a single reporting segment. Further, there are no reportable geographical segments.

34. Disclosure as per Ind AS 12 - Income Taxes

(a) Income Tax Expense

(i) Income Tax recognized in the statement of profit and loss

(Amount In Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Current Tax Expense	192.55	311.48
Tax Related to Previous Years		
Deferred Tax Expense/(Income)		
Origination and reversal of temporary differences	7.36	(18.89)
Origination and reversal of carried forward losses	-	-
Total Tax Expense	**199.91**	292.58

(ii) Income Tax recognized in other comprehensive income

(Amount In Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Net actuarial gains/(losses) on defined benefit plans		
Before Tax	6.90	0.26
Tax expense/benefit recognized in OCI	(1.74)	(0.07)
Net of Tax	**5.16**	**0.19**

(iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

(Amount In Lakhs)

Particulars	Year ended 31st March 2026	Year ended 31st March 2025
Profit before tax	873.28	1358.78
Applicable Tax Rate	25.17%	25.17%
Computed Current tax expense	192.55	311.48
Tax Related to Previous Years	0.00	0.00
Remeasurement of Deferred Tax due to Change in Expected Tax Rates	**7.36**	**(18.89)**
Tax as per Statement of Profit & Loss	**199.91**	**292.58**

35. Disclosure as per Ind AS 116 – Leases

The company's leasing agreements are in respect of leases of Land. These agreements are generally renewable on mutually agreed terms. The weighted average incremental borrowing rate applied to lease liabilities for 2024-25 is 8.65%.

1. The company has elected not to apply the recognition, measurement and presentation requirements of the standard to all short term leases (leases which have a lease term of 12 months or less and do not contain a purchase option), and to leases of low value assets on a lease-by-lease basis.

Statement of Lease Liabilities as at 31st March, 2026:

Particulars	Current Liability	Non-Current Liability	Total
Lease Liability	31.41	437.87	469.28

Particulars	As at 31st March 2026
(i) Movement of Lease Liabilities	
Balance at beginning of the year	104.88
Additions	498.18
Finance cost accrued during the period	43.09
Deletions	-
Payment of lease liabilities	
-Principal	(133.78)
-Interest	(43.09)
Balance at end of the year	**469.28**
(ii) Break up of Lease Liabilities	
Current Lease Liability	31.41
Non Current Lease Liability	437.87
Total	**469.28**

36. Disclosure of Related Party Transactions as on March 31st, 2026:-

Related Party Transactions are being reported as per Ind AS 24 'Related Party Disclosures' for the year ended March 31, 2025.

- **Key Managerial Personnel/Related Parties:**

S.No.	Name	Designation
1.	Mr. Alkesh Rameshchandra Patel	Managing Director
3.	Mr. Amitkumar Chandubhai Patel	Chief Financial Officer
4.	Ms. Neha Jangid	Company Secretary & Compliance officer
8.	Ms. Helena Alkeshkumar Patel	Non-Executive Director
9.	Mrs. Parul Alkeshkumar Patel	Relative to KMP
10.	Mrs. Hemaben M Patel	Relative to KMP

- **Entities where key managerial Personnel and their relatives having control/Significance Influence:**

- **Particulars of Transactions with Related Parties:**

(In Lakhs)

Particulars	**For the year ended March 31, 2026**	**For the year ended March 31, 2025**
Remuneration to Key Managerial Personnel of holding Company*		
Mr. Alkesh Rameshchandra Patel	150.00	78.00
Mr. Amitkumar Chandubhai Patel	18.09	13.93
Ms. Neha Jangid	3.60	3.60
Mrs. Jyotsanaben R Patel	0.00	6.00
Mrs. Parul Alkesh Patel	19.00	13.00
Mrs. Hemaben M Patel	18.50	6.50
Mrs. Helena Dhruv Patel	6.00	0.00
Rent Paid		
Alkesh Rameshchandra Patel	43.20	25.20
Hemaben M Patel	28.80	16.80
Sales/(Purchases):		
Loyal Equipments Inc.	324.01	58.46

*The above remuneration to KMP does not include Provision for Gratuity as it is provided in the books on the basis of actuarial valuation for the company as a whole and hence individual figures cannot be identified.

- **Outstanding Balance of Related Parties:**

S.NO.	**Name**	**Balance as on March 31, 2026**	**Balance as on March 31, 2025**
1.	Mr. Alkesh Rameshchandra Patel	2.98	5.79
2.	Mr. Amitkumar Chandubhai Patel	1.05	0.66
3.	Ms. Neha Jangid	0.28	0.28
4.	Mrs. Parul Alkesh Patel	1.10	0.91
5.	Mrs. Hemaben M Patel	0.97	0.48
6.	Loyal Equipment's Inc.	84.19	29.90

37. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 :

Disclosure under Micro, Small and Medium Enterprises Act, 2006 are provided as under for the year 2025-26, to the extent the Company has received intimation from the “Suppliers” regarding their status under the Act:

S.No.	Particulars	March 31, 2026	March 31, 2025
a)	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)	--	--
	Principal amount due to micro and small enterprise	--	--

	Interest due on above	--	--
b)	Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, alongwith the amount of the payment made to the supplier beyond the appointed day during the period	--	--
c)	Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	--	--
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	--	--
e)	Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	--	--

37.FINANCIAL INSTRUMENTS

a. **Financial Risk Management objects and policies**
In its ordinary operations, the company's activities expose it to the various types of risks, which are associated with the financial instruments and markets in which it operates. The Company has a risk management policy which covers the foreign exchanges risks and other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the board of directors. The following is the summary of the main risks.

- **Market Risk**
  Market risk is the risk that changes in market prices, such as foreign exchange rates (currency risk) and interest rates (interest rate risk), will affect the Company's income or value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

  i. **Interest Rate Risk**
  Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair value of fixed interest-bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest-bearing investments will fluctuate because of fluctuations in the interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations.

  Interest Rate Exposure:

Particulars	**As at 31st March 2026**	**As at 31st March 2025**
A. Fixed Rate Borrowings		
Term Loan & Lease Liabilities	988.66	342.18
-Short Term Borrowings	1252.88	721.35
B. Interest Free Borrowings	**--**	**--**
Total Borrowings	**2241.54**	**1063.53**

ii. **Foreign Currency Risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD related to the imports of its raw material and capital assets. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Company's functional currency (INR).

- **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.
The company's revenue combination is of government and private parties, the company is having majority of receivables from Government undertakings and hence they are secured from credit losses in the future.
In case of private customers, the Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.
The impairment for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each balance sheet date. Financial assets are written off when there is no reasonable expectation of recovery, however, the Company continues to attempt to recover the receivables. Where recoveries are made, these are recognised in the Statement of Profit and Loss.

The ageing analysis of the receivables has been considered from the date the invoice falls due –

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Trade Receivables		
More than Six Months	115.04	305.56
Less Than Six Months	1877.57	1924.84

- **Liquidity Risk**

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Expected contractual maturity for Financial Liabilities:

Particulars	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
As at March 31, 2026				
Borrowings	1479.95	292.30	0.00	**1772.26**
Trade & Other Payables	987.53	0.00	0.00	**987.53**
Other financial Liabilities	367.95	501.76	0.00	**869.71**
As at March 31, 2025				
Borrowings	832.80	125.85	0.00	**958.65**

Trade & Other Payables	405.97	0.00	0.00	**405.97**
Other financial Liabilities	980.00	113.27	0.00	**1093.27**

b) Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stakeholders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023.

Gearing Ratio:

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Total Borrowings	2210.12	1023.01
Less: Cash & Cash Equivalents	31.57	1259.69
Net Debts	2178.55	(236.68)
Total Equity	5654.95	5087.49
Gearing Ratio	0.39	0.00

c) Category of Financial Instruments:

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

(In Lakhs)

Particulars	**Carrying Value**		**Fair Value**	
	As at March 31st, 2026	**As at March 31st, 2025**	**As at March 31st, 2026**	**As at March 31st, 2025**
Financial Assets				
FVTPL Financial Instruments – Investments	211.33	200.81	211.33	200.81
Trade Receivables	1992.61	2230.40	1992.61	2230.40
Cash & Cash Equivalents	31.57	1259.69	31.57	1259.69
Other financial Assets	592.83	557.68	592.83	557.68
Total	**2828.34**	**4248.58**	**2828.34**	**4248.58**
Financial Liabilities				
Borrowings	1772.26	958.65	1772.26	958.65
Trade Payables	987.53	405.97	987.53	405.97

Other Financial Liabilities	869.71	1093.27	869.71	1093.27
Total	**3629.50**	**22457.89**	**3629.50**	**2457.89**

The management assessed that cash and cash equivalents, trade receivables, trade payables, other bank balances, other current asset and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

38 Disclosure of Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	As at 31st March 2026
Average Net Profits of the Company for three immediate Preceding financial years (A)	977.87
Gross amount required to be spent by the company during the year i.e. 2% of (A)	**19.56**
Amount spent during the year on :	
Food distribution i.e., mid day meal	-
Projection Education for enhancing vocation skills among the children and other people	-
Cloth distribution	-
Promoting day care centres for orphans	-
Facilities for poor senior citizens	-
Environmental Conservation	0.71
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects and Supplies participants of Educational Assistance Program and Alternative Learning System for street children	13.00
Promoting Healthcare including preventive healthcare	6.50
Distribution of green four, Animal Fodder etc. to Gaushala	-
Total	**20.11**

39 Statement of Various Accounting Ratios:

S. No.	Particular	Numerator	Denominator	Ratio	Movement in %	Reason for Movement if movement

							is more than 25%
				31.03.2026	31.03.2025		
(a)	Current Ratio	Current Assets	Current Liabilities	1.85	2.51	26.26	This Ratio is decreased due to increase in debts
(b)	Debt-Equity Ratio	Total Debt	Shareholders Equity	0.39	0.2	-95.42	This ratio is decreased due increase in Debts
(c)	Debt Service Coverage Ratio	Net Operating Income	Total Debt Service	-1.03	5.21	119.83	This ratio is decreased due increase in debts.
(d)	Return on Equity Ratio	Profit After Tax	Average Shareholders Equity	12.54	26.5	52.69	This Ratio is decreased due to lower profits during the year
(e)	Trade Receivables turnover ratio (in times	Revenue	Average Trade Receivable	3.74	4.28	12.61	Reason is not required to disclose.
(f)	Trade payables turnover ratio (in times)	Purchase of Services & other Expenses	Average Trade Payables	7.39	10.8	31.59	This Ratio is decreased due to decrease in purchases
(g)	Net capital turnover ratio (in times)	Revenue	Net Working Capital	3.27	2.25	-45.51	This ratio is increased due to decrease in working capital
(h)	Net profit ratio	Net Profit	Revenue	8.53	14.16	39.79	This ratio is decreased due to lower profits during the year
(i)	Return on Capital employed	Operating Profit	Total Capital Employed	21.69	32.23	32.69	This ratio is decreased due to lower profits during the year

(k)	Inventory Turnover Ratio	Revenue	Average Inventory	3.48	4.41	21.18	Reason is not required since movement is not more than 25%

40 Other Misc. Disclosures:

(a) Details of crypto currency or virtual currency

The Company has neither traded nor invested in Crypto currency or Virtual Currency for the year ended on March 31, 2026, March 31, 2025. Further, the Company has also not received any deposits or advances from any person for the purpose of trading or investing in Crypto Currency or Virtual Currency.

(b) Compliance with approved scheme of arrangements

Company is not engaged in any scheme of arrangements.

(c) Undisclosed income

During the year ended on March 31, 2026, March 31, 2025., the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(d) Relationship with struck off companies

The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended on March 31, 2026, March 31, 2025.

(e) Compliance with numbers of layers of companies

The Company is in compliance with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the year ended on March 31, 2026, March 31, 2025.

(f) Utilisation of borrowed funds and share premium

During the year ended on March 31, 2026, March 31, 2025, the Company has not advanced or Loans or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
During the year ended on March 31, 2026, March 31, 2025, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

(g) The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(h) No proceeding have been initiated nor pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act,1988 (45 of 1988) and rules made thereunder.

(i) The Company has not revalued its tangible & intangible assets in the year ended March 31, 2026, March 31, 2025.

(j) The Company does not have any intangible assets under development as on March 31, 2026, March 31, 2025.

(k) The Company does not have any Immovable Property whose title deeds are not registered in the name of company.

(l) The Company has not been sanctioned working capital limits at any points of time during the year, from banks or financial institutions on the basis of security of current assets

(m) The Company has not granted any loans & Advances to Promoters, directors, KMPs and related parties during the reporting period.

41 Payment to Statutory Auditors:

Particulars	**For the Period /Year Ended on**	
	31/03/2026	**31/03/2025**
Statutory Audit	7.00	7.00
Tax Audit	0.50	0.50

42 Previous Year Figures:

The financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The previous year's figures have been regrouped / reclassified wherever necessary, to make them comparable.

BUILDING SOLUTIONS FOR A **SUSTAINABLE FUTURE**

PEOPLE | TECHNOLOGY | PROGRESS

LOYAL equipments limited

ENGINEERING A BETTER TOMORROW

Registered Office:
Block No. 35/1-2-3-4, Village - Zak,
Gandhinagar, Dahegam – 382330,
Gujarat, India.

+91 90990 39955
cs@loyalequipments.com
www.loyalequipments.com

Stronger Together for a Better Tomorrow