

2nd June, 2026

To,

The Manager (Listing), The BSE Ltd. Mumbai	The Manager (Listing), National Stock Exchange of India Ltd. Mumbai
Company's Scrip Code: 505700	Company's Scrip Code: ELECON

Sub. : Annual Report for Financial Year 2025-26 & Notice of the 66th Annual General Meeting of the Company scheduled to be held on Thursday, 25th June, 2026

Dear Sir/Madam,

This is in continuation to our letter dated 20th May, 2026, informing that the Company has scheduled its 66th Annual General Meeting ("AGM") on Thursday, 25th June, 2026 at 3:00 p.m. (IST) through Video Conferencing ("VC")/ Other Audio Video Means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI"). In this regard, please find enclosed herewith the Annual Report alongwith the Notice of 66th AGM of the Company for the Financial Year 2025-26.

Please note that the electronic copy of the Annual Report alongwith the Notice of the 66th AGM for the Financial Year 2025-26 is being sent by email to those Members whose email addresses are registered with the Company/Depositories. Further pursuant to Regulation 36(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a letter including the exact path, where complete details of the Annual Report & Notice of AGM are available, is being sent to those Members whose email addresses are not registered with the Company/Depositories. The Notice of the 66th AGM and the Annual Report are also being uploaded on the website of the Company at www.elecon.com.

You are requested to take the same on your record.

Thanking you.

Yours faithfully,

For Elecon Engineering Company Limited,



**Bharti Isarani
Company Secretary & Compliance Officer**

Encl.: As above



Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

Gearing industries. Gearing economies.



Driven by Engineering. Built on Resilience.
READY FOR TOMORROW.

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INVESTOR INFORMATION

CIN: L29100GJ1960PLC001082

BSE Code: 505700

NSE Symbol: ELECON

AGM Date: June 25, 2026

AGM Venue: Registered Office of the Company at Anand - Sojitra Road, Vallabh Vidyanagar - 388 120, Gujarat, India.

For more investor-related information, please visit <https://www.elecon.com/investors/financial-reports>
Or scan the QR code



Disclaimer

This document contains statements about expected future events and the financial performance of Elecon Engineering Company Limited ('the Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties.

There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements, as several factors could cause actual future results and events to differ materially from those expressed or implied in such statements.

Accordingly, this document is subject to the disclaimer and is qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



Late Shri Bhanubhai I. Patel

(1928 - 2006)

A visionary leader whose influence continues to shape Elecon Engineering to this day.

Shri Bhanubhai served as our Chairman & Managing Director with distinction, guiding the organisation through pivotal moments with clarity, integrity, and purpose. Even two decades later, his vision remains embedded in the values we uphold and the way we work. His deep belief in ethical business conduct continues to guide our path forward.

Those who had the privilege of working alongside Bhanubhai remember not only a capable and visionary leader, but also a person of great character, approachable, thoughtful and committed to the growth and well-being of others. His legacy lives on through the culture he helped build and the many individuals he mentored and inspired.

As we mark this milestone anniversary, we honour Bhanubhai's enduring contribution and the lasting imprint he left on our organisation. His example reminds us that true leadership transcends time.

We remember Bhanubhai with deep respect and gratitude, and reaffirm our commitment to carrying forward the principles he so strongly embodied.

नैनं छिन्दन्ति शस्त्राणि , नैनं दहति पावकः ।

न चैनं क्लेदयन्ता , न शोष्यति मरुतः ॥

The soul can never be cut to pieces by any weapon, nor burned by fire, nor moistened by water, nor withered by the wind.

-The Gita



Driven by Engineering. Built on Resilience. Ready for Tomorrow.

Seventy-five years ago, we began with a simple conviction: build what lasts. That conviction has carried us through cycles, disruptions, and change. It has taken us from a single manufacturing plant in Gujarat to customers across 95 countries, serving steel plants, power stations, ports, cement makers, and the Indian Navy.

Our resilience is not inherited. It is earned through disciplined execution, strong financial discipline, and a refusal to compromise on engineering rigour. These are not merely values we speak about. They are visible in every system we deliver and every relationship we sustain.

Seventy-five years have only sharpened our sense of purpose. We continue to invest in R&D, global partnerships, and capacity. Our Centre of Excellence is expanding. Our export ambitions are growing. The industries we serve are at the heart of the world's infrastructure, and we intend to grow with them.

The next chapter is already taking shape.
We are ready.

Ready for What's Next — Built Across Eras

Era I: Driven by Engineering

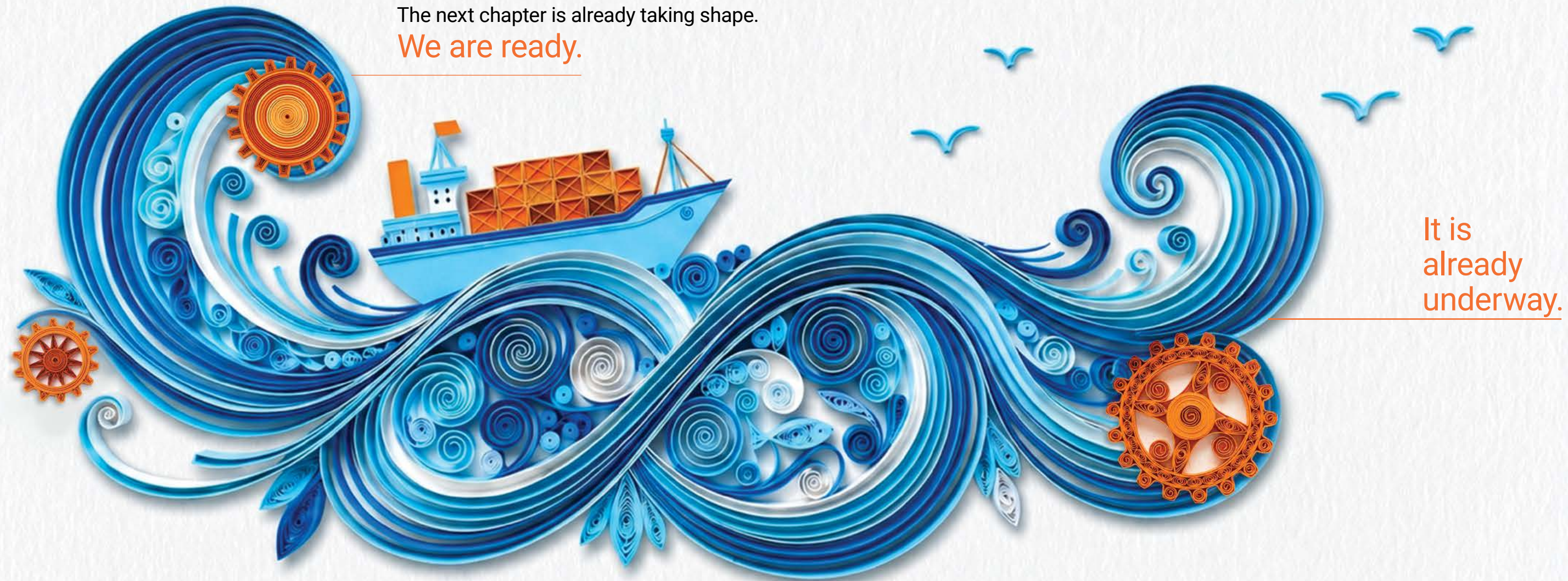
We started as a trading company. We chose to build. That single decision set the character of everything that followed. We moved into ELEvators and CONveyers (ELECON) equipment, then bulk material handling, then precision gear manufacturing. We collaborated with global technology leaders to sharpen our processes, became the first company in India to receive ISO certification in gear manufacturing, and earned our place supplying the Indian Navy with complex CODOG gearboxes. Engineering was not a department. It was a disposition.

Era II: Built on Resilience

Growth brought complexity. We responded with resolve. Under the same leadership that guides us today, we made a deliberate choice to exit fresh EPC projects and return to our core strength: the products business. It was the right one. We restructured, recovered, and rebuilt. The MHE division recovered. Margins improved. The balance sheet strengthened.

Era III: Ready for Tomorrow

The foundation is sound. Revenue and profits remain robust, reflecting sustained business momentum. We deliver engineering solutions through five manufacturing facility & assembly centres, spread across 95 countries, backed by 26 sales offices, and over 185 distributors & dealers worldwide. Now BMCE 2 _ an ultra modern manufacturing facility is also open. Our R&D centre, staffed by over 105 engineers and holding 4 granted patents, is deepening our capability in next-generation solutions. Simultaneously, exports are growing. We are not waiting for the future.



It is
already
underway.

A journey built over time

From a trading business in Mumbai to a global engineering company, Elecon's journey has been shaped by resilience, technical depth, and the ability to evolve with changing times. Each milestone reflects a stronger foundation for the future.

Defining Significant Milestones



1951 THE JOURNEY BEGINS

Established in Mumbai by visionary Late I.B. Patel who started our journey as a trading business.



1961 A STRONGER BASE

Shifted to Vallabh Vidyanagar and became a public limited company.



1976 THE GEAR ERA BEGINS

Elecon founded its Gear Division



2001 STEPPING BEYOND INDIA

Expanded our Global Presence with our 1st international sales office



2026 PREPARING FOR TOMORROW

Expanding manufacturing capabilities with the latest BMCE 2 plant.



2022 ENGINEERING FOR NATION

Delivered complex gearboxes for the Indian Navy.



2010 BUILDING THE GLOBAL SCALE

Completed our first international acquisition with the UK-based Benzlers & Radicon Group.

Chairman's Message

Dear stakeholders,

Seventy-five years ago, Shri Ishwarbhai B. Patel founded this Company on a belief that was both simple and demanding: that Indian engineering could match the finest in the world—and endure over generations.

That belief did not just build a Company; it created a mindset. Today, Elecon stands as a testament to that conviction—built on precision, strengthened by perseverance, and guided by purpose. Seventy-five years is not a milestone we pause at; it is proof of consistency, resilience, and the courage to evolve while staying grounded in what we stand for.

This foundation was further strengthened under the leadership of Shri Bhanubhai Patel, under whose stewardship, Elecon expanded its scale, deepened its engineering capability, and became a globally respected enterprise. Over the decades, the Company has evolved into a trusted name in industrial gear solutions and bulk material handling equipment.

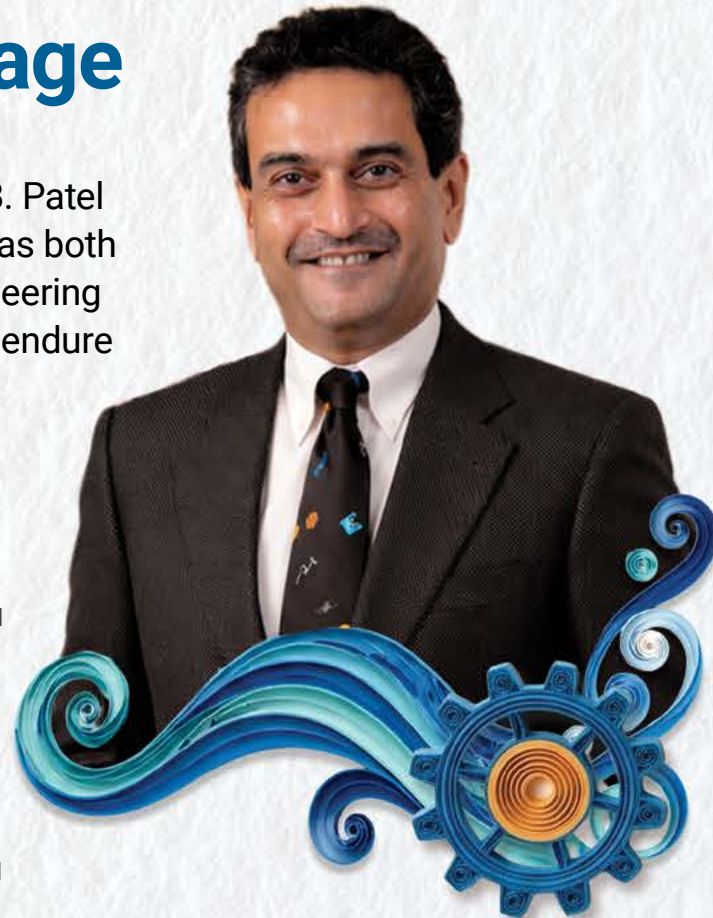
Today, as Elecon marks 75 years of its journey, it is particularly gratifying to see the fourth generation stepping forward—not just as custodians of a legacy, but as architects of the future—committed with the same passion and long-term vision to taking Elecon to a position of global leadership in engineering excellence.

Redefining Our Context

FY 2025–26 unfolded in a world marked by complexity. Geopolitical tensions, shifting trade dynamics, and cautious industrial investments shaped global markets. Yet such environments also serve as inflection points—separating companies that react from those that define direction.

India, in contrast, continued to demonstrate structural strength, led by sustained infrastructure investment, a resilient domestic economy, and a clear manufacturing agenda. The long-term demand drivers across power, cement, steel, mining, and material handling remain firmly intact.

At Elecon, we do not view uncertainty as a constraint—we view it as a test of capability and opportunity. With deep sectoral expertise, diversified markets, and alignment with national priorities such as Aatmanirbhar Bharat, we see a multi-year opportunity to expand our relevance—not just in India, but globally.



Performance with Perspective

FY 2025–26 was a year that tested execution discipline while reaffirming the strength of our fundamentals. Consolidated revenue grew 6.20% to ₹ 2,366 Crore. EBITDA stood at ₹ 523 Crore with an EBITDA margin of 22.10%, while reported PAT came in at ₹ 341 Crore, delivering a PAT margin of 14.40%. The consolidated order intake was at ₹ 2,660 Crore, growing by 11.80%, while the closing order book rose to ₹ 1,292 Crore, reinforcing the strength of our demand pipeline.

The Gear Division encountered temporary headwinds during the year and reported revenue of ₹ 1,699 Crore, with an EBIT of ₹ 319 Crore, resulting in an EBIT margin of 18.80%. Performance during the year was impacted by deferred customer deliveries, delayed materialisation of order inflows in certain segments, and supply chain disruptions. Nevertheless, demand remains strong, customer confidence remains intact, and our relevance in core industries continues to deepen. This is reflected in the closing order book of ₹ 894 Crore—an increase of over 53% Y-o-Y—providing strong forward visibility and positioning the business for accelerated execution as conditions normalise.

In contrast, the MHE Division demonstrated the power of strategic clarity. Revenue grew 43.60% to ₹ 667 Crore, driven by a deliberate shift towards engineering excellence, integration, and value-added offerings. EBIT for the division



stood at ₹ 184 Crore with a margin of 27.60%. This is not cyclical growth—it is structural transformation. The closing order book for the division is ₹ 398 Crore.

We also took a decisive step in our global strategy by establishing a presence in Mexico—marking our entry into Latin America. This is part of a broader ambition: to expand Elecon's global footprint with intent and scale. Our overseas business remained stable despite global volatility, and the performance of our overseas business remained resilient, with revenues maintained at levels comparable to the previous year, while order intake increased by 20% Y-o-Y and the closing order book increased by 50% Y-o-Y, signalling strong traction and future momentum.

Built to Endure. Built to Lead.

Resilience is not an outcome—it is a design principle. Elecon's strength lies in the way the business has been built. We boast a diversified sectoral presence that insulates us from single-cycle dependency, long-standing customer relationships coupled with ~70% repeat business and engineering depth that allows us to solve complex, critical challenges. We have consciously chosen discipline over expansion for its own sake. The exit from legacy EPC contracts in the MHE Division is a case in point—a decision that prioritised long-term value creation over short-term scale. That decision is yielding results in the form of stronger margins, higher quality revenue, and a structurally superior business.

Today, our balance sheet provides strength, not constraint. We continue to maintain a net cash position and possess the financial flexibility to invest in growth while preserving long-term stability. This is how enduring institutions are built—not through momentum, but through intent.

People as the Force Multiplier

As we scale globally, our competitive advantage will increasingly be defined not just by what we build—but by how we think. During the year, we deepened our focus on culture as a strategic lever. Our effort has been to align leadership behaviour, decision-making, and organisational mindset with our long-term ambition.

The introduction of 'Navigators'—a group of internal change agents tasked with carrying this cultural transformation across teams and locations, ensuring that our values are embedded at every level of the organisation and not confined only to leadership. Because ultimately, global companies are built on aligned people, not just expanded operations.

Shaping the Future

Our ambition is clear: to position Elecon among the leading global engineering companies in our domain. To achieve this, we are sharply focused on expanding our global presence through OEM partnerships and distribution

networks with the aim of balancing the share of exports in our consolidated revenue mix.

Furthermore, building a strong, recurring aftermarket business, investing in advanced engineering, digital integration, and product innovation is a strategic focus, which we are continuously working towards. We see sustained growth opportunities across power, steel, cement, mining, and ports—supported by targeted capital investments and execution excellence. Innovation remains central to our future. Our continued investments in R&D are enabling us to push the boundaries of performance, efficiency, and reliability. The approval of four patents, with more in progress, reflects a clear direction: to move up the value curve.

Responsible Growth

We believe that the future of engineering will be defined not just by performance, but by responsibility. Our SBTi-approved decarbonisation roadmap commits us to reducing Scope 1 and 2 emissions by ~54.60% by FY 2032-33 (from a FY 2022-23 baseline). Around 55% of our energy consumption is already sourced from renewables.

Sustainability, for us, is not compliance—it is core to our heart. We have established a robust governance framework that embeds accountability, integrity, and transparency across every level of decision-making. This framework strengthens stakeholder confidence, reinforces ethical business practices, and supports the creation of sustainable long-term value for all stakeholders.

Closing Perspective

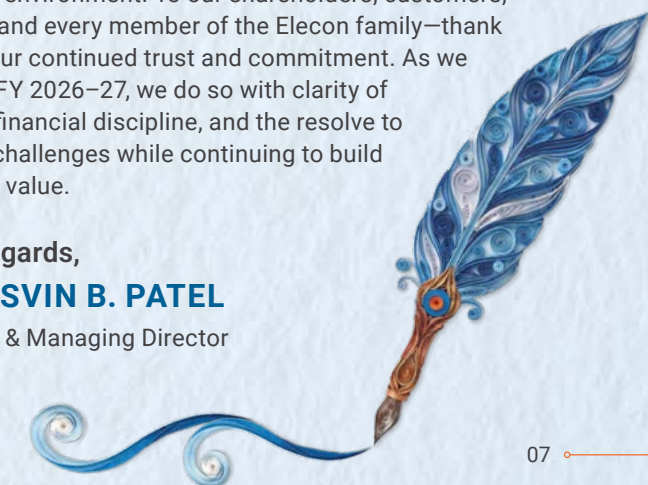
Today, Elecon stands on a strong foundation. The business is robust, the order pipeline is healthy, and the decisions we have taken over decades—in engineering excellence, diversification, financial discipline, and culture—continue to provide resilience. At the same time, we remain mindful that the external environment is likely to remain uncertain in the near term, with geopolitical developments, currency volatility, and supply chain disruptions continuing to shape business conditions.

We approach the year ahead with cautious optimism—anchored in our strengths yet prepared for a more dynamic operating environment. To our shareholders, customers, partners, and every member of the Elecon family—thank you for your continued trust and commitment. As we step into FY 2026–27, we do so with clarity of purpose, financial discipline, and the resolve to navigate challenges while continuing to build long-term value.

Warm regards,

PRAYASVIN B. PATEL

Chairman & Managing Director



Driven by Engineering

We engineer first. Everything else follows.

Our strength is not in assembly. It is in design, precision, and the ability to solve problems others avoid. Seven decades of building complex, heavy industrial goods have taught us what holds under pressure. That knowledge sits in our R&D facility, our in-house foundry, our testing labs, and the people who run them.

We do not buy capability. We build it. From catalogue transmission systems to complex naval gearboxes, every solution carries our engineering signature.



Engineering with relevance

Founded in 1951, Elecon Engineering Company Limited began as a homegrown engineering enterprise. Over seven decades, it has grown into a globally relevant industrial solutions company. Scale has expanded. Markets have broadened. Capabilities have deepened. Yet our foundation remains unchanged: engineering strength, industrial relevance, and values-led execution.

WHO WE ARE

One of Asia's largest industrial gear solutions providers. India's leading bulk material handling equipment company. One engineering philosophy: build what lasts.

WHAT WE BUILD

Gears that power steel mills. Conveyors that feed cement plants. Gearboxes that move the nation. Material handling systems that keep ports running. When industries need performance under pressure, they turn to us.

HOW WE WORK

We design, cast, machine, assemble, and test under one roof. No outsourced shortcuts. No dependency on third parties for critical processes. This integration is our advantage.

OUR CULTURAL BELIEFS


 **Own It**

 **Let's Innovate!**

 **Go Global**

 **Customer F1rst**

 **Let's Unify**

 **Learn & Lead**

OUR VALUES (DRIVE)



Delightful Customer Experience

Resolute Trust

Ingenious Entrepreneurship

Value Creation

Ethics at the Core

Presence

The ground we cover

We operate in 95+ countries, serving customers through three Brands and two divisions, all under one consistent standard of engineering.

BALANCED DOMESTIC AND INTERNATIONAL MARKET PRESENCE

Our business is anchored in India and supported by a growing international platform. In FY 2025-26, domestic revenue accounted for 78% of consolidated revenue, while overseas markets contributed 22%. At the same time, our international network extended to 95+ countries, giving us the benefit of scale in India and resilience through wider global reach.

INTERNATIONAL MARKET

4 Assembly & Repair Centres
13 Sales Offices
120+ Distributors and Dealers
35+ Customer Representatives
95+ Countries Served

Manufacturing Facility

① India

Assembly & Repair Centres

- ② United Kingdom
- ③ Sweden
- ④ Netherlands
- ⑤ USA

Sales Offices

- ⑥ Dubai
- ⑦ South Africa
- ⑧ Indonesia
- ⑨ Italy
- ⑩ Singapore
- ⑪ Finland
- ⑫ Germany
- ⑬ Denmark

DOMESTIC MARKET

1 Manufacturing Facility
13 Sales Offices
65+ Distributors and Dealers
55+ Customer Representatives

Serving Across India



Sales Representatives

- ⑭ Colombia
- ⑮ Mexico
- ⑯ Algeria
- ⑰ Egypt
- ⑱ Saudi Arabia
- ⑲ Thailand
- ⑳ Shanghai
- ㉑ Morocco
- ㉒ Uganda
- ㉓ Ethiopia
- ㉔ Kenya
- ㉕ Tanzania
- ㉖ Nigeria
- ㉗ Zambia
- ㉘ Ghana
- ㉙ Peru
- ㉚ Senegal
- ㉛ Botswana
- ㉜ Mozambique
- ㉝ Mauritius
- ㉞ Zimbabwe
- ㉟ Australia
- ㊱ Vietnam
- ㊲ Malaysia
- ㊳ Canada

Integrated Manufacturing Model

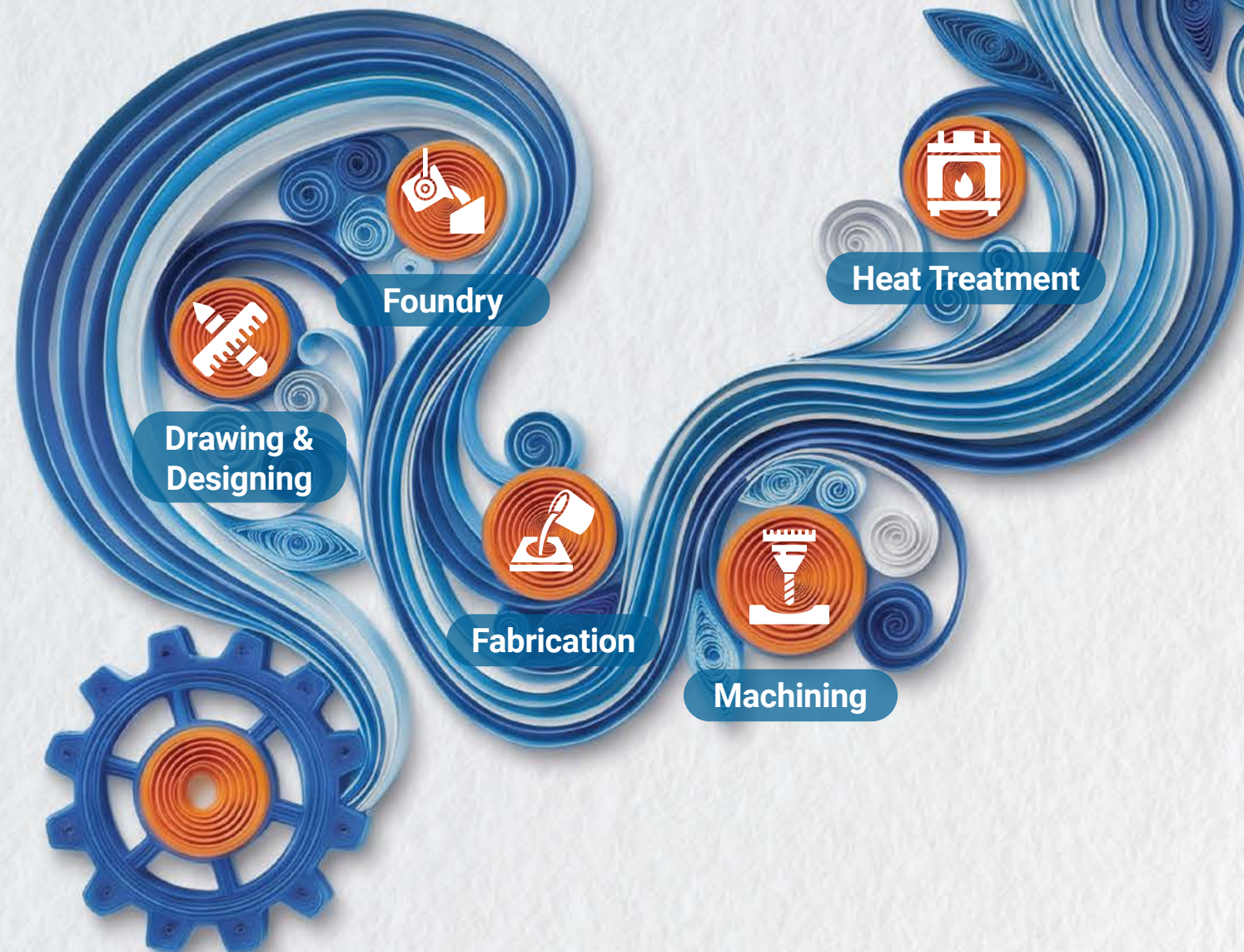
Everything under one roof

Control over quality begins with control over process. We own every stage of production, from metal to machine.

From Raw Material to Ready Product

Our facility in Vallabh Vidyanagar, Gujarat, spans 3,35,000 square metres. It is not a single factory. It is an integrated production ecosystem, built over decades to handle complexity at scale. The journey of every gearbox begins here. Raw material is converted into finished components through machining to micron-level precision. We carry out critical processes such as heat treatment and profile grinding in-house with special care, ensuring durability, surface finish, and consistent quality. Each unit is then assembled and tested before it leaves the gate.

No critical process is outsourced. No quality checkpoint is external. This integration is a deliberate operating choice, not a convenience.



Why This Matters

WHAT WE CONTROL	WHAT IT GIVES US
Drawing & Design	Application-specific engineering that translates customer requirements into precise, manufacturable solutions.
Fabrication facility	Stronger control over critical fabricated structures, enabling dimensional precision, execution reliability, and consistent quality across MHE systems and gear cases.
CNC and automation	Capacity and flexibility Repeatability at scale
Heat treatment lines	Hardness, durability, and longer gear life
NABL-accredited testing lab	Verified performance before manufacturing starts (an etch is taken out from round bars and tested here to ensure composition and quality)
Quality Control	Rigorous quality checks across processes, components, and finished systems, enabling consistent performance, lower failure risk, and greater customer confidence.

In-house Foundry and Fabrication

Stronger control over critical fabricated structures, enabling dimensional precision, execution reliability, and consistent quality across MHE systems and gear cases.

Advanced Manufacturing Facilities

Our manufacturing capability is underpinned by sustained investment in advanced technology and modern industrial methods. We operate a comprehensive range of CNC machines, advanced machine tools, and automated production lines sourced from leading global manufacturers. Supported by precision engineering practices and process control systems, this infrastructure gives us both the capacity to scale and the flexibility to meet varied and complex manufacturing requirements catering to 35+ industries.

Machining, Heat Treatment, and Testing Capabilities

Our integrated model is reinforced by robust in-house machining, heat treatment, and testing infrastructure, designed to maintain process discipline and quality at every stage. Elecon's facilities include induction furnaces, gas-fired furnaces, centrifugal casting machines, a dedicated heat treatment shop, and a well-equipped laboratory with tensile testing and spectrometer capabilities. Components are validated through ultrasonic, radiographic, magnetic particle, and dye penetrant inspection methods, while our NABL-accredited laboratory, aligned with ISO/IEC 17025:2017, provides independent verification of material and component composition. Together, these capabilities ensure consistency, reliability, and dependable performance in critical industrial applications.

Research and Development

From a concept to an engineered solution

Our R&D facility is built with a singular objective: to ensure that every solution we deliver performs reliably under the harshest operating conditions and sustains long-term operational efficiency.

Through advanced engineering, application-driven design, and continuous product innovation, we transform conventional manufacturing into a complete solution-oriented development.

DSIR-APPROVED IN-HOUSE R&D FACILITY

Our DSIR-approved in-house R&D facility anchors Elecon's product engineering efforts with rigour, speed, and an application focus. Supported by a dedicated team of 105+ engineers, ranging from bachelor's graduates to leaders holding master's degrees in engineering, the facility works across the full design and development cycle, from pre-design and engineering to 3D modelling, drawings, design analysis, and value engineering. Backed by 20+ software tools for design, analysis, and parameter validation, our R&D platform enables precision engineering, material optimisation, performance validation, and lifecycle enhancement. We engineer application-specific products to deliver maximum performance, operational reliability, durability, and energy efficiency while meeting demanding industrial standards and ensuring dependable long-term operation.

DRIVING FOR EFFICIENCY

At Elecon, our R&D work begins at the most fundamental level of gear design. Through advanced micro gear geometry calculations and bearing optimisation tools, we reduce friction losses, noise, and vibration at the source, delivering measurable gains in energy efficiency and equipment life for our customers. We use 3D modelling and finite element analysis-based simulation to optimise every gearbox before manufacturing begins, reducing material waste and improving reliability. Our condition monitoring systems take this further, enabling predictive maintenance that extends service life and reduces unplanned downtime. Every tool we develop, and every problem we solve, is aimed at making our customers' operations more efficient and more sustainable.

— Head of Research & Development

105+

Engineers dedicated to R&D

20+

Software tools for design, analysis, and parameter validation

4

Patents granted

3

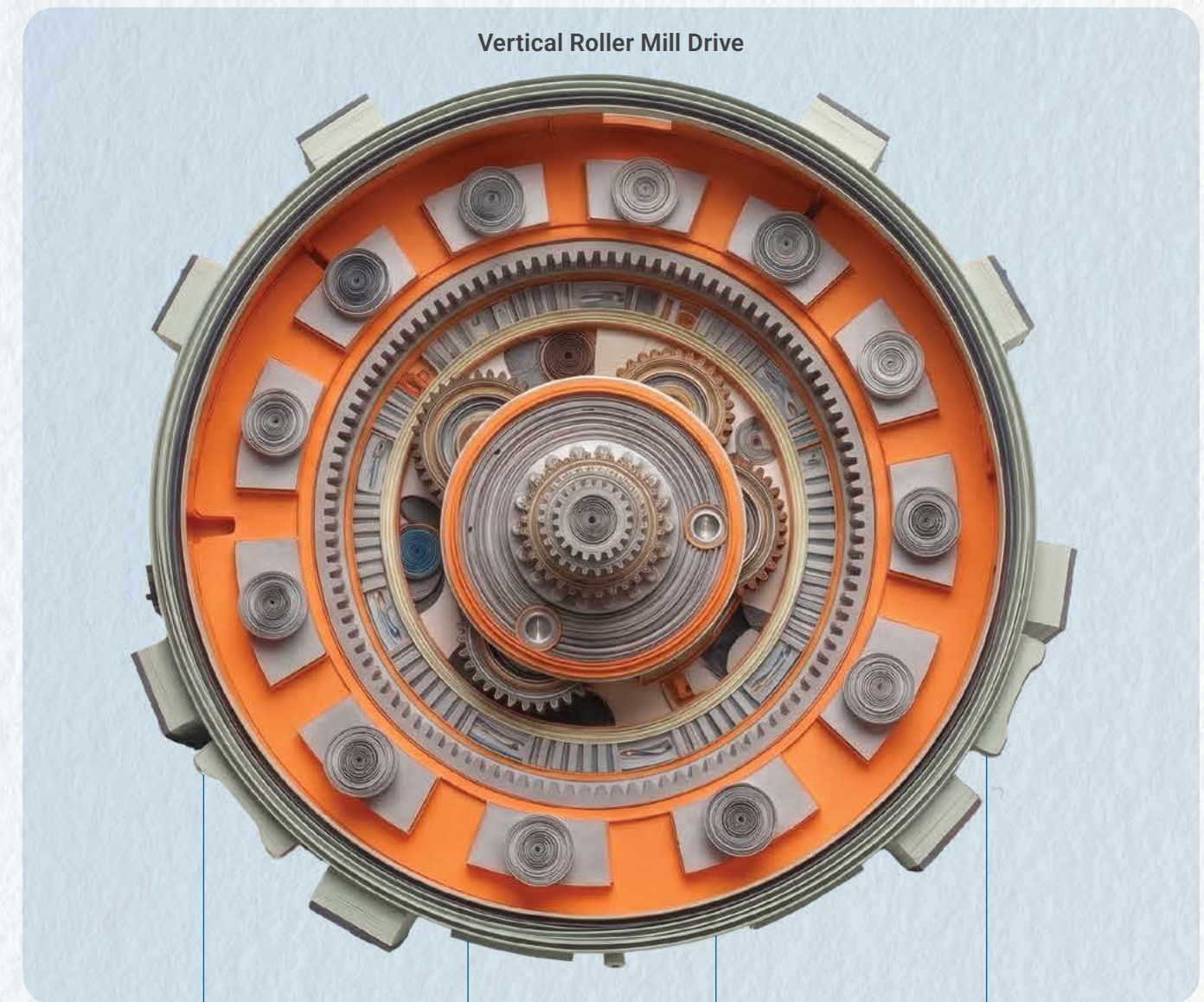
Patents applied



PRODUCT DESIGN AND DEVELOPMENT

Our R&D initiatives are focused on a single outcome: building better products. From gear selection and design refinement to manufacturing support and performance validation, every stage is aimed at improving reliability, efficiency, and application fit. By combining engineering disciplines with rigorous testing, we ensure that innovation translates

into dependable industrial performance. We maintain a dedicated New Product Development function within our R&D organisation, focused on capability expansion and long-term growth. Our engineering teams work to develop solutions that extend our reach into new industries and address emerging market requirements.



Vertical Roller Mill Drive



Select

Right gear type for application



Design

Geometry, bearings, housing, materials, and lubrication



Procure

Vetted suppliers, auto procurement



Manufacture

Hobbing, heat treatment, grinding, and assembly



Test

Load and no-load before dispatch

How we build

Built to a higher standard

When standard solutions are insufficient, we design new ones. Where legacy equipment has failed or documentation is lost, our reverse engineering capability allows customers to restore performance without replacing entire systems.

CUSTOM ENGINEERING

Custom engineering is not an add-on at Elecon. It is a key pillar of our business model. The industries we serve: steel, cement, power, mining, material handling, and marine each operate within specific conditions and performance requirements. Our engineering teams directly work with customers to develop application-specific power transmission systems and equipment that meet precise technical and operational specifications.

We balance custom-built engineered solutions and catalogue products. This balance allows us to combine deep application engineering with the speed and scalability of standardised offerings, serving a broad customer base without compromising on either.

QUALITY STANDARDS AND CERTIFICATIONS

In every-critical applications, reliability cannot be assumed. It must be engineered and verified at every stage of production.

Our quality ecosystem begins at the start of production. We take an etch from every round bar to verify material composition before it enters the manufacturing process. Raw materials are sourced exclusively from trusted, top-tier suppliers. Every unit passes through our NABL-accredited testing laboratory, which operates in alignment with ISO/IEC 17025:2017.

Our Integrated Management System is certified to ISO 9001:2015 for quality management, ISO 14001:2015 for environmental management, and ISO 45001:2018 for occupational health and safety. Our R&D facility carries DSIR approval.

These are not compliance exercises. They are the systems that allow us to consistently deliver to industry leaders in steel plants, power plants, ports, and the Indian Navy, where the cost of failure is measured in far more than money.

LEAD TIME ADVANTAGE

Delivering on time, without compromising on quality, is Elecon's operational discipline. Our catalogue products are manufactured at BMCE 1 and BMCE 2, our dedicated Centres of Excellence, equipped with state-of-the-art machinery and advanced manufacturing infrastructure. Backed by robust processes, engineering expertise, and precision-driven execution, our facilities are designed to support reliable, high-quality production across product categories with efficient delivery timelines.

This performance is underpinned by established manufacturing excellence practices across our shop floor: 5S, 7 Waste elimination, SMED, Kanban, Kaizen, and Total Productive Maintenance. These are not frameworks displayed on a wall. They are how we run our operations every day.

Our international assembly centres in the UK, Sweden, the United States, and the Netherlands further reduce lead times for global customers by enabling final assembly, customisation, and after-sales support closer to the point of use.



Elecon supplied COGAG Gearbox for INS Vikrant - Aircraft Carrier

THE DEFENCE BENCHMARK

We have the capability to manufacture complex gearboxes for the Indian Navy. This reflects decades of precision engineering, rigorous validation, and the confidence of one of the most demanding customers in the world.



Products and Orders

Engineered for industries. Shipped worldwide.

Our product range spans precision gearboxes to large-scale bulk material handling systems, built across seven decades of engineering. The orders that follow reflect the confidence of the industries that depend on them.

THE MHE PORTFOLIO



Stacker Reclaimer



Pipe Conveyor



Ship Loader

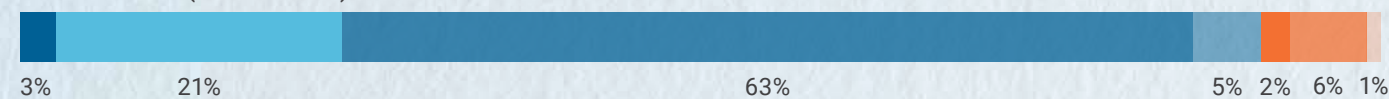


Wagon Tippler

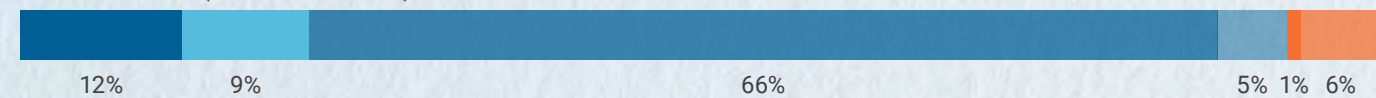
Industry-Wise Order Book—Spotlight

MHE DIVISION

Order Intake (FY 2025-26)



Order in hand (March 31, 2026)



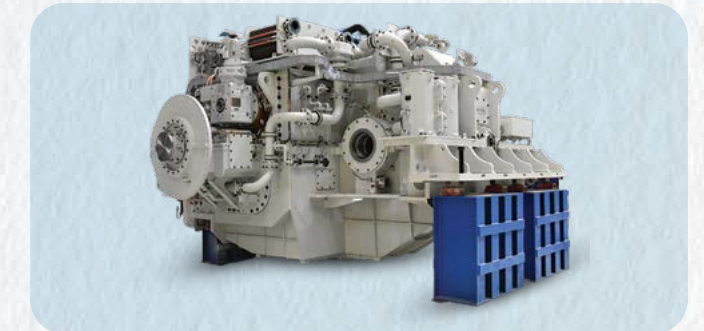
Legend applies to both MHE Division & Gear Division



THE GEAR PORTFOLIO



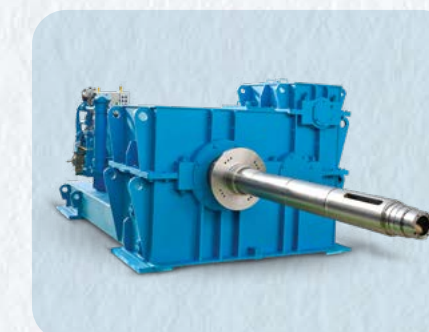
High-Speed Gearbox



COGOG Gearbox for Indian Navy Stealth Frigates



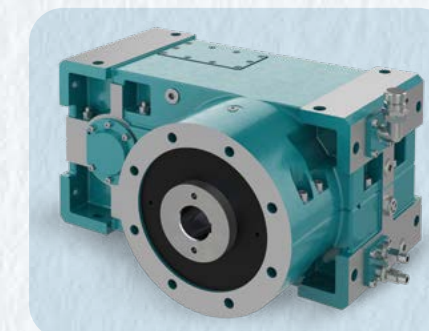
41" Large Worm Gearbox



Special Helical Gearbox



Helical Planetary Gearbox



Single Screw Extruder Gearbox



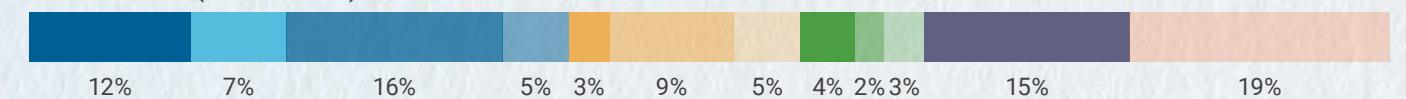
Roller Press Drive (Gearbox)



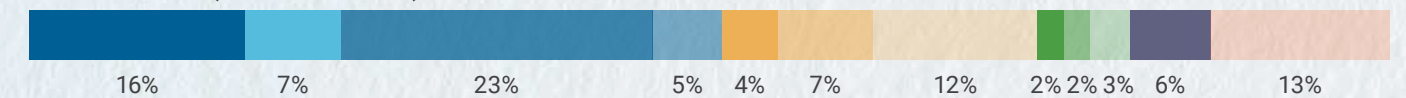
Large Vertical Roller Mill

GEAR DIVISION

Order Intake (FY 2025-26)



Order in hand (March 31, 2026)



Legend applies to both MHE Division & Gear Division

Gear Division

One of Asia's largest and India's most trusted

Gears have always been at the core of what we do. Today, the Gear Division accounts for 72% of our consolidated revenue and anchors our position as Asia's largest industrial gear solutions provider, with a dominant market share in the organised domestic segment.

BUILT FOR EVERY DUTY CYCLE

We offer one of the widest ranges of industrial gears under a single brand worldwide, supported by our established global businesses, Benzlers and Radicon. Our portfolio spans helical and bevel helical gearboxes, worm gearboxes, planetary gearboxes, marine gearboxes, couplings, high-speed gearboxes, central drive mill gearboxes, and custom-built solutions. We manufacture both catalogue products and fully engineered, application-specific gear systems, enabling us to address diverse customer requirements without compromising on performance, reliability, or fit-for-purpose design.

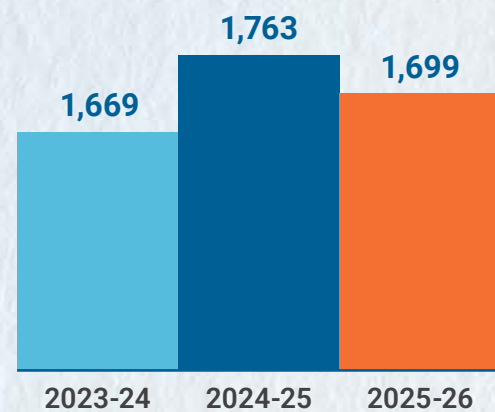
PERFORMANCE AND MOMENTUM

We operate across 95+ countries, supported by 185+ dealers and distributors worldwide. Overseas business currently accounts for 29% of Gear's consolidated revenue. We remain focused on steadily expanding this by FY 2029-30, driven primarily by OEM contracts in Europe and expanding presence across the Americas, Middle East, and Asia Pacific.

The domestic market remains strong. The global opportunity is larger. We are building for both.

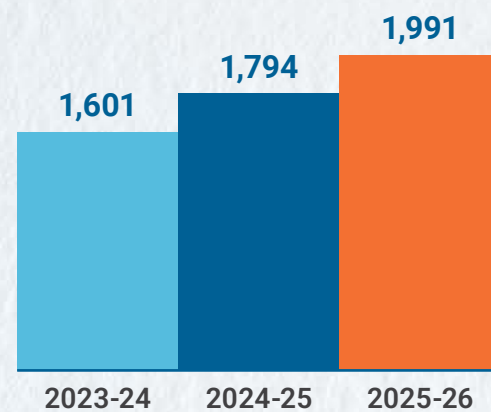
Revenue

(₹ in Crore)



Order Intake

(₹ in Crore)



*The Company's Gear Division has demonstrated a strong and sustained growth trajectory in order intake over the last three years, reaching an all-time high in FY 2025-26. While certain customer order deferrals impacted revenue recognition during the year, these orders remain firmly in hand and continue to strengthen the Company's robust order book. We are entering FY 2026-27 with a healthy open order position provides strong revenue visibility.



Our Edge

Dominance

Market share in India

Capabilities

To supply to the Indian Navy

70%

Repeat customers

Shorter Delivery

vs Long Lead Time

35+

Industries served

Balanced

Catalogue to engineered mix

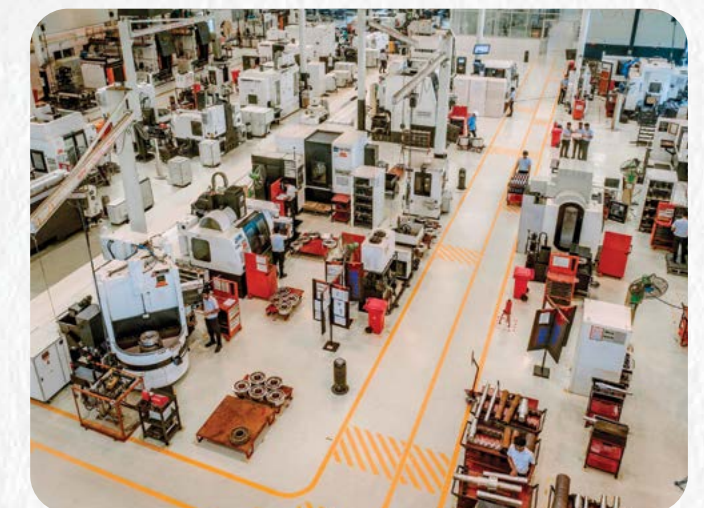
Pioneering

new solutions in the heavy-engineering space

End-to-End

Design to Dispatch

Then and Now



MHE Division

India's largest manufacturers of bulk MHE

With a broad product platform, strong in-house capability, and a growing focus on products and after-sales, we continue to serve core industries where scale, movement, and reliability matter most.

MHE Turnaround

Our MHE division was where the Elecon journey began 75 years ago. As the mother division of the Company, it has seen several cycles across a long institutional journey. Today, after a period of strategic reset, it is once again emerging as a supportive growth engine for the Company.

The decision to exit fresh EPC contracts in 2017-18 was difficult, but necessary. Revenue contribution reduced in the near term, but the business became structurally stronger. Margins recovered, then expanded. EBIT moved from -36.00% to 27.60% over six years, reflecting a deliberate rebuild rather than a cyclical recovery.

KEY HIGHLIGHTS OF FY 2025-26



Record revenue:

MHE recorded its highest revenue in a decade at ₹ 667 Crore, exceeding annual guidance. 43.60% Y-o-Y.



Strengthening margins:

Consistent improvement in EBIT Margins.



Aftermarket traction:

The shift towards aftermarket services delivered results and strengthened divisional performance.



Rising contribution:

MHE contributed ~28% to consolidated revenue, moving above its five-year average of below 25%.

KEY STRENGTHS



In-house expertise:

Integrated design, manufacturing, and project management capabilities enable us to deliver complex MHE solutions.



Safety and Reliability:

Safety is built into design, manufacturing, and installation, supporting dependable, long-lasting performance.



Export readiness:

We have begun exporting MHE equipment and are actively pursuing global opportunities.



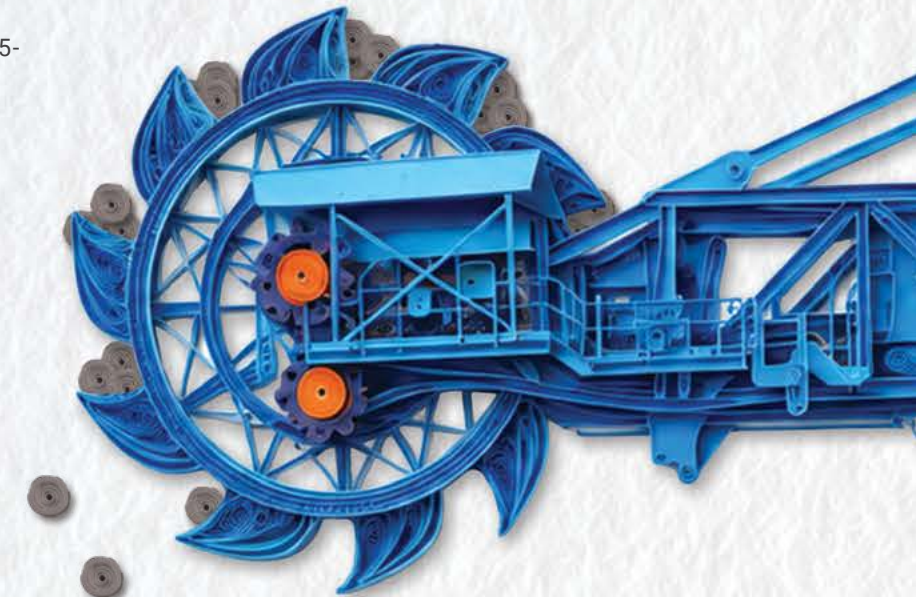
SECTORS WHERE WE MATTER

The industries we serve are not peripheral. They are the backbone of India's infrastructure journey.

Steel plants rely on our equipment to move raw materials at scale. Power plants depend on our coal handling systems for uninterrupted generation. Cement makers, fertiliser producers, mining operations, and ports all carry Elecon equipment in their facilities.

PERFORMANCE AND MOMENTUM

The MHE division carried strong momentum into 2025-26, building on a year of exceptional performance in FY 2024-25. Our revenue this year grew 43.60% Y-o-Y to reach ₹ 667 Crore. EBIT margins stood at 27.60%, reflecting the continued strength of our products and after-sales business.



Order Intake
(₹ in Crore)

669

586

393

Revenue
(₹ in Crore)

667

464

269

2023-24

2024-25

2025-26

Built on Resilience

We built steady. We built sure.

Our resilience is not a single decision. It is the sum of choices made over decades: a diversified business, a presence across industries, and a footprint that spans domestic and international markets. When one sector slows, another moves. When one geography faces pressure,

another holds firm. This balance did not happen by chance. It was built with intent, strengthened through correction, and sustained through restraint. Today, it gives us the confidence to face uncertainty without losing direction.

~3,35,000 Sq. Metre
total domestic
manufacturing footprint



radicon benzlers



Business Diversification

Breadth that builds resilience

We do not depend on a single sector, a single product line, or a single geography. This balance is by design. It insulates us from cyclicity, keeps us relevant across markets, and allows us to capture demand wherever it emerges.



Radicon USA (~ 4,900 Sq. Metre)



Radicon UK (~ 3,000 Sq. Metre)



Benzlers Sweden (~ 3,100 Sq. Metre)



Benzlers Netherlands (~ 1,700 Sq. Metre)

MULTI-INDUSTRY PRESENCE

Industrial Gear Division

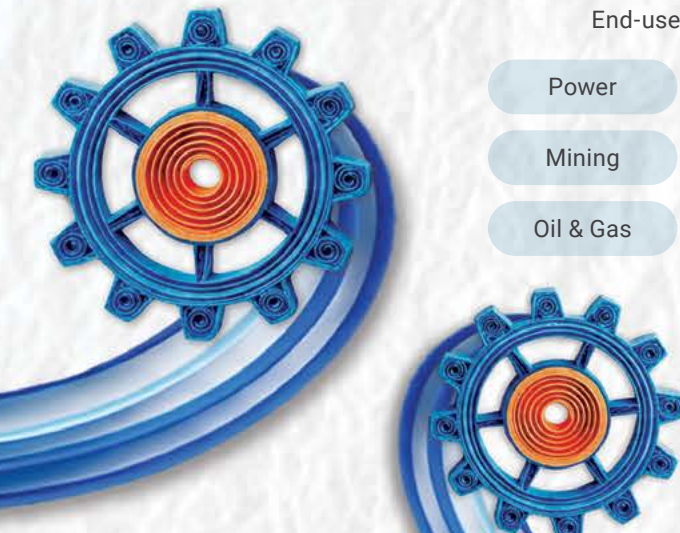
Industry-agnostic gear solutions serving

- Steel
- Power
- Cement
- Mining
- Rubber
- Defence
- Sugar
- Plastic

MHE Division

End-user industries served

- Power
- Ports
- Mining
- Cement
- Oil & Gas
- Fertiliser
- Steel



Financial Performance

What the numbers reflect

Disciplined execution, careful capital allocation, and a business model that balances growth with stability have driven consistent improvement across revenue, EBITDA, and profitability over the years.



STANDALONE FINANCIAL HIGHLIGHTS

METRIC	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue from Operations (₹ in Lakh)	99,648	91,954	95,546	83,574	79,610	89,282	1,19,699	1,59,967	1,87,112	2,01,604
EBITDA (₹ in Lakh)	15,580	10,936	11,349	10,530	14,381	18,423	28,069	41,361	46,359	47,479
EBITDA Margin (%)	15.64	10.94	11.88	12.60	18.06	20.63	23.45	25.86	24.78	23.60
PAT (₹ in Lakh)	2,106	808	1,207	7,242	3,626	9,552	18,815	30,316	34,003	47,670
PAT Margin (%)	2.11	0.88	1.26	8.67	4.56	10.70	15.72	18.95	18.17	23.65
Net Worth (₹ in Lakh)	72,230	72,517	73,360	77,800	81,637	90,567	1,07,782	1,34,548	1,65,036	2,04,685
Debt-Equity Ratio (X)	0.63	0.68	0.65	0.50	0.31	0.13	0.02	0.03	0.09	0.12
Return on Capital Employed (%)	1.72	0.64	0.96	6.44	9.77	14.39	23.31	30.01	27.74	21.96

CONSOLIDATED FINANCIAL HIGHLIGHTS

METRIC	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Revenue from Operations (₹ in Lakh)	1,27,466	1,18,972	1,22,484	1,08,846	1,04,444	1,21,195	1,52,968	1,93,742	2,22,696	2,36,605
EBITDA (₹ in Lakh)	15,992	11,333	13,970	14,038	18,534	24,644	33,888	47,447	54,259	52,314
EBITDA Margin (%)	12.87	9.75	11.41	12.90	17.75	20.33	22.15	24.49	24.36	22.11
PAT (₹ in Lakh)	4,386	562	8,826	1,951	5,763	14,049	23,749	35,558	41,510	34,115
PAT Margin (%)	0.84	0.64	5.72	8.24	5.52	11.59	15.53	18.35	18.64	14.42
Net Worth (₹ in Lakh)	60,660	58,780	74,559	83,470	90,127	1,03,492	1,26,156	1,58,408	1,97,509	2,27,868
Debt-Equity Ratio (X)	0.82	0.83	0.71	0.54	0.36	0.14	0.05	0.04	0.09	0.12
Return on Capital Employed (%)	0.83	0.06	0.51	7.02	11.29	16.92	22.84	28.70	26.76	20.39

75 years of Engineering Progress

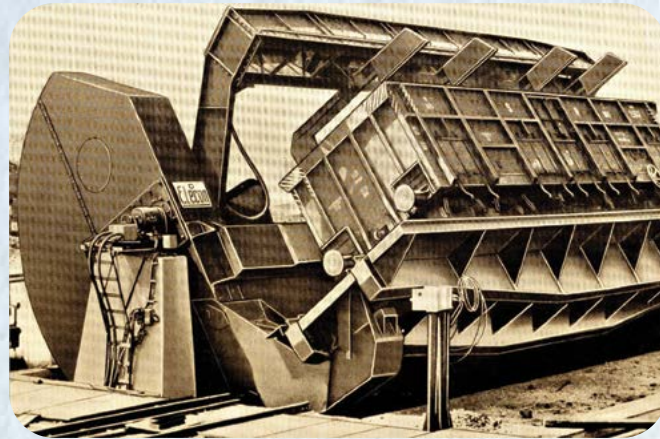
Numbers behind the narrative

Then [1960]

₹ **0.16** Crore
Revenue

Now [2026]

₹ **2,366** Crore
Revenue



Wagon Tippler



Wagon Tippler



Head Office



Head Office

The Foundation

One Product Line

One City

One Founder's Vision

The Beginning of an Industrial Legacy

The Enterprise Today

Two Core Divisions

Serving 95+ Countries

Four Generations of Leadership

Serving Critical Sectors Worldwide



Ready for Tomorrow

Ready and building

Markets are shifting. Industries are consolidating. Global supply chains are being redrawn. We see this not as a disruption, but as an opportunity.

We are investing ahead of demand. We are building global reach with intent. And we are doing both from a position of financial strength that gives us the freedom to move without hesitation. What we built over seven decades strengthens us to compete. What we do next will determine how far we go.



Gear Growth Strategy

Building for the next phase of growth

The domestic market is growing. The global opportunity is larger. And we have the product depth, manufacturing capability, and strategic relationships to pursue both with confidence.



DOMESTIC GROWTH SUPPORTED BY INDUSTRIAL CAPEX

India's industrial investment cycle is creating sustained demand for precision power transmission solutions. Steel plants, cement manufacturers, power producers, sugar mills, and mining operations and other core industries are all expanding capacity. Each expansion requires gearboxes. Our leadership position in the organised domestic segment gives us a natural first-mover advantage in capturing this demand.

We are committing substantial capital expenditure over the next three years, to expand capacity ahead of demand rather than after it. This is a deliberate choice to ensure we can serve our customers without constraint as the cycle accelerates.



GROWTH VISIBILITY ACROSS MULTIPLE SECTORS

Our exposure across 35+ industries means no single sector downturn materially disrupts our performance. Steel, cement, power, sugar, marine, mining, defence, and rubber all drive demand independently of each other.

We continue to expand our presence across emerging and high-potential sectors, further diversifying our revenue base, reducing cyclical risks, and strengthening long-term growth visibility.



STRATEGIC OVERSEAS GROWTH THROUGH EXPANDING CHANNEL PARTNER ECOSYSTEM

We initially established our overseas presence through dedicated sales offices and have since built a significantly broader global partner ecosystem comprising in dealer-distributors, customer representatives, OEM partners, and agents. This expanding network is steadily strengthening our international reach and widening the business pipeline.

Global OEMs are increasingly partnering with Elecon, driven by our strong product quality, execution reliability, engineering capabilities, and responsive after-sales service support. Backed by a growing network of 120+ dealer distributors and strategic OEM relationships, we continue to deepen our presence and expand our footprint across international markets.



EXPORT-LED EXPANSION IN GEOGRAPHY

We are deepening our presence across Europe, the Middle East, the Americas and Asia Pacific, and are optimistic about the potential of the African Continent. The Company is also evaluating regional assembly hubs in the Americas to improve delivery timelines and supply chain resilience.



SPECIALISED OPPORTUNITIES IN DEFENCE AND COMPLEX APPLICATIONS

We possess the capability to manufacture complex gearboxes for the Indian Navy. That position reflects decades of precision engineering and the trust of one of the most demanding customers in the world.

The increasing focus on the 'Make in India' initiative and the resulting growth in domestic shipbuilding activity are creating a strong long-term opportunity for Elecon's marine and defence gearbox solutions, further enhancing business visibility.

Future-Ready MHE

Building the next growth chapter

The MHE division enters the next phase from a position of demonstrated strength. The focus now shifts to expanding capability, deepening the product platform, and building the infrastructure required to sustain growth at scale.

NEW PRODUCT DEVELOPMENT

The division introduced two new products in FY 2025-26. The Hanging Type Paddle Feeder is designed to reclaim bulk materials from bunkers, silos, and stockpiles, with a handling capacity of up to 4,500 Tonnes per Hour. The Auto Tension Take Up Winch, a first in India, is a specialised electro-mechanical system that automatically regulates conveyor belt tension, compensating for slack and stretch in mining and bulk material handling operations. Four sizes have been developed: 7.50 kW, 15 kW, 18.50 kW, and 30 kW. Both products have received encouraging response from end users, reflecting growing customer confidence in Elecon's engineering capabilities, innovation focus, and ability to deliver reliable, application-oriented solutions.

4,500 TPH
capacity

CAPITAL EXPENDITURE IN MHE FACILITIES

We are undertaking a strategic capacity expansion programme over the next three years to capitalise on growing demand and further strengthen our market position. This investment is focused across three areas: expansion of existing manufacturing facilities to enhance production volumes and execution capabilities; modernisation and replacement of machinery to improve productivity, precision, and cost efficiency; and focused R&D investment to enhance product capabilities and develop next-generation MHE solutions.

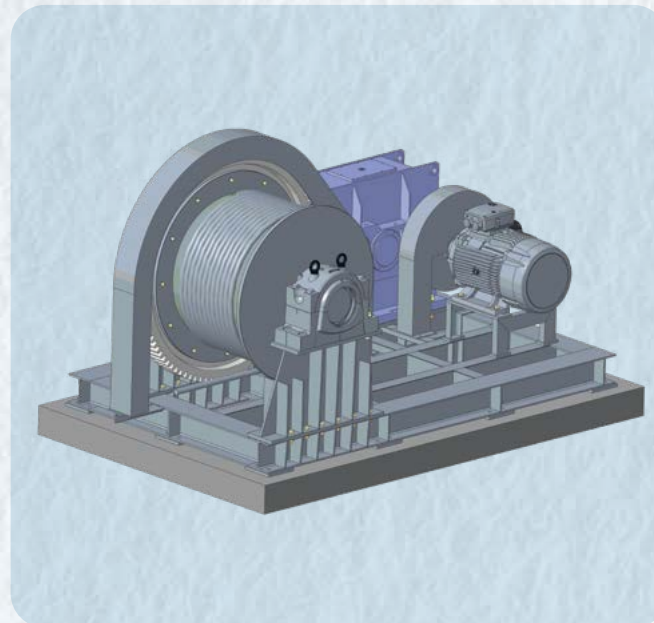
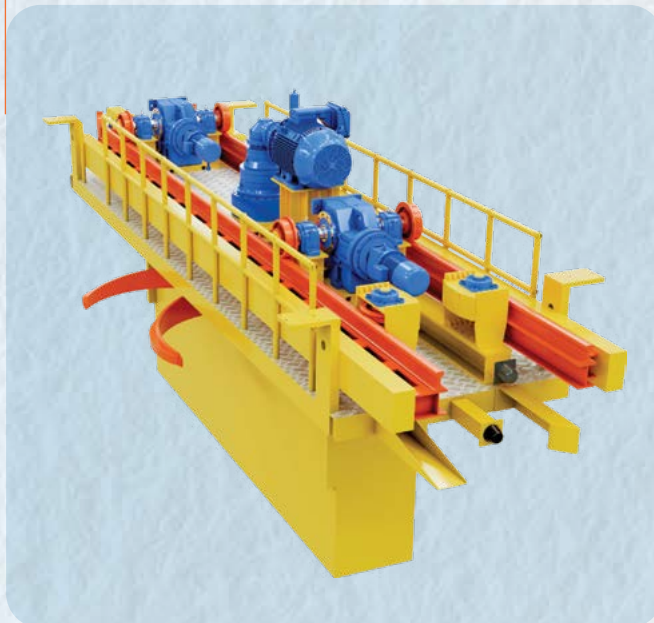
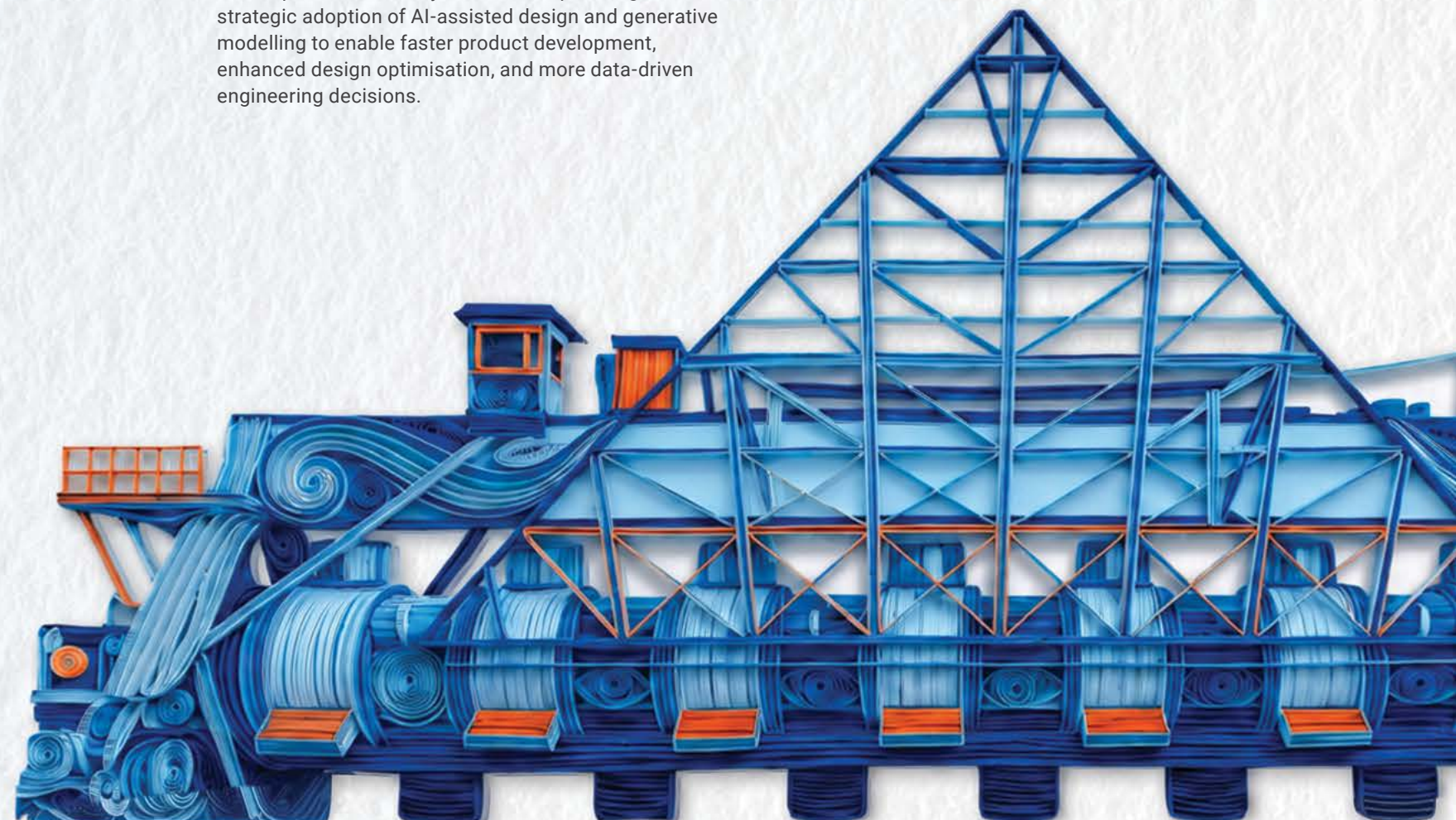
INVESTMENTS IN R&D CAPABILITIES

Our R&D investments in the MHE division are directed at reducing design cycle time, improving validation processes, and adopting more advanced engineering tools.

We have experienced a 15% reduction in design cycle time through the adoption of automation tools, smarter workflows, and optimised resource allocation. A planned automated design verification system will reduce errors, accelerate validation timelines, and improve overall product reliability. We are also pursuing the strategic adoption of AI-assisted design and generative modelling to enable faster product development, enhanced design optimisation, and more data-driven engineering decisions.

STRENGTHENING THE MHE PLATFORM FOR FUTURE GROWTH

Investment in technology and infrastructure is one part of the equation. Building the team to execute is the other. We are undertaking a structured rollout of advanced upskilling initiatives for our engineering workforce, aimed at developing the capabilities required for a more complex and higher-volume business. Alongside this, we are strengthening cross-functional collaboration between design, R&D, and production to improve execution efficiency across the division.



Hanging Type Paddle Feeder

Auto Tension Take-Up Winch

Board of Directors

The leadership behind the purpose

Our Board of Directors brings the experience, judgement, and strategic clarity that underpin Elecon's readiness for what comes next.



Mr. Prayasvin B. Patel
Chairman & Managing Director

Mr. Prayasvin B. Patel is a Chairman & Managing Director of Elecon, with over five decades of experience in the engineering industry. A Mechanical Engineer from Sardar Patel University and MBA from Loyola University, the US, he has led Elecon's growth into a global industrial gear leader, including its first international acquisition. He is also recognised for his strategic leadership and longstanding contributions to industry and community development.



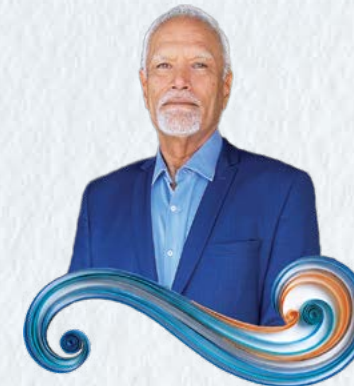
Mr. Aayush A. Shah
Non-Independent & Non-Executive Director

Mr. Aayush A. Shah is Executive Director of Power Build Private Limited. A Mechanical Engineer from the Georgia Institute of Technology, the US, he brings strong expertise in operational management, strategy, and multicultural business environments. He is known for an analytical approach and focus on technology, innovation, and continuous improvement.



Mr. Pradip M. Patel
Non-Independent & Non-Executive Director

Mr. Pradip M. Patel is a Non-Executive & Non-Independent Director with over five decades of experience in the bearing industry. An MBA from the US and a former Managing Director of ABC Bearings Limited, he brings deep expertise in leadership, strategy, finance, and operations. A Board member since 1977, he continues to provide valuable guidance on the Company's strategic direction and growth.



Mr. Prashant C. Amin
Non-Independent & Non-Executive Director

Mr. Prashant C. Amin is a Non-Executive & Non-Independent Director with over four decades of experience in enterprise management. Holding advanced degrees from BITS Pilani and MBA from the USA, he brings expertise in leadership, strategy, and global operations, including cross-border acquisitions and integration. A former Executive Director of Elecon Engineering, he also contributes to industry development through key roles in regional business and industry.



Mr. Pranav C. Amin
Independent & Non-Executive Director

Mr. Pranav C. Amin is the Managing Director of Alembic Pharmaceuticals Limited. He holds a degree in Economics & Industrial Management from Carnegie Mellon University and an MBA in International Management from Thunderbird, the US. With a strong leadership approach focused on empowerment and autonomy, he drives organisational growth and performance through people-centric management and strategic direction.



Mr. Ashutosh A. Pednekar
Independent & Non-Executive Director

Mr. Ashutosh A. Pednekar is a Practicing Chartered Accountant with over three decades of experience and has been a Partner at M. P. Chitale & Co. since 1992. He holds a commerce degree from the University of Bombay and is a Certified Information Systems Auditor (the US). His expertise spans finance, risk management, insurance and infrastructure, and he has contributed to regulatory research projects with ICAI, RBI, and IRDAI.



Mr. Nirmal P. Bhogilal
Independent & Non-Executive Director

Mr. Nirmal P. Bhogilal is a Chairman of the Batliboi Group, with over five decades of experience in the machine tools building and engineering industry. A Chemical Engineering graduate from Imperial College London, he brings deep expertise in leadership and management. He has held key leadership roles, including Past President of IMTMA, IGCC, and CII Western Region, and is a Founder Council member of the National Centre for the Performing Arts (NCPA), Mumbai.



Mrs. Natasha K. Treasurywala
Independent & Non-Executive Director

Mrs. Natasha K. Treasurywala is an advocate and Partner at Desai & Diwanji, specialising in corporate and commercial law. A law graduate from Mumbai, B.A from New York University and a qualified solicitor, she has extensive experience in cross-border M&A, structured finance, and corporate advisory. She advises financial institutions on complex financing transactions and has been recognised among India's top lawyers by Forbes and Asian Legal Business.



Dr. Savan R. Godiawala
Independent & Non-Executive Director

Dr. Savan Godiawala brings over three decades of experience in investment banking and financial advisory and retired as a Partner at Deloitte Touche Tohmatsu India LLP in 2024. A PhD in Management and Chartered Accountant, he also holds degrees in law and commerce. He serves as an Independent Director, Investment Committee member and visiting faculty at leading institutions, and actively contributes to professional thought leadership.

Our Management

Where strategy meets action



Mr. Dipak S. Dalwadi
Head, Gear Division

'FY 2025-26 tested the resilience of the Gear Division and reinforced the strength of our operational foundations. Despite timing-related disruptions in order conversion and dispatch, demand across power, steel and cement remained intact, both in India and overseas.

During the year, we invested significantly in upgrading our manufacturing facilities with state-of-the-art machinery to prepare for forecasted demand and improve lead times. Emerging opportunities in marine applications, including gearbox solutions for the Indian Navy and commercial vessels, further broaden our addressable market.

With a healthy order book, enhanced manufacturing capability, and continued investments in R&D and engineering excellence, we enter FY 2026-27 with confidence and strong growth opportunities across our core sectors.'



Mr. Kaushik M. Patel
Head, MHE Division

'FY 2025-26 was a landmark year for the Material Handling Equipment Division. Revenue grew 43.60% Y-o-Y to ₹ 667 Crore, supported by strong project execution, demand across core industries, and continued expansion of our after-sales and service business.

Our deliberate pivot towards product supply and aftermarket services has improved revenue quality, customer retention, and divisional resilience. We continue to deliver customised, high-value solutions that enhance customer operational efficiency.

Supported by rising industrial investments, increasing mechanisation and automation, and a healthy open order book, the long-term outlook for advanced material handling solutions remains favourable. We enter FY 2026-27 with strong momentum and clear strategic intent to build on this performance.'



Mr. Chintan J. Shah
Chief Financial Officer

'FY 2025-26 demonstrated Elecon's financial resilience and operational discipline. Consolidated revenue from operations grew to ₹ 2,366 Crore, EBITDA stood at ₹ 523 Crore with a margin of 22.10%, and reported PAT was ₹ 341 Crore, reflecting a margin of 14.40%.

Reported profitability included certain exceptional and one-time items, including realised arbitration awards, unrealised mark-to-market gains from investment reclassification, and a non-cash goodwill impairment charge related to the earlier acquisition of the Benzlers-Radicon Group.

The Company maintained a strong balance sheet, with net worth of ₹ 2,283 Crore, net cash of approximately ₹ 700 Crore, order intake of ₹ 2,660 Crore, and an open order book of ₹ 1,292 Crore. We remain well placed to support growth with discipline and confidence.'



Built to last. Built responsibly.

Seventy-five years of industrial progress carry a responsibility that extends beyond the manufacturing floor. We integrate environmental stewardship, social commitment, and sound governance into how we operate, how we grow, and how we measure success, because the kind of company we are building must be as durable as the products we make.



ESG Highlights

Planet, people, and purpose

Environment

13.20 MW

Renewable energy (Wind)

5.50 MW

Renewable energy (Solar)

~97,899 KL

reused through STP under our zero-discharge approach

~95%

Lighting on LED

8.30 MW

Under Commissioning

1.90 metres

groundwater rise through rainwater harvesting

~55%

electricity consumption from renewables (from installed Wind Mills & Solar Panels)

Social

210+

Development Programmes

12,500+

(4,700+ trainees) Training Hours

2,854

HSE Training hours

₹ 733.63 Lakhs

CSR Spend

Governance

4

Independent Directors

1

Woman Independent Director

1

Executive Director

3

Non-Independent & Non-Executive Directors

*Dr. Savan Godiawala has been added to the BoD effective from 15th April, 2026



INVESTING IN OUR PEOPLE

Our people are the continuity behind 75 years of engineering. With an average tenure exceeding 10 years, Elecon's workforce carries institutional knowledge that has been built steadily over decades. That depth is integral to the quality and reliability of everything we deliver.

GROWING OUR LEADERSHIP

We continued to invest in developing our next generation of leaders during the year. The 'Gurupath' succession programme and the 'Gurukul' leadership development programme are building a structured pipeline of future leaders equipped to navigate an increasingly complex business environment. Cultural transformation workshops, conducted in collaboration with global experts, reinforced our core values and the behaviours that define how we lead at Elecon.

SAFETY, LEARNING, AND WELL-BEING

Over 4,700+ trainees participated in development programmes during FY 2025-26, completing more than 12,500 training hours. Our 'HR Aapke Nikat' initiative ensured open communication between employees and the organisation, and our engineering fair on Engineers' Day gave employees a platform to showcase their ideas and creativity. We remain committed to a zero-fatality workplace. Through comprehensive Safety, Health and Environment training, regular health check-ups for employees above 40, and Mediclaim and term insurance coverage for employees and their families, we ensure that the well-being of our people remains a priority.

INTEGRATED SYSTEMS, VERIFIED STANDARDS

- **ISO 9001:2015**
Certified Quality Management System
- **ISO 14001:2015**
Certified Environmental Management System
- **ISO 45001:2018**
Certified Occupational Health and Safety Management System

Awards & Recognition

Recognised for excellence

Awards and recognition reflect the standards we hold ourselves to. These acknowledgements, from customers, industry bodies, and institutions, confirm that the work we do is valued beyond our own walls.



Best HR Strategies Category at the Gujarat Employers Organisation's Fourth Edition of Excellence Awards.

'Best Employee Engagement Strategy' Award by Synnex at India HR Summit Awards 2025, New Delhi



Management Discussion & Analysis 2025-26





GLOBAL ECONOMIC OVERVIEW

The global economy remained resilient, but growth moderated amid heightened geopolitical risks, rising trade tensions, policy uncertainty, and conflict-related disruptions. In its April 2026 World Economic Outlook, the IMF projected global growth at 3.1% in 2026, lower than the estimated 3.4% in 2025, indicating that the global environment remained stable, but less supportive than previously expected.

Inflation continued to ease, but the disinflation process remained gradual and uneven across economies. Global headline inflation was projected to increase from 4.1% in 2025 to 4.4% in 2026, before easing to 3.7% in 2027. Inflation dynamics were expected to remain sensitive to trade measures,

energy prices, and geopolitical developments. As a result, interest rates were expected to soften only gradually, keeping financial conditions relatively tight.

Meanwhile, global trade remained active, but the outlook weakened. The IMF projected world trade volume growth to slow to 2.8% in 2026, while the UNCTAD highlighted that elevated trade tensions, rising tariffs, policy uncertainty, and supply-chain reconfiguration were reshaping trade flows and investment decisions.

Further, industrial activity remained selective rather than broad-based. According to UNIDO, global manufacturing output grew by

0.50% quarter-on-quarter in Q4 2025, following modest growth in the previous quarter. Regional performance remained uneven, with parts of Asia showing better momentum while Europe stayed weak. For capital goods and heavy engineering businesses, this pointed to demand pockets rather than synchronised industrial expansion.

Geopolitical risks remained a significant overhang on the global outlook. The prolonged Russia-Ukraine war, continued conflict in the Middle East, and disruption across key trade corridors such as the Red Sea, Black Sea, and Strait of Hormuz continued to affect freight, energy markets, and supply chains.

Primary sources used: IMF World Economic Outlook April 2026; World Bank Prospectus Group Global Monthly February 2026. UNIDO World Manufacturing Production and Trade Report, Q4 2025, UNCTAD Global Trade Update January 2026

INDIAN ECONOMIC OVERVIEW

India remained one of the fastest-growing major economies in 2025-26, supported by strong domestic demand, continuous public investment, and improving private-sector activity. The National Statistics Office's Second Advance Estimates placed real GDP growth for 2025-26 at 7.6%, up from 7.1% in 2024-25. Simultaneously, the IMF's update projected India's growth at 6.5% for FY 2026-2027, reaffirming the view that India continued to outpace most large economies despite external uncertainties.

Infrastructure and manufacturing investment remained important growth drivers through the year, supported by sustained public capital expenditure and improving private investment activity. The Union Budget 2026-27 extended this infrastructure-led approach, proposing public capital expenditure of ₹ 12.2 Lakh Crore, while also announcing measures to strengthen domestic manufacturing of capital goods.

Manufacturing investment also continued to broaden through policy support and implementation-led capacity creation. According to the DPIIT year-end review, actual investment of over ₹ 1.88 Lakh Crore had been realised under PLI schemes till June, 2025 across 14 sectors.

However, despite continued infrastructure spending, project execution timelines remained delayed across sectors, which consequently impacted the pace of order finalisation and inflows. This was reflected in the Company's open order book position during the year.

The capex cycle in core sectors remained constructive. Official data from the Index of Eight Core Industries (ICI) showed that the combined index increased by 1.7% in April, 2026 over April, 2025, while cumulative ICI growth for April to March 2025-26 stood at 2.7%. Within this, cement production increased by 9.4% and power generation rose by 4.1% in April, 2026, indicating continued activity across investment-linked sectors.

In the power sector, capacity creation continued across conventional and renewable segments. According to the Ministry of Power, India's power sector growth is dominated by renewables, with solar growing by 20.2% and wind by 27.29%. During the year, there was a marginal increase of 13.32 GW in conventional thermal-based power generation capacity, accounting for nearly 6% over the year. The sector also continued to benefit from low energy shortages and ongoing capacity addition, reflecting sustained investment in generation infrastructure as demand and grid requirements expanded.

Primary Sources: Mospi, 2025 Year End Review for DPIIT; PIB Press Release, Union Budget FY25, Manufacturing Investment, Manufacturing GVA, Capex Overview, India's Power Sector: Progress, reform and the road ahead, Monthly Economic Report April 2026: Ministry of Steel



In steel, the sector continued to benefit from infrastructure demand and industrial activity. According to the Ministry of Steel's Monthly Economic Report for April 2026, crude steel production stood at 14.09 Million Tonnes, up 5.8% Y-o-Y, while finished steel production stood at 13.05 Million Tonnes, up 3.4%. Finished steel consumption stood at 12.99 Million Tonnes, up 8.1% over the corresponding period of the previous year. These trends indicate continued demand momentum in the sector, supported by ongoing infrastructure and industrial activity.

In cement, the operating environment remained favourable, supported by infrastructure and construction activity. The Economic Survey stated that India remained the world's second-largest cement producer, with domestic cement consumption of around 290 kg per capita, still below the global average of 540 kg per capita. The 9.4% rise in cement output in April 2026 suggests continued medium-term headroom for capacity additions and investment in the sector.

INDUSTRY OVERVIEW

Global Industrial Gearbox Market

The global industrial gearbox market is expected to grow at a CAGR of 4.8% from 2026 to 2033. The demand continued to be supported by demand from core industrial sectors such as power, metals, cement, mining, and material handling, alongside the broader shift towards automation, process efficiency, and renewable energy applications. Demand continues to be shaped by the need for reliable torque transmission, energy-efficient drive systems, and replacement demand across installed industrial bases.

The market environment also remains influenced by industrial investment cycles and end-use sector capacity additions. As industries continue to modernise operations, gearbox demand is increasingly linked not only to greenfield capex, but also to brownfield upgrades, automation-led retrofits, and higher-efficiency drivetrain requirements. This supports a structurally stable demand outlook for industrial gear systems across heavy-duty applications.

Indian Industrial Gearbox Market

According to IMARC Group, India's industrial gearbox market is projected to grow at a 3.9% CAGR through 2034 with the support of industrialisation, infrastructure build-out, and investment across manufacturing sectors.

Going forward, easing geopolitical tensions, normalised trade and tariff conflicts, and improving supply chain stability are expected to strengthen business confidence and support industrial investments. Improved raw material availability and moderation in commodity price volatility are also likely to aid operational efficiency and project execution timelines going forward.

Along with sustained investments in key segments, mining and material handling are expected to remain key growth drivers supported by rising domestic coal production and investments in bulk material handling infrastructure. At the same time, increasing focus on productivity, reliability, and lower lifecycle costs is accelerating demand for technologically advanced and customised power transmission solutions.

Overall, the outlook for the industrial gearbox segment in FY 2026-27 looks cautiously optimistic, driven by expanding manufacturing activity, rising demand for energy-efficient systems, and continued investment across key sectors.

Indian Material Handling Equipment Industry

The Indian bulk material handling equipment industry is expected to remain on a steady growth trajectory, entering the new financial year, backed by increasing investments in mining, power generation, and ports.

During FY 2025-26, although government-led spending continued, the slower conversion of announcements into on-ground execution impacted project timelines and ordering activity within the industry.

Looking ahead, improved project execution, revival in private sector expenditure, and stronger industrial activity are expected to support demand for efficient bulk material handling systems. Growth in coal handling infrastructure is also expected to accelerate, aligned with Coal India Limited's long-term production targets for 2030 and the continued focus on strengthening import substitution of coal.

For both business segments, we remain cautiously optimistic, aided by easing geopolitical tensions and backed by a healthy order book across segments, providing confidence in a positive outlook.

Primary Sources: Industrial Gearbox Market Report: IMARC Group, Indian Material Handling Equipment Market: IMARC Group, and PIB: Logistics: India's growth engine

Key Industry Drivers

Infrastructure expansion remained a core demand driver for industrial equipment in 2025-26. The Economic Survey highlighted that the Government of India's capital expenditure increased nearly 4.2 times from ₹ 2.63 Lakh Crore in 2017-18 to ₹ 11.21 Lakh Crore in 2025-26 (BE), while effective capital expenditure for 2025-26 (BE) stood at ₹ 15.48 Lakh Crore. Progress across roads, railways, airports, and logistics continued to support activity in construction, bulk material movement, and industrial project execution, creating a favourable demand environment for transmission and material handling equipment.

The power sector remained one of the most important industry drivers during the year. India's total installed power generation capacity increased to 532.74 GW as on March 31, 2026, supported by continued capacity additions across conventional and renewable sources. The country also successfully met peak power demand of 242.49 GW during FY 2025-26, while national energy shortages remained negligible at 0.03%, reflecting sustained investments in generation and transmission infrastructure.

Thermal capacity additions also remained active during the year. As of January 20, 2026, around 17.36 GW of thermal capacity had been commissioned since April 2023, while 39.55 GW was under construction and contracts for another 22.92 GW had been awarded and were due for construction. These trends indicate a continuing investment cycle across generation, evacuation, and balancing infrastructure, supporting demand for heavy-duty gear systems and bulk material handling equipment.



Cement demand remained firm, supported by infrastructure creation, housing, and construction-linked activity. The Economic Survey noted steady growth in cement production as part of the broader improvement in construction indicators, with the Index of Eight Core Industries projecting cement output increasing by 9.4% in April 2026 and 8.7% cumulatively during April to March 2025-26 over the corresponding period of the same year. This reflected sustained activity in end-use sectors that typically require material-handling, crushing, conveying, and power-transmission solutions.

Steel production also remained a significant driver of the industry during the year. According to the Ministry of Steel, India's steel sector continued to maintain growth momentum in April 2026. Crude steel production stood at 14.09 million tonnes, up 5.8% year-on-year, while finished steel production reached 13.05 million tonnes, registering 3.4% year-on-year growth. Finished steel consumption stood at 12.99 million tonnes, up 8.1% year-on-year, reflecting sustained demand from infrastructure, construction, and manufacturing end-use segments. These trends indicate continued momentum in steel production and consumption, supported by infrastructure activity and industrial demand, and remain favourable for equipment demand across mills, process lines, and associated material handling systems.

Primary Sources: Economic Survey 2025-26 highlights and infrastructure chapter; Ministry of Power; Central Electricity Authority; Index of Eight Core Industries for January, 2026; Ministry of Steel.

Key Industry Challenges

Supply chain conditions improved from the severe disruption witnessed in earlier years, but remained exposed to periodic stress across shipping routes, component availability, and input sourcing. Global institutions continued to caution that trade tensions, military conflict, and geoeconomic confrontation could disrupt supply chains and investment flows. For industrial companies, this meant that lead times and procurement planning remained sensitive to developments across major trade corridors and cross-border supply networks.

These challenges are also linked to the broader geopolitical environment discussed earlier. The prolonged Russia-Ukraine war, continued conflict in the Middle East, and the wider rise in geoeconomic confrontation have increased uncertainty across trade, logistics, and industrial input markets. As a result, industry participants continue to operate in an environment where supply-chain resilience, cost discipline, and technology adaptation remain important competitive requirements.



Our newly commissioned BMCE-2 facility, housing a dedicated high-precision gear housing machining line.

COMPANY OVERVIEW

About Elecon Engineering Company Limited

Elecon Engineering Company Limited is an engineering company engaged in industrial gear solutions and material handling equipment, with a presence across Asia, the Middle East, Europe, the Americas, and Africa. Over the years, we have built a diversified portfolio that serves a wide range of industries through specialised engineering and application-based solutions.



Operational & Financial Highlights FY 2025-26

Despite a challenging operating environment, FY 2025-26 was a year that tested our execution discipline while reaffirming the resilience of our underlying business fundamentals. During the year, the Company delivered moderate consolidated revenue growth of 6.2% to ₹ 2,366 Crore. EBITDA stood at ₹ 523 Crore with a margin of 22.1%, while reported PAT came in at ₹ 341 Crore, delivering a margin of 14.4%.

The Gear Division experienced temporary headwinds during the year, primarily due to the delayed materialisation of order inflows in certain segments and customer-led postponements. Importantly, these challenges were timing-related in nature and did not indicate any structural weakness in demand. The underlying demand environment remained healthy, with the Company securing strong order inflows across key sectors, such as power, steel, cement, and material handling equipment.

The Material Handling Equipment (MHE) Division delivered a strong performance during the year, with revenue growth of 43.6%, thereby sustaining the momentum built over the past two years. This performance reflects the successful execution of the division's strategic initiatives, increasing industrial demand across core sectors, and enhanced integration across design, engineering, and manufacturing functions. The structural repositioning undertaken in recent years is now translating into improved growth and stronger margin quality.

As at March 31, 2026, the Company's consolidated open order book stood at ₹ 1,292 Crores, providing strong revenue visibility for the coming year.

Against the backdrop of continuing geopolitical uncertainties, the performance of the Company's overseas subsidiaries remained resilient, with revenues maintained at levels comparable to the previous year. During FY 2025-26, the Company incorporated a step-down subsidiary in Mexico, further strengthening its presence in Latin America as part of its broader strategy to diversify and expand its international footprint.

The Company has also outlined significant capital expenditure plans across both divisions, focused on upgrading manufacturing facilities with state-of-the-art machinery and advanced technologies.

These strategic investments are aimed at preparing for anticipated demand growth while further optimising operational efficiencies and lead times.



Gear tooth profile grinding machine



Heavy-duty geared coupling delivering 62.7 million Nm torque through a 2.35-metre diameter flange for cement mill drives.

Opportunities and Growth

Elecon has established itself as the leading industrial gearbox manufacturer in India and among the prominent industrial transmission solution providers in Asia. The Company continues to strengthen its position in international markets through focused expansion initiatives, enhanced customer engagement, and a growing global presence. The strong execution track record, long-standing customer relationships, and credibility built across industries over the years continue to support its growth aspirations.

The Company remains well positioned to benefit from sustained investments across infrastructure and core industrial sectors, which continue

to drive demand in key end-user industries, such as power, steel, cement, and material handling. The power sector, supported by rising energy demand, capacity expansion, and ongoing modernisation initiatives, presents a significant opportunity for both the Gear and Material Handling Equipment businesses. Similarly, continued investments in infrastructure and industrial development are expected to sustain demand from the steel and cement sectors.

The Material Handling Equipment segment continues to offer significant growth potential as industries increasingly adopt integrated and efficient material handling systems to improve operational productivity. In parallel, growing

customer preference for high-efficiency and application-specific solutions is creating opportunities for higher-value offerings across both business divisions.

The increasing contribution of aftermarket services, including refurbishment, maintenance, and lifecycle support solutions, is expected to provide a stable source of recurring revenue while strengthening long-term customer relationships.

Supported by its diversified product portfolio, engineering expertise, manufacturing capabilities, and ongoing investments in technology and capacity enhancement, the Company remains focused on driving future growth and creating long-term value.

FINANCIAL PERFORMANCE

It can be referred in the Board's Report under heading "Performance of the Company," in this Annual Report.

FINANCIAL RATIOS

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	Standalone		Consolidated	
	31.03.2026	31.03.2025	31.03.2026	31.03.2025
Debtors Turnover Ratio	3.25	3.81	3.55	4.21
Inventory Turnover Ratio	10.99	11.71	8.70	9.42
Interest Coverage Ratio*	21.39	59.61	21.75	50.31
Current Ratio	2.91	2.90	2.94	3.16
Debt Equity Ratio*	0.12	0.09	0.12	0.09
Operating Profit Margin	23.55	25.06	22.11	24.60
Net Profit Margin (%)#	23.65	18.17	14.42	18.64
Return on Net Worth (%)^	23.29	20.60	14.97	21.02

*Interest coverage as well as debt equity ratio, in both stand alone and consolidated financial statement, reported the change of more than 25% compared to previous year. This is primarily attributable to the increase in finance cost as well as debt arising from the new lease arrangements during the financial year.

#In Standalone Financials, the change of more than 25% in the Net Profit Margin is primarily due to the exceptional income on Mark to Market gains on investments.

^In Consolidated Financial Statement, the change of more than 25% in the Return on Net Worth is due to the one time impact of impairment of goodwill.

RISKS AND MITIGATION

Risk	Potential Impact	Mitigation
Macroeconomic and geopolitical risks	Slowdown in industrial activity, deferred customer orders, disruption in export markets, and supply chains.	We mitigate this through a diversified sector presence and a continued focus on demand visibility across geographies.
Competitive intensity	Pricing pressure, lower market share gains, and the need for sustained differentiation in product performance and service quality.	We continue to invest in engineering capability, technology, product development, and customer relationships to sustain competitiveness.
Customer and end-market concentration	Any slowdown in key customer industries or changes in customer preferences may affect order inflows and revenue visibility.	We mitigate this through a diversified customer base across multiple industries and long-standing customer relationships.
Operational control risks	Weaknesses in process control may affect execution, financial reporting, and operating efficiency.	We maintain internal controls across operational and financial functions, with continuous evaluation by management and internal auditors.
Credit risks	Counterparty default may affect collections and lead to financial loss.	We monitor counterparty credit quality, diversify transaction values, and apply impairment assessment using the Expected Credit Loss (ECL) model.
Capex-related risks	Delay in planned capacity expansion or lower-than-required capacity may result in missed business opportunities during demand upcycles.	We retain spare capacity and operational flexibility, including the ability to outsource certain non-core activities when required.
Liquidity risks	Inadequate liquidity may affect our ability to meet financial commitments and fund operations or expansion.	We maintain optimum liquidity levels, supported by cash management systems, diversified banking relationships, and strategic investments into low-risk, highly liquifiable asset classes.
Technology and product relevance risks	Slower adaptation to changing customer requirements may affect competitiveness in high-efficiency and application-specific solutions.	We continue to strengthen R&D, engineering capability, and product development to remain aligned with evolving customer requirements.



HUMAN RESOURCE

Our workforce remains an important enabler of business execution, supported by a professional work culture and HR processes aligned with business objectives. We have continued to maintain healthy industrial relations across levels, which has helped sustain a committed and engaged employee base.

As of March 31, 2026, our employee strength stood at 939, compared with 740 as of March 31, 2025.



INTERNAL CONTROLS SYSTEM

The Company has mechanisms in place to establish and maintain adequate internal controls over all operational and financial functions. The Company intends to undertake further measures, as necessary, in line with its commitment to adhere to applicable procedures, guidelines, and regulations, in a transparent manner.

Internal Controls are continuously evaluated by the Internal Auditors and Management. Findings from internal audits are reviewed by the Management and the Audit Committee. The corrective actions and controls have been implemented wherever necessary. The scope of work of Internal Auditors covers the review of controls over accounting, statutory, and other compliance, and operational areas, in addition to reviews relating to efficiency and economics in operations.

STRATEGIC OUTLOOK

Despite ongoing global macroeconomic uncertainties, the Indian economy continues to demonstrate resilience and remains well-positioned to sustain its growth momentum, supported by favourable government policies, infrastructure development, and steady domestic demand. These factors continue to create a positive environment for industrial growth and investments.

The Company remains focused on strengthening its market position through a customer-centric approach, operational excellence, and continued emphasis on innovation and technological advancement. Leveraging its diversified product portfolio, engineering expertise, and robust manufacturing capabilities, the Company aims to enhance competitiveness across domestic and international markets.

The Company will continue to invest in technology upgradation, capacity enhancement, and process optimisation to improve efficiencies and support long-term growth. Backed by a strong order pipeline, diversified end-user industries, and a commitment to quality and sustainability, the Company is well-positioned to achieve sustainable and profitable growth while creating long-term value for all stakeholders.

INFORMATION TECHNOLOGY

The Company continues to strengthen its technology and digital capabilities to enhance operational efficiency, reliability, and data security. A key focus area is the ongoing advancement of its Condition Monitoring System (CMS), which integrates multiple sensors to track critical parameters such as vibration and speed. Leveraging predictive analytics, the system enables early detection of potential issues, allowing timely maintenance interventions. This not only minimises downtime but also supports efficient spare parts planning and reduces overall lifecycle costs for customers.

The Company also continues to leverage an integrated Enterprise Resource Planning (ERP) platform to streamline core processes such as procurement, production planning, order management, and after-sales service. The ERP system provides real-time visibility across functions, enabling faster and more informed decision-making.

Additionally, the Company has reinforced its data security framework in response to evolving regulatory requirements and increasing cyber risks, with enhanced firewalls, network monitoring, and endpoint protection systems to safeguard critical business and customer information.

BOARD'S REPORT

Dear Members,

The Board of Directors present the Company's Sixty-Sixth Annual Report and Company's Audited Financial Statements for the Financial Year ended on March 31, 2026.

As our valued partners in the Company, we share our vision for growth with you. Our core principles combine realism and optimism, which have been, and will continue to be, the driving force behind all our future efforts.

The summary of financial highlight is given below:

FINANCIAL RESULTS

The Company's financial performance (Standalone and Consolidated) for the financial year ended on March 31, 2026 is summarized below:

Particulars	Standalone		Consolidated	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Turnover	2,01,604	1,87,112	2,36,605	2,22,696
Profit Before Tax, Finance Cost, Depreciation & Amortization and Adjustments for previous year (EBITDA)	47,479	46,883	52,314	54,783
Add: Other Income	7,560	4,763	8,117	5,481
EBITDA (Including other income)	55,039	51,646	60,431	60,264
Less : Finance Cost	2,335	993	2,491	1,304
Depreciation & Amortization	9,124	5,058	10,424	6,076
Profit Before share of equity accounted Investee and Tax	43,580	45,595	47,516	52,884
Share of Profit of Associates	-	-	61	813
Profit Before Tax	43,580	45,595	47,577	53,697
Add: Exceptional items - gain/(loss)	14,942	-	(2,130)	-
Less: Provision for Tax	10,821	11,822	11,301	12,417
Deferred Tax	31	(230)	31	(230)
Profit After Tax	47,670	34,003	34,115	41,510
Add:				
Other Comprehensive Income	(3,625)	(61)	(3,805)	194
Previous Year Balance Brought Forward	1,11,130	80,554	1,47,241	1,08,903
PROFIT AVAILABLE FOR APPROPRIATION	1,55,175	1,14,496	1,77,551	1,50,607
APPROPRIATIONS:				
Dividend Paid	4,488	3,366	4,488	3,366
Balance Carried Forward	1,50,687	1,11,130	1,73,063	1,47,241

PERFORMANCE OF THE COMPANY

Standalone Financial Performance

For the financial year ended on March 31, 2026, the Company has achieved a Turnover of ₹ 2,01,604 Lakhs as against ₹ 1,87,112 Lakhs in the previous year.

For the financial year ended on March 31, 2026, the Company has achieved Earnings Before Interest (Finance Cost), Depreciation & Amortisation and Tax (EBITDA) of ₹ 47,479 Lakhs as against the EBITDA of ₹ 46,883 Lakhs during the previous year.

The Net Profit After Tax of the Company for the financial year ended on March 31, 2026 was ₹ 47,670 Lakhs compared to ₹ 34,003 Lakhs during the previous year.

The Company holds total unexecuted orders of about ₹ 1,17,800 Lakhs (₹ 78,100 Lakhs for Gear Division and ₹ 39,700 Lakhs for MHE Division) as on March 31, 2026. This will help us to continue to have sustainable growth in coming years.

Consolidated Financial Performance

Your Company's total consolidated turnover for the financial year ended on March 31, 2026 was ₹ 2,36,605 Lakhs as against ₹ 2,22,696 Lakhs in the previous year.

For the financial year ended on March 31, 2026, the Company has achieved Earnings Before Interest (Finance Cost), Depreciation & Amortisation and Tax (EBITDA) of ₹ 52,314 Lakhs as against the EBITDA of ₹ 54,783 Lakhs during the previous year.



The Consolidated Net Profit After Tax of the Company for the financial year ended on March 31, 2026 was ₹ 34,115 Lakhs compared to ₹ 41,510 Lakhs during the previous year.

During the year under review, your Company's consolidated Net Worth is ₹ 2,27,868 Lakhs as against ₹ 1,97,509 Lakhs for the previous year.

The Company holds total unexecuted orders of about ₹ 1,29,200 Lakhs (₹ 89,400 Lakhs for Gear Division and ₹ 39,800 Lakhs of MHE Division) as on March 31, 2026. This will help us to continue to have sustainable growth in coming years.

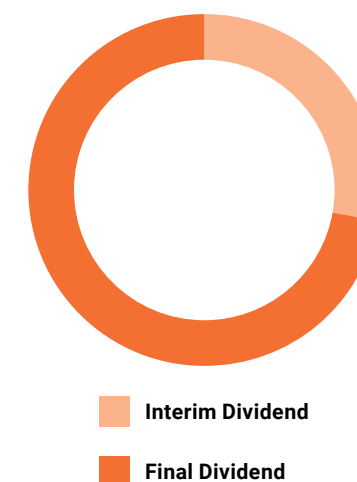
Dividend

The Board's dividend distribution for the financial year 2025-26, including the Interim Dividend paid and the Final Dividend recommended, is presented in the table below:

Particulars	Interim Dividend	Final Dividend*	Total (FY 2025-26)
Dividend per share (in ₹)	0.50	1.50	2.00
% of Dividend	50%	150%	200%
Face value per share (in ₹)	1	1	-
Payment Date / Proposed Date	November 3, 2025	June 30, 2026	-
Cash Outflow (₹ in Lakhs)	1,122	3,366	4,488

*Subject to shareholder's approval. The proposed date of payment will be on / after June 30, 2026.

Dividend Cash Outflow



The dividend recommended is in accordance with the Company's Dividend Distribution Policy. As required under Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company's Dividend Distribution Policy is available on the Company's website at: <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Dividend-Distribution-Policy-Clean.pdf>

During the year under review, the unclaimed dividend pertaining to the financial year 2017-18 has been transferred to the Investor Education & Protection Fund.

Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profit for the financial year 2025-26 in the statement of profit and loss.

Share Capital

The paid-up Equity Share Capital as on March 31, 2026 was ₹ 2,244 Lakhs. During the year under review, the Company has not issued any shares with differential voting rights neither granted stock options nor sweat equity.

Borrowings

Working Capital Borrowings:

Continuous monitoring and review of the receivables, inventories and other working capital parameters helped the Company to continue with Nil working capital borrowings as at March 31, 2026. Further, the Company is working on effective Supply Chain Management to optimize overall working capital flow in the Company.

Cash and Cash Equivalent as at March 31, 2026 was ₹ 8,995 Lakhs.

There is no instance of one-time settlement and valuation while taking loans from banks/financial Institutions.

Fixed Deposits

The Company has not accepted any fixed deposits and there are no unpaid/unclaimed deposits as on March 31, 2026.

Particulars of Loans, Guarantees or Investments

The details of Loans given, Guarantees and Securities provided and Investments made by the Company in compliance with the Companies Act, 2013 are given in the notes to the Financial Statements.

Subsidiary, Joint Venture & Associate Companies

As on March 31, 2026, the Company has 13 Direct & Indirect Subsidiary Companies.

Pursuant to the provisions of Sections 129, 134 and 136 of the Companies Act, 2013 read with Rules framed thereunder and Listing Regulations, your Company has prepared Consolidated Financial Statements of the Company and its Subsidiaries and a separate statement containing salient features of financial statement of Subsidiaries forms part of the Annual Report.

The Annual Report of the Company containing standalone and consolidated financial statements has been placed on the website of the Company. Further, annual accounts of the Subsidiary Companies have also been placed on the website of

your Company. Any member who is interested in obtaining the Audited Financial Statements of the Subsidiary Companies may obtain the same by writing to the Company.

Financial Performance – Subsidiary Companies

Radicon Transmission UK Limited (Consolidation)

The Revenue from Operations of the Benzlers Radicon Group has increased by 2.9% to GBP 30.66 Million in the current year compared to GBP 29.80 Million in the previous year. EBITDA excluding other income decreased to GBP 3.47 Million in the current year compared to GBP 5.26 Million in the previous year. The Company has made a Profit Before Tax (before exceptional items) for GBP 2.46 Million in Current Year compared to Profit Before Tax (before exceptional items) of GBP 4.37 Million in previous year.

Benzlers Group (Nordic and Europe)

Benzlers Group has witnessed an increase in Sales Revenue of 15.2% to GBP 14.4 Million in the current year compared to GBP 12.5 Million in the previous year. The Company's EBITDA Margin is GBP 1.13 Million in the current year compared to GBP 2.36 Million in the previous year. Profit Before Tax and exceptional item have decreased to GBP 0.67 Million compared to 2.06 Million in the previous year.

Radicon Transmission UK Limited

The Revenue for the financial year has decreased by 3% to GBP 8.58 Million compared to GBP 8.86 Million in the previous year. EBITDA Margin has decreased to GBP 0.96 Million compared to GBP 1.07 Million in the previous year. Profit Before Tax is GBP 0.63 Million in the current year compared to 0.75 Million in the previous year.

Radicon Drive Systems, Inc. (Radicon-USA)

Radicon-USA has witnessed a decrease in Sales Revenue of 7.2% to GBP 8.63 Million in the current year compared to GBP 9.30 Million in the previous year. EBITDA decreased in the current year to GBP 1.52 Million, compared with the previous year of GBP 1.90 Million. Generating a Profit Before Tax of GBP 1.15 Million in the current year compared to GBP 1.43 Million in the previous year.

Elecon Singapore Pte. Ltd.

During the financial year under consideration, Revenue of Elecon Singapore Pte. Ltd., has decreased by 25.3% from USD 3.26 Million FY25 to USD 2.43 Million FY26. EBITDA has decreased by 64.8% from USD 0.29 Million FY25 to USD 0.10 Million FY26.

Grupo Radicon SA de CV, Mexico

During the financial year, Elecon Singapore Pte. Ltd., a Wholly Owned Subsidiary of the Company has incorporated its wholly owned subsidiary namely Grupo Radicon SA de CV on January 8, 2026, at Mexico. There had been no transaction during the financial year.

Elecon Middle East FZCO, Dubai (Consolidated)

During the financial year, total Revenue of Elecon Middle East FZCO (consolidated) has decreased by 43.7 % from AED 51.46 Million FY25 to AED 28.99 Million FY26. Decrease in EBITDA by 60.1% from AED 9.11 Million FY25 to AED 3.64 Million FY26.

Elecon Middle East FZCO, Dubai

During the financial year, total Revenue of Elecon Middle East FZCO has decreased by 43.4 % from AED 50.82 Million FY25 to AED 28.79 Million FY26. There is decrease in EBITDA by 60.2% from AED 9.06 Million FY25 to AED 3.61 Million FY26.

Elecon Radicon Africa (Pty) Ltd.

During the financial year, total Revenue of Elecon Radicon Africa (Pty) Ltd. has decreased by 68.5 % from ZAR 3.17 Million FY25 to ZAR 1.00 Million FY26. Decrease in EBITDA by 45.9% from ZAR 0.16 Million FY25 to ZAR 0.09 Million FY26.

Financial Performance – Associate

Eimco Elecon (India) Limited

Eimco Elecon (India) Limited has ceased to be an Associate effective from April 23, 2025 and hence has been reclassified as financial asset which will be fair valued at each reporting date in accordance with Ind AS 109.

Directors & Key Managerial Personnel (KMPs)

Inductions / Appointments

Pursuant to the recommendations of the Nomination and Remuneration Committee, the Board of Directors approved key appointments to strengthen the governance framework and leadership of the Company:

Board Appointments

- Dr. Savan R. Godiawala was appointed as an Additional Director (Non-Executive & Independent Director) with effect from April 15, 2026, subject to the approval of the shareholders at the ensuing 66th Annual General Meeting ('AGM'). The Board is of the opinion that he possesses the required integrity, expertise and experience (including the proficiency).
- Mr. Aayush A. Shah has been appointed as an Executive Director with effect from October 1, 2026, subject to the approval of the shareholders at the ensuing 66th AGM.
- The shareholders at the 65th AGM held on June 25, 2025 approved the appointment of Mrs. Natasha K. Treasurywala as a Non-Executive & Independent Woman Director for a term of five (5) consecutive years with effect from April 24, 2025.

Key Managerial Appointment

- The Board of Directors, at its meeting held on April 15, 2026, approved the appointment of Mr. Chintan J. Shah as the Chief



Financial Officer and Key Managerial Personnel (KMP) of the Company with effect from April 15, 2026.

- The Board of Directors, at its meeting held on April 15, 2026, also approved the appointment of Mr. Aayush A. Shah, as Executive Director and Key Managerial Personnel (KMP) of the Company with effect from October 1, 2026.

Re-Appointment of Chairman & Managing Director

The Board approved the re-appointment of Mr. Prayasvin B. Patel as the Chairman & Managing Director of the Company, with effect from July 1, 2026, subject to the approval of the shareholders at the ensuing 66th AGM.

Director Retire by rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Pradip M. Patel, Director retires by rotation at the ensuing 66th AGM of the Company and being eligible, offers himself for re-appointment.

The Board recommends his appointment for your approval.

Summary of Appointments/Re-appointments

Name	Designation	Category	Effective Date	Nature of Change	Approval Status
Dr. Savan Godiawala	Additional Director	Non-Executive & Independent Director	April 15, 2026	Appointment	Subject to shareholders' approval
Mr. Aayush A. Shah	Executive Director & KMP	Whole – Time Director	October 1, 2026	Appointment	Subject to shareholders' approval
Mr. Prayasvin B. Patel	Chairman & Managing Director	Managing Director	July 1, 2026	Re-appointment	Subject to shareholders' approval
Mr. Pradip M. Patel	Director	Non-Executive & Non-Independent Director	-	Retirement by rotation / Re-appointment	Subject to shareholders' approval
Mr. Chintan J. Shah	Chief Financial Officer (CFO) & KMP	Whole Time Employee	April 15, 2026	Appointment	Approved by Board

Brief profiles of the Directors proposed to be appointed, including their resume, nature of expertise, disclosure of relationships between Directors inter-se, details of directorships and committee memberships held in other companies, alongwith their shareholding in the Company, are appended as an Annexure to the Notice of the ensuing 66th AGM.

Disclosures by Directors

None of the Directors of your Company is disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures to this effect as required under the Companies Act, 2013.

Declaration by Independent Directors

The Company has received necessary declarations from each Independent Director under Section 149(7) of the Companies Act, 2013 and under Regulation 25(8) of Listing Regulations, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations, respectively.

Cessation of Tenure of Independent Director

During the year under review, Dr. Sonal V. Ambani ceased to be a Non-Executive & Independent Woman Director of the Company upon completion of her second consecutive term, with effect from the close of business hours on August 13, 2025.

The Board places on record its appreciation for her valuable contribution and guidance during her tenure with the Company.

Resignation by KMP

During the year, Mr. Narasimhan Raghunathan resigned and ceased to hold the position of Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company with effect from the close of business hours on January 31, 2026, on account of personal and family commitments. The Board places on record its appreciation for his valuable contributions during his tenure.

Meetings

Details of Board and Committee Meetings Held During FY 2025-26

Sr. No.	Particulars	No. of Meetings
1	Board Meeting	5
2	Audit Committee Meeting	4
3	Stakeholders' Relationship Committee Meeting	1
4	Nomination and Remuneration Committee Meeting	1

Sr. No.	Particulars	No. of Meetings
5	Corporate Social Responsibility Committee Meeting	1
6	Risk Management Committee Meeting	2
7	Separate Meeting of Independent Director	1

During the Financial Year 2025–26, no resolutions were passed by circulation by the Board of Directors or any of its Committees.

The intervening gap between the meetings of the Board and its Committees was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

Composition of Various Committees

Details of various committees constituted by the Board as per the provisions of Companies Act, 2013 and Listing Regulations and their meetings are given in the Corporate Governance Report which forms a part of this report.

Meeting of Independent Directors

The Independent Directors of the Company met on February 3, 2026 without the presence of Non-Independent Directors and Members of the Management. During the meeting, they reviewed the performance of the Non-Independent Directors and the Board as a whole and assessed the quality, quantity and timeliness of information flow between the Management and the Board to ensure that the Board could effectively and reasonably discharge its duties.

Nomination and Remuneration Policy

The Board has framed a policy for selection and appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) and their remuneration.

As and when need arises to appoint Director, KMP and SMP, the Nomination and Remuneration Committee (NRC) of the Company will determine the criteria based on the specific requirements. NRC, while recommending candidatures to the Board, takes into consideration the qualification, attributes, experience and independence of the candidate. Director(s), KMP(s) and SMP(s) appointment and remuneration will be as per NRC Policy of the Company.

The salient features of the NRC Policy of the Company have been disclosed in the Corporate Governance Report, which is a part of this report. The said Policy is available on the Company's website on <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Nomination%20&%20Remuneration%20Policy%20-25.04.2023.pdf>

Familiarization Programme for the Independent Directors

In compliance with the requirements of Listing Regulations, the Company has put in place a Familiarisation Programme for Independent Directors to familiarise them with the working of the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the Company operates, business

model etc., alongwith updating on various amendments in the Listing Regulations and the Companies Act, 2013. The policy on Familiarisation Programme is uploaded on the website of the Company and can be accessed through web link <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Details-of-Familiarization-Programmes-for-IDs.pdf>.

The Company has conducted the familiarisation programme for Independent Directors of the Company, details for the same have been disclosed on the Company's website <https://www.elecon.com/investors/corporate-information>.

Evaluation of Board and Senior Management

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. Further, the Nomination and Remuneration Committee has carried out the performance evaluation of Senior Management including the Company Secretary and Chief Financial Officer of the Company. The manner in which the evaluation was carried out has been explained in the Corporate Governance Report which forms a part of this report.

Key Managerial Personnel (KMP)

As on the date of this report, the following are the Key Managerial Personnel ('KMPs') of the Company as per Sections 2(51) and 203 of the Companies Act, 2013:

- Mr. Prayasvin B. Patel, Chairman & Managing Director
- Mr. Chintan J. Shah, Chief Financial Officer
- Mrs. Bharti L. Isarani, Company Secretary

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period;
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the annual accounts on a going concern basis;



- (e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Board Diversity

The Company recognises and embraces the importance of a diverse board in its success. The Company believes that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help the Company to retain its competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The policy is available on our website at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Index-Elecon-Board-Diversity-Policy-30.08.2022.pdf>

Related Party Transactions

All contracts or arrangements with related parties, entered during the financial year were at arm's length basis and in the ordinary course of the Company's business. All such contracts or arrangements were entered into with prior approval of Audit Committee. No material contract or arrangement with related parties was entered into during the year under review. Therefore, there is no requirement to report any transaction in Form No. AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Proposed-RPT-Policy-Clean-Final.pdf>. None of the Directors or any Key Managerial Personnel has any material pecuniary relationships or transactions vis-à-vis the Company.

Auditors

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, a statutory audit firm may be appointed for a maximum of two consecutive terms of five years each, subject to the approval of shareholders at the Annual General Meeting.

M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W/W-100036), were appointed as Statutory Auditors of the Company at the 61st Annual General Meeting for the first term of five consecutive years, commencing from conclusion of AGM for FY 2020–21 and continuing up to the conclusion of the AGM for FY 2025–26.

The Board of Directors, at its meeting held on April 15, 2026, based on the recommendation of Audit Committee, approved the re-appointment of M/s. CNK & Associates LLP as Statutory Auditors for the second term of five consecutive years, from conclusion of AGM for FY 2026–27 to the conclusion of AGM for FY 2030–31, and recommended their re-appointment to the Members for approval at the ensuing 66th AGM. The Board has also been authorized for fixing of their remuneration.

Further, the Board has taken note and M/s. CNK & Associates LLP, Chartered Accountants have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder as Statutory Auditors of the Company. As required under Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Cost Audit records maintained by the Company in respect of its manufacturing activity are required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s. Ketki D. Visariya & Co., Cost Accountants as Cost Auditors to audit the cost accounts of the Company for the financial year ended on March 31, 2026 at a remuneration of ₹ 1,70,000/- p.a. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s. Ketki D. Visariya & Co., Cost Auditors is included in the Notice convening the 66th AGM.

The Cost Audit Report provided by the Cost Auditors of the Company i.e. M/s. Ketki D. Visariya & Co., for the financial year 2024-25 was filed with the Ministry of Corporate Affairs within the statutory period.

Secretarial Auditors

The Board of Directors, on the recommendation of the Audit Committee, appointed M/s. Samdani Shah & Kabra, Practising Company Secretaries, for a first term of five consecutive years from the conclusion of AGM for FY 2025–26 to the conclusion of AGM for FY 2029–30. The same was approved by the Members at the 65th Annual General Meeting, in accordance with Regulation 24A(1) of the Listing Regulations and Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

As required under Listing Regulations, the Secretarial Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Company Secretaries of India.

The Secretarial Audit Report, annexed as 'Annexure A', forms part of this Report and does not contain any qualification, reservation, or adverse remark.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year 2025-26 for all the applicable compliances as per Listing Regulations and Circulars/Guidelines issued by SEBI from time to time. The Annual Secretarial Compliance Report for abovesaid financial year shall be submitted to the stock exchanges within prescribed time limit as per Listing Regulations.

Internal Financial Control Systems and their adequacy

Your Company has an effective internal control and risk mitigation systems, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, the Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions are taken by the Management. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the Management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

Risk Management

Being one of the top 500 Listed Companies, the Company has implemented Risk Management System. The Board of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The said committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the areas of financial risks and controls. The details pertaining to the composition of the Risk Management Committee are included in the Corporate Governance Report, which is a part of this report.

Corporate Social Responsibility (CSR) Initiatives

In accordance with the provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has adopted CSR policy on the recommendation of the Members of the CSR Committee and with

the approval of the Board. The CSR policy may be accessed on the Company's Website at the <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Index-CSR%20Policy-05.05.2021-30.08.2021.pdf>

The Composition of the Committee and other details are provided in Corporate Governance Report, which is a part of this report.

The Company implements various CSR activities directly and / or through the implementing agencies and the activities undertaken by the Company are in accordance with Schedule VII of the Companies Act, 2013. The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendments thereto, is given in 'Annexure B', forming part of this report.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as 'Annexure C'.

Particulars of Employees

Disclosures relating to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms a part of this Report as 'Annexure D'.

Details of employee remuneration as required under the provisions of Section 197 of the Companies Act, 2013 and Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are available to any Shareholder for inspection on request. If any Shareholder is interested in obtaining a copy thereof, such Shareholder may write to the Company Secretary, where upon a copy would be sent through email only. The Annual Report excluding the aforesaid information is being sent to the members of the Company.

Business Responsibility and Sustainability Report

Pursuant to Regulation 34(2)(f) of Listing Regulations, Business Responsibility and Sustainability Report (BRSR) is mandatory for the top 1,000 listed companies (by market capitalisation).

Your Company being covered under top 500 companies, BRSR is applicable to it. The BRSR is forming part of the Annual Report and annexed as 'Annexure- E'.

Your Company has obtained Reasonable Assurance for the BRSR Core Key Performance Indicators (KPIs) and Limited Assurance for the Essential Indicators from CNK & Associates LLP. This assurance report is annexed alongwith the BRSR.



Corporate Governance

Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, separate reports on Management Discussion & Analysis and Corporate Governance together with a certificate from the Practicing Company Secretary form part of this Report.

Your Company is committed to maintain the highest standards of Corporate Governance, reinforcing the valuable relationship between the Company and its Stakeholders. A detailed report on Corporate Governance is annexed as 'Annexure F' to this Report alongwith the Auditors' Certificate on its compliance by the Company.

Compliance with the Secretarial Standards

The Company has complied with the Secretarial Standards on the Meetings of Board of Directors (SS-1) and General Meetings (SS-2), as issued and amended, by the Institute of Company Secretaries of India.

Prevention of Sexual Harassment at Workplace

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 and the Rules thereunder.

Internal Committee has been set up to redress complaints, if any, received regarding sexual harassment. All employees, as defined under the said Act, are covered under this policy. There were no complaints received or pending to be disposed off during the financial year under review. The status of the complaints for the FY 2025-26 is as follows:

Number of complaints of sexual harassment received in the year	Nil
Number of complaints disposed off during the year	Nil
Number of cases pending for more than ninety days	Nil

Further, there is no complaint pending as on March 31, 2026.

The policy on Sexual Harassment at Workplace is placed on the Company's website at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/POSH-Policy-Final.pdf>.

Vigil Mechanism / Whistle Blower Policy

The Company has in place a Vigil Mechanism/Whistle Blower Policy for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Mechanism provides for adequate safeguards against victimisation of Director(s) and Employee(s) who avail the mechanism.

The Vigil Mechanism/Whistle Blower Policy is available on Company's website at <https://www.elecon.com/views/templates/admin-uploads/Investors/whistle-blower-policy/Elecon-Whistle-Blower-Policy-Nov-2024.pdf>.

Material Subsidiaries

The Board of Directors of the Company has approved a Policy for determining material subsidiaries, which is in line with the Listing Regulations as amended from time to time. The policy is available on our website at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Policy-on-Determining-Material-Subsidiary-2020.pdf>

The Company does not have any material subsidiary company.

Annual Return

The draft annual return of the Company as on March 31, 2026 in the prescribed format is available on the Company's website. The web-link is as under: <https://www.elecon.com/investors/annual-return-as-provided-under-section-92-of-the-companies-act-2013>.

Further, it is confirmed that Mrs. Bharti Isarani has been duly authorised by the Board to examine, determine, and identify the Significant Beneficial Owner(s), if any, in accordance with applicable law.

Significant and Material Orders passed by the Regulators or Courts or Tribunals

There is no significant material orders passed by the Regulators / Courts/ Tribunals which would impact on the going concern status of the Company and its future operations.

Application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016

During the financial period under review, no application is made or pending under the Insolvency and Bankruptcy Code, 2016 against the Company.

Reporting of Frauds

There was no instance of fraud during the year under review, which required the Statutory Auditors and/or Secretarial Auditors to report to the Audit Committee, Board and/or Central Government under Section 143(12) of the Companies Act, 2013 and Rules framed thereunder.

Maternity Benefit Act, 1961

The Company has complied with the provisions relating to Maternity Benefit Act, 1961 as may be amended from time to time.

Insurance

The Company takes a very pragmatic approach towards insurance. Adequate cover has been taken for all movable and immovable assets for various types of risks.

Industrial Relations/Personnel

Your Company is committed to upholding its excellent reputation in the field of Industrial relations. Through continuous efforts, the Company invests and improvises development programmes for its employees.

Material Changes and Commitments

There are no material changes and commitments, affecting the financial performance of the Company that occurred during the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

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

Acknowledgement

Your Directors are highly grateful for the unstinted guidance, support and assistance received from the Government and Financial Institutions. Your Directors are thankful to all valuable Stakeholders of the Company viz. shareholders, customers, dealers, vendors, suppliers and business associates for their faith, trust and confidence reposed in the Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees to ensure that the Company continues to grow and excel.

For and on behalf of Board of Directors,

Prayasvin B. Patel

Chairman & Managing Director
DIN : 00037394

Place: Vallabh Vidyanagar
Date : April 15, 2026



ANNEXURE – A TO BOARD'S REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 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 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Elecon Engineering Company Limited
Anand - Sojitra Road,
Vallabh Vidyanagar - 388120,
Gujarat, India.

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

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2026 ('review period'), complied with the statutory provisions listed hereunder and also that the Company has proper Board-Processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the review period, according to the provisions of:

- i. The Companies Act, 2013 ('Act') and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 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;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India ('SEBI') Act, 1992: -

- a. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
- b. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. SEBI (Buy-back of Securities) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
- d. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
- e. SEBI (Prohibition of Insider Trading) Regulations, 2015;
- f. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Act and dealing with client;
- g. SEBI (Delisting of Equity Shares) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;
- h. SEBI (Depositories and Participants) Regulations, 2018;
- i. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;
- j. SEBI (Debenture Trustees) Regulations, 1993; However, there were no actions / events pursuant to these regulations, hence not applicable.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India; and
- ii. Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the review period, the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that;

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the review period were carried out in compliance with the provisions of the Act;
- B. Adequate notice is given to all the Directors to schedule Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting;
- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;

- D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable Laws, Rules, Regulations and Guidelines;
- E. During the review period, there were no specific instances / actions in the Company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. having major bearing on the Company's affairs.

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries

FCS No. 3677 | CP No. 2863
ICSI Peer Review: 7619/2026

Place: Vadodara **ICSI Unique Code: P2008GJ016300**
Date: April 15, 2026 **ICSI UDIN: F003677H000108243**

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



APPENDIX A

To,
The Members,
Elecon Engineering Company Limited
Anand - Sojitra Road,
Vallabh Vidyanagar - 388120,
Gujarat, India.

Our Secretarial Audit Report of even date is to be read along with this letter, that:

- i. Maintenance of secretarial records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records and we believe that the processes and practices we followed provide a reasonable basis for our opinion.
- iii. Wherever required, we have obtained the management representations about the Compliance of Laws, Rules and Regulations, happening of events, etc.
- iv. 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 Company's affairs.

S. Samdani
Partner

Samdani Shah & Kabra
Company Secretaries

FCS No. 3677 | CP No. 2863
ICSI Peer Review: 7619/2026
ICSI Unique Code: P2008GJ016300
ICSI UDIN: F003677H000108243

Place: Vadodara
Date: April 15, 2026

ANNEXURE – B TO BOARD'S REPORT

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FINANCIAL YEAR ENDED ON MARCH 31, 2026

1. A brief outline on CSR Policy of the Company:

The Company's CSR Policy is in adherence to the provisions of Section 135 of the Companies Act, 2013 read with Rules framed thereunder and provides for carrying out CSR activities in the area of Education, Healthcare including preventive healthcare, etc. either directly by the Company or through 'Non-Profit Organizations', viz. B. I. Patel Charitable Trust, I. B. Patel Charitable Trust and others or by way of contribution to Central / State Government Relief Funds.

2. Composition of CSR Committee:

Sl. No.	Name of Directors	Designation / Nature of Directorship	Number of meeting(s) of CSR Committee held during the year	Number of meeting(s) of CSR Committee attended during the year
1.	Dr. Sonal V. Ambani*	Ex - Chairperson, Independent & Non-Executive Director	1	1
2.	Mr. Pranav C. Amin**	Chairperson, Independent & Non-Executive Director	N.A.	N.A.
3.	Mr. Prayasvin B. Patel	Member, Non-Independent & Executive Director	1	1
4.	Mr. Prashant C. Amin	Member, Non-Independent & Non-Executive Director	1	1

*Ceased to be Independent Director and Chairperson of the CSR Committee w.e.f. close of business hours on August 13, 2025.

**Appointed as Chairperson of the CSR Committee w.e.f. August 14, 2025.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.

Composition of the CSR committee shared above and is available on the Company's website on: <https://www.elecon.com/about-us/board-committees>

CSR policy - <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Index-CSR%20Policy-05.05.2021-30.08.2021.pdf>

CSR projects – **Not applicable**

4. Provide the executive summary alongwith web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not Applicable**

5. CSR obligation for the financial year:

Sl. No.	Particulars	Amount (₹ in Lakhs)
(a)	Average net profit of the Company as per sub-section (5) of Section 135.	36,445.34
(b)	Two percent of average net profit of the Company as per sub-section (5) of Section 135.	728.91
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	NIL
(d)	Amount required to be set-off for the financial year, if any.	NIL
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)].	728.91

6. CSR amount spent or unspent for the Financial Year:

Sl. No.	Particulars	Amount (₹ in Lakhs)
(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	733.63
(b)	Amount spent in Administrative Overheads.	NIL
(c)	Amount spent on Impact Assessment, if applicable.	Not applicable
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)].	733.63

(e) CSR amount spent or unspent for the Financial Year:

Total amount spent for the Financial Year (₹ in Lakhs)	Amount unspent (₹ in Lakhs)				
	Total amount transferred to the Unspent CSR Account as per sub-section (6) of Section 135.		Amount transferred to any fund specified under Schedule VII as per the second proviso to sub-section (5) of Section 135.		
	Amount.	Date of transfer.	Name of the fund.	Amount.	Date of transfer.
733.63	NIL	-	-	NIL	-

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

Sl. No.	Particulars	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135.	728.91
(ii)	Total amount spent for the Financial Year	733.63
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	4.72
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	4.72

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: **Not Applicable**

Sl. No	Preceding Financial Year(s).	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (₹ in Lakhs).	Balance amount in Unspent CSR Account under sub-section (6) of Section 135	Amount spent in the Financial Year (₹ in Lakhs).	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 Lakhs).	Deficiency, if any.
					Amount (₹ in Lakhs).	Date of transfer		
Not applicable								

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

Yes No

If Yes, enter the number of Capital assets created/ acquired: **Not Applicable**

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

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

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: **Not Applicable**

For and on behalf of the Board of Directors

Prayasvin B. Patel

Chairman & Managing Director

DIN : 00037394

Pranav C. Amin

Chairperson of CSR Committee

DIN : 00245099

Place : Vallabh Vidyanagar

Date : April 15, 2026

ANNEXURE – C TO BOARD'S REPORT

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

1. CONSERVATION OF ENERGY

a) Energy Conservation measures taken

- Continuous efforts toward energy conservation are pursued through the adoption of new technologies, with a strong focus on process improvement and enhanced maintenance practices such as time-based maintenance and analysis through short-interval control.
- Replacement of old Condensers of Grinding room AC Plants upgrades overall efficiency and results in saving of Approx. 20,000 units annually.
- Shifting Condenser unit of Oil Chillers outside Air conditioning area to prevent exhaust of hot air in Air-Conditioned Environment which saves Energy of nearly 5,000 units units per annum, and improve cooling capacity of AC Plant.
- Continuous monitoring and reconditioning of PFC panel leads to PF unity which saves energy bill as well as active power usage.
- Company is adapting VRV Technology for office Air Conditioning instead of conventional duct able AC Plant for optimum usage of Power.
- We have installed high energy efficient 160 lumen/watt LED lightings in our new gear case facility which leads to saving of approximately 55,000 units per annum.
- Reconditioning of Tempering and Carburising electrical furnace thermal insulation done which saves approximately 1,60,000 units of electricity.
- Use of alternate cooling system in Panel room of 5MW Navy Gear Testing Facility, we have used combination of Air washer with Axial fan cooling system in place of Conventional Chiller/Compressor based system which ultimately saves electricity energy by 2,25,000 units and reduces carbon emission by 291 TCo2.
- We have adapted regenerative methods in load testing of 5MW Navy Gear testing which saves 3,303 units per Hour.

(b) Additional investments and proposal if any, being implemented for reduction of consumption of energy

- Continuous measures are being adapted in the Company for energy conservation. For Solar harvesting, installation work is about to be completed for additional 5MW Captive Solar Power Plants at Bamangam Site. Power Generation will start from June, 2026. 2MW Captive Solar is already operational.
- Proud to announce that we are planning to install 3.2 MW of wind renewable energy capacity.

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

Significant reductions in consumption of energy and production cost of goods be observed by the implementation of above referred measures. Implementation of above referred measures has resulted in increased facility reliability as well as improved equipment performance without any cost.

2. TECHNOLOGY ABSORPTION

(I) Research and Development

- **Specific Area in which R&D carried out by the Company and benefits derived as a result of R&D :**

The Company has an in-house R&D facility that has been approved by the Department of Scientific and Industrial Research, where R&D activities are carried out. The following are some of the R&D activities completed and the benefits obtained as a result:

During the year, the Company strengthened its engineering and product development capabilities through the successful design and development of advanced gearbox solutions for critical industrial applications. Key achievements included the development of a high torque single-stage helical gearbox for mill applications and a high-capacity vertical roll mill gearbox, reinforcing the Company's expertise in heavy-duty industrial drives.

In the marine segment, the Company's gearbox design was successfully tested under load and validated by the relevant classification society, demonstrating compliance with stringent industry standards. The Company also developed a new series of single-stage extruder gearboxes for the plastic and rubber industry, enhancing its product portfolio in high-performance processing applications.

Additionally, the Company introduced the concept of a direct meshing girth gear unit for mill applications, reflecting its continued focus on innovation, operational efficiency, and technology-driven growth.

The MHE division continued to strengthen its manufacturing capabilities through a strategic focus on product innovation, indigenization, and the integration of advanced technologies, driving higher operational efficiency and broadening its market reach. The division achieved notable progress during the year through the successful development of new equipment designs, reinforcing its ability to deliver differentiated, competitive, and market-ready solutions while creating a strong foundation for sustainable long-term growth.

As part of its innovation-led growth strategy, the division successfully developed India's first-of-its-kind Auto Tension Take-Up Winch, engineered to enhance operational reliability, efficiency, and performance in conveyor systems. In addition, the MHE division introduced a next-generation Hanging Type Paddle Feeder designed to address high-capacity material handling requirements, further strengthening the Company's product portfolio and technological capabilities in the material handling sector.

• Future plan of action:

Building on its innovation-driven growth strategy, the Company remains focused on expanding its product portfolio and strengthening its position in specialized industrial drive and material handling solutions. In the gearbox segment, planned initiatives include the development of a Twin-Screw Extruder Gearbox series for high-performance processing applications, alongside a Special Worm Gearbox series and horizontal mounting Helical and Bevel-Helical gearbox series designed to cater

to a wider range of industrial requirements. The Company is also advancing the development of a new single-stage gearbox series and an agitator gearbox series targeted at process industry applications, further enhancing its ability to deliver application-specific, technology-driven solutions across key industrial sectors.

Complementing these initiatives, the MHE division is undertaking the development of advanced high-capacity Stacker Reclaimers with handling capabilities of up to 10,000 TPH aimed at addressing the increasing demand from large-scale bulk material handling industries globally. In parallel, the division is modernizing its existing range of crushers and feeders through design upgrades focused on achieving higher throughput, improved durability, and enhanced energy efficiency, while simultaneously reducing lifecycle costs and optimizing overall performance for customers.

• Expenditure on R & D:

In order to pursue R&D endeavors, the Company incurs R&D expense on a continual basis, which is separately recognized in the financial statements. The overall R&D expenditure for the Financial Year 2025-26 is as follows:

	(₹ in Lakhs)
Capital Expenditure	NIL
Revenue Expenditure	370.51
Total	370.51

(II) Technology absorption, adaptation & innovation, measures take and benefits derived therefrom:-

- Procured ANSYS software for Static analysis of housing.

3. FOREIGN EXCHANGE DETAILS

	(₹ in Lakhs)	
Particulars	2025-26	2024-25
Earnings	15,521.60	16,333.57
Outgo	11,780.38	12,166.32

ANNEXURE – D TO BOARD’S REPORT

STATEMENT OF DISCLOSURE OF REMUNERATION OF DIRECTORS AND EMPLOYEES

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Name of Directors and KMPs	Designation	% Increase in Remuneration in FY 2025-26	Ratio of Remuneration to Median Remuneration of Employees
A. Directors:-				
1	Mr. Prayasvin B. Patel	Chairman & Managing Director	(6.26)*	303.25
2	Mr. Aayush A. Shah	Non-Independent & Non-Executive Director	36.86	2.68
3	Mr. Pradip M. Patel	Non-Independent & Non-Executive Director	33.53	2.87
4	Mr. Prashant C. Amin	Non-Independent & Non-Executive Director	36.38	2.70
5	Mr. Ashutosh A. Pednekar	Independent & Non-Executive Director	58.12	3.42
6	Mr. Nirmal P. Bhogilal	Independent & Non-Executive Director	33.27	2.89
7	Mr. Pranav C. Amin	Independent & Non-Executive Director	40.88	2.78
8	Dr. Sonal V. Ambani	Independent & Non-Executive Director	(31.30)^	1.49
9	Mrs. Natasha K. Treasurywala	Independent & Non-Executive Director	#	2.61
B. Key Managerial Personnel:-				
1	Mr. Narasimhan Raghunathan	Chief Financial Officer	4.75^^	9.76
2	Mrs. Bharti L. Isarani	Company Secretary	13.16	4.01

*The Commission payable of ₹ 15.00 Crores is included in the remuneration of Mr. Prayasvin B. Patel for the financial year 2025-26 (₹ 17.25 Crores for financial year 2024-25).

#Mrs. Natasha K. Treasurywala was appointed as a Non-Executive Independent Director w.e.f. April 24, 2025. Hence, her current year’s remuneration is not comparable.

^Dr. Sonal V. Ambani ceased to be the Independent Director of the Company w.e.f. close of business hours of August, 13, 2025.

^^Mr. Narasimhan Raghunathan ceased to be Chief Financial Officer & Key Managerial Personnel w.e.f. close of business hours of January 31, 2026.

- The median remuneration of employees of the Company during the financial year was ₹ 7.00 Lakhs. There was an decrease of 8.68 % in the median remuneration of employees.
- There were 939 permanent employees on the rolls of Company as on March 31, 2026.
- There was an increase of 9.79% in average percentage salaries of employees (other than the managerial personnel) in the last financial year i.e. 2025-26 whereas the managerial personnel remuneration for the same financial year was decreased to 6.26 %. Change in Managerial Personnel Remuneration is mainly due to change in remuneration and commission payment to Mr. Prayasvin B. Patel for the financial year 2025-26.
- The key parameters for the variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



ANNEXURE – E TO BOARD’S REPORT

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Elecon Engineering Company Limited exemplifies industry leadership and innovation in the Transmission business while offering integrated solutions across the entire value chain of material handling systems. In alignment with the evolving standards of our peers, we are committed to fostering a culture of transparency, accountability, and collaboration with our stakeholders to drive sustainable development that benefits all.

Recognising the growing importance of Environmental, Social, and Governance (ESG) factors within our industry, we have embedded these principles deeply into our corporate strategy. By aligning our practices with global benchmarks and industry leaders, we aim to minimise our environmental footprint, contribute positively to society, and uphold the highest standards of governance. This commitment reflects our dedication to creating long-term value for all stakeholders while addressing the broader impact of our operations on society and the environment.

Note : Previous year figures were restated wherever required for better comparability.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L29100GJ1960PLC001082
2.	Name of the Listed Entity	Elecon Engineering Company Limited
3.	Year of incorporation	1960
4.	Registered office address	Anand-Sojitra Road, Vallabh Vidyanagar - 388 120, Dist. Anand, Gujarat, India.
5.	Corporate address	Anand-Sojitra Road, Vallabh Vidyanagar - 388 120, Dist. Anand, Gujarat, India.
6.	E-mail id	investor.relations@elecon.com
7.	Telephone	+91-2692-238701
8.	Website	www.elecon.com
9.	Financial year for which reporting is being done	2025-26
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited and BSE Limited
11.	Paid-up Capital	₹ 2,244.00 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mrs. Bharti L. Isarani, Company Secretary & Compliance Officer +91-2692-238701 investor.relations@elecon.com
13.	Reporting boundary	Standalone Basis
14.	Name of Assurance provider	CNK & Associates LLP
15.	Type of Assurance obtained	Reasonable Assurance – BRSR Core KPIs Limited Assurance – Essential Indicators

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing, Repairs & Maintenance	Electrical equipment, General purpose and Special purpose Machinery & Equipment, Transport equipment	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. no.	Product/Service	NIC Code	% of total Turnover contributed
1	Gears (Reduction gears)	29131	61.62%
2	Bulk Material Handling Equipment	29151	36.06%
3	Repair and maintenance of bearings, gears, gearing and driving element	29138	1.67%
4	Repair and maintenance of lifting and handling equipment	29158	0.65%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	2	13	15
International*	-	-	-

*However, Elecon has 4 manufacturing & assembly centers and 10 sales offices through its foreign subsidiaries

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	30 (24 States & 6 UT)
International (No. of Countries)	32

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Exports constitutes 8.01% of the total turnover of the entity.

c. A brief on types of customers

We are engaged in manufacturing of Industrial Gears and Material Handling Equipment. We cater to the following industries:

- Steel Industries
- Cement Manufacturing Industries
- Power Generation & Transmission Industries
- Sugar Manufacturing Industries
- Material Handling Equipment Industries
- Defense Industries
- Mining Industries
- Fertilizer Industries

IV. Employees

20. Details at the end of Financial Year:

a. Employees and workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	939	913	97.23%	26	2.77%
2.	Other than Permanent (E)					
3.	Total employees (D + E)	939	913	97.23%	26	2.77%
WORKERS						
4.	Permanent (F)	1,513	1,510	99.80%	3	0.20%
5.	Other than Permanent (G)					
6.	Total workers (F + G)	1,513	1,510	99.80%	3	0.20%



b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	7	6	85.71%	1	14.29%
2.	Other than Permanent (E)					
3.	Total differently abled employees (D + E)	7	6	85.71%	1	14.29%
DIFFERENTLY ABLED WORKERS						
1.	Permanent (F)	-	-	-	-	-
2.	Other than Permanent (G)					
3.	Total differently abled workers (F + G)	-	-	-	-	-

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel*	1	1	100.00%

*Excluding Key Management Personnel covered under Board of Directors

Mr. Narasimhan Raghunathan, ceased to be Chief Financial Officer & Key Management Personnel (KMP) w.e.f. January 31, 2026. Therefore, on March 31, 2026 one KMP i.e. Company Secretary is covered in above disclosure.

22. Turnover rate for permanent employees and workers (in %)

Particulars	FY 2025-2026 (Turnover rate in Current FY)			FY 2024-25 (Turnover rate in Previous FY)			FY 2023-24 (Turnover rate in the year prior to Previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.13	12.50	8.26	9.30	4.55	9.15	9.82	11.54	9.88
Permanent Workers	52.63	-	52.63	8.00	-	8.00	38.10	-	38.10

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of Holding / Subsidiary / Associate Companies / Joint

Sr. No.	Name of the Holding / Subsidiary / Associate Companies / Joint Ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Radicon Transmission UK Limited	Subsidiary	100	No
2	Elecon Singapore PTE. Limited	Subsidiary	100	No
3	Elecon Middle East FZCO	Subsidiary	100	No
4	Benzlers Systems AB	Step Down Subsidiary	100	No
5	AB Benzlers	Step Down Subsidiary	100	No
6	Radicon Drive Systems Inc.	Step Down Subsidiary	100	No
7	Benzlers Transmission A.S.	Step Down Subsidiary	100	No
8	Benzlers Antriebstechnik G.m.b.h	Step Down Subsidiary	100	No
9	Benzlers TBA B.V.	Step Down Subsidiary	100	No
10	OY Benzlers AB	Step Down Subsidiary	100	No
11	Benzlers Italia s.r.l.	Step Down Subsidiary	100	No
12	Elecon Radicon Africa Pty. Ltd.	Step Down Subsidiary	100	No
13	Grupo Radicon SA De CV	Step Down Subsidiary	100	No

*Eimco Elecon (India) Limited ceased to be Associate Company w.e.f. April 23, 2025.

VI. CSR Details

24. (i) Whether CSR is applicable as per Section 135 of the Companies Act, 2013: (Yes/No) Yes
- (ii) Turnover (in ₹) - ₹ 2,01,604 Lakhs (FY 2025-2026)
- (iii) Net worth (in ₹) - ₹ 2,04,884 Lakhs (FY 2025-2026)

VII. Transparency and Disclosures Compliances
25. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-2026 (Current Financial Year)			FY 2024-2025 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	NA	-	-	NA
Investors (other than shareholder)	Yes	-	-	NA	-	-	NA
Shareholders	Yes	14	-	NA	11	-	NA
Employees and workers	Yes	-	-	NA	-	-	NA
Consumers	Yes	382	34	NA	583	23	NA
Value Chain Partners	Yes	-	-	NA	-	-	NA
Other (please specify)	-	-	-	NA	-	-	NA

Links: <https://www.elecon.com/investors/policies>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Code%20of%20Conduct-new-2023.pdf>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Human%20Rights%20Policy-new-2023.pdf>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Supplier%20Code%20of%20Conduct-2023.pdf>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Customer%20Relationship%20Policy-2023.pdf>

26. Overview of the entity's material responsible business conduct issues

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Sustainable Product	Opportunity	Our R&D team is dedicated to enhance our product range to minimise electricity and oil consumption during operation. Both our existing and upcoming products are focused on use of recyclable materials.	-	Positive

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Renewable Energy	Opportunity	We remain committed to advancing renewable energy by transitioning to solar and wind power, significantly expanding our clean energy footprint. This shift not only supports environmental sustainability but also contributes to reducing overall energy costs. Our current renewable energy capacity spans both solar and wind sources, and we are further strengthening this portfolio by commissioning additional capacity in the near term. These initiatives highlight our dedication to environmental responsibility and demonstrate a proactive approach toward increasing the adoption of clean energy.	-	Positive
3	Sustainable supply chain	Opportunity	The Company values long-term relationships with suppliers, viewing them as essential partners in growth. We regularly organise Strategic Partner Meetings to strengthen these bonds, promote open communication, and foster collaboration. This approach ensures mutual success, aligns strategic goals, and drives sustainable growth through shared innovation and partnership. In line with its sustainability commitments, the Company also undertakes ESG assessments of its significant supply chain partners through a structured checklist-based approach.	-	Positive
4	Occupational Health & Safety	Risk	Neglecting health and safety can disrupt smooth operations, reduce workforce availability and potentially result in legal action. Ensuring robust health and safety measures is crucial to maintaining operational efficiency, protecting employee well-being, and avoiding costly litigation. This proactive approach safeguards the Company's productivity and reputation.	We are enhancing our safe work practices/ procedures by automating most of our machinery and working procedures. In addition, we are working towards increasing the frequency and coverage of our training and awareness programmes.	Negative



SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions

Policy and management processes	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.elecon.com/investors/policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 14001 (2015), ISO 45001 (2018), Great Place to Work certification, ISO 9001 (2015), API standards as per requirement, National Accreditation Board for Testing & Calibration Laboratories (NABL) certificate, CE/ATEX certification for certain products.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>Sustainability Commitments:</p> <ul style="list-style-type: none"> • Renewable Energy Investments: Strategic projects for enhancement from 3 MW to 3.3 MW windmill(s) and from 4 MW to 5 MW solar farms by end of this financial year 2026-27. • SBTi Goals: The Company has committed to reduce absolute scope 1 and 2 GHG emissions 54.6% by FY 2033. The Company has also committed that 81.4% of its suppliers by emissions covering purchase of goods and services, and up and downstream transportation and distribution, by FY 2028. • Adoption of EVs: Usage of electric vehicles /equipment into operations to reduce fossil fuel consumption resulting into minimisation of carbon emissions. • Inclusivity & Awareness: Conducting sustainability-focused ongoing training and awareness programmes for value chain partners. 								

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Training and Skill Development	Opportunity	Our skill enhancement and training programmes boost efficiency and help retain our highly skilled workforce. By investing in continuous learning and professional development, we ensure our employees remain competent and engaged, leading to improved performance and long-term retention of specialised talent. This commitment to growth drives our overall success and competitiveness.	-	Positive
6	Stakeholder Engagement	Opportunity	As we strive to become a more sustainable business, including diverse stakeholders in our growth journey is essential. We incorporate their feedback into our strategic planning and regularly engage with employees, investors, suppliers, and customers. Through initiatives like employee engagement programmes, investor meetings, and vendor conferences, we ensure ongoing collaboration and alignment with our sustainability goals.	-	Positive
7	Ethical Behavior	Opportunity	Adhering to ethical behavior, as outlined in our Code of Conduct, promotes good governance and ensures compliance with regulatory standards. Our Company places significant emphasis on ethical conduct and compliance, and it is one of our core values. This commitment fosters a positive organisational culture, upholding integrity, accountability, and responsible business practices.	-	Positive

Policy and management processes	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the entity against specific commitments, goals and targets along-with reasons in case the same are not met.	<p>Performance details:</p> <ul style="list-style-type: none"> • Renewable Energy Investments: The Company had planned the installation of 3 MW of wind energy capacity and 4 MW of solar power capacity during the year. However, due to adverse climatic conditions, including high wind intensity and unseasonal monsoon activity, the project execution has been delayed. Consequently, the commissioning timeline has been extended to the financial year 2026-27. • SBTi Goals: In support of these commitments, the Company is actively increasing its reliance on renewable energy. With an existing installed capacity of 5.5 MW in solar and 13.25 MW in wind energy, the Company has achieved 20%-30% of its total energy consumption from renewable sources. • Environmental Stewardship: During the financial year, the Company constructed two rainwater recharge wells as part of its ongoing commitment to water conservation and sustainable resource management. These structures are designed to enhance groundwater recharge, reduce surface runoff, and support water availability in and around the Company's operational areas. Extended the pipe water line to cater re-use of treated water in our gardens / green belt area. • Adoption of EVs: The Company inducted three electric forklifts for internal material handling in workshops and ten e-kick scooters for employee mobility within the factory premises. This initiative is aimed at reducing dependence on fossil fuel-based transportation and lowering carbon emissions from internal operations. • Inclusivity & Awareness: The Company has initiated sustainability-focused training and awareness programmes for its value chain partners to promote responsible and inclusive business practices. As part of this effort, training has initially been imparted to a selected group of ten value chain partners, with a focus on enhancing their understanding of environmental, social, and governance (ESG) principles, strengthening compliance awareness, and encouraging the adoption of sustainable practices. This marks the start of an ongoing initiative, and the Company is committed to progressively expanding the reach of these capacity-building programmes in the coming years, further strengthening ESG awareness and integration across its value chain. • Data Centre Risk Mitigation: Although this was not a specific commitment under planned initiatives, the Company has relocated its data center to a new isolated and secured location in order to mitigate operational risks and potential hazards. • Energy saving due to regenerative test facility: The Company has implemented a regenerative load testing system for gearboxes using a dual-motor configuration, wherein one motor operates in drive mode through a Variable Frequency Drive (VFD) and the other functions in regenerative mode. This regenerative mechanism results in energy savings of approximately 60-70% of the applied load, thereby improving energy efficiency and significantly reducing overall power consumption during testing operations. 								



Policy and management processes	P1	P2	P3	P4	P5	P6	P7	P8	P9
Governance, leadership and oversight									
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>The Company continues to integrate Environmental, Social, and Governance (ESG) principles into its business strategy to ensure sustainable and long-term value creation. Sustainability remains central to our operations, with focused efforts on decarbonisation, resource efficiency, and responsible business practices.</p> <p>During the year, the Company has made significant progress in its renewable energy and sustainability initiatives. Strategic projects for enhancement of 3.3 MW wind and 5 MW solar capacity are underway. In line with our Science Based Targets initiative (SBTi) commitments, the Company aims to reduce absolute Scope 1 and Scope 2 greenhouse gas emissions by 54.6% by FY 2033 and ensure that 81.4% of suppliers (by emissions) across the value chain are aligned by FY 2028.</p> <p>In line with its sustainability commitments, the Company has also undertaken several initiatives focused on environmental conservation and decarbonisation. These include the construction of rainwater recharge wells to improve groundwater replenishment and reduce surface runoff, as well as the extension of treated water pipelines for reuse in greenbelt and landscaping activities. Further, the adoption of electric forklifts and e-kick scooters within operations has helped reduce dependence on fossil fuels and lower internal carbon emissions.</p> <p>Additionally, the Company has initiated sustainability-focused training and awareness programmes for its value chain partners, with initial training imparted to ten partners to enhance ESG understanding, compliance awareness, and sustainable business practices. This initiative will be progressively expanded in the coming years. As part of its operational risk management efforts, the Company has also relocated its data centre to a secure and isolated facility to strengthen operational resilience and mitigate potential risks.</p> <p>Looking ahead, the Company remains committed to strengthening its ESG performance through innovation, operational excellence, and collaborative partnerships. We will continue to set measurable targets, monitor progress transparently, and align our efforts with globally recognized sustainability frameworks to drive long-term sustainable growth.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>Our Board has overview on the Business Responsibility Policies. Respective Business Heads are responsible for implementing and driving the policies.</p>								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>No. Our Board, during their meetings, discusses topics on sustainability and takes appropriate decisions as and when required. The respective business heads are responsible for implementation and monitoring of ESG parameters within their scope.</p>								
10. Details of Review of NGRBCs by the Company:									

Subject For Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually /Half yearly/Quarterly, Any other-Please Specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	As a sustainable practice, our Board reviews the policies on need basis and sustainability initiatives on an annual basis. During review, the effectiveness of the policies is assessed and any necessary changes to policies and procedures are adopted. Department and Business Heads also review our policies and their effectiveness periodically and any update or change is timely presented to the Board for approval, if required.									Our Board reviews the policies on need basis and sustainability initiatives on an annual basis.								

Policy and management processes	P1	P2	P3	P4	P5	P6	P7	P8	P9
Subject For Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
	Frequency (Annually /Half yearly/Quarterly, Any other-Please Specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Board of Directors and its Committee				Annual Basis				
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	The policies are periodically reviewed by the Board and its Committees as well as Auditors of respective functions like ISO Auditors, Internal Auditors and Secretarial Auditors, etc. In addition, Elecon is certified for ISO 9001, ISO 14001 and ISO 45001 which are assessments done by external audit agency namely TUV Rheinland. They assess the policies and procedures maintained by the organisation as part of the certification process. The Information security policy, privacy policy and risk management policy have been reviewed as part of this process. Elecon has documented management policies reviewed and approved by Management.								

12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes/No)						Not Applicable			
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as 'Essential' and 'Leadership'. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.



Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of people in respective category covered by the awareness programmes
Board of Directors	3	Recent Amendment in the SEBI Regulations, Micro Small and Medium Enterprises Development (MSMED) Act, 2006, Training of code of conduct, ESG development, Digital Personal Data Protection (DPDT) Act, 2023.	100.00%
Key Managerial Personnel	3	POSH, Skill Enhancement, Health & Safety, Leadership	100%
Employees other than BoD and KMPs	185	POSH, Values, Health & Safety, Human Rights & Culture, Skill Enhancement	98.40%
Workers	119	Health & Safety, Skill Enhancement, Quality & Manufacturing Circle Awareness	96.43%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹ Lakhs)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	Superintendent of Central GST & Central Excise, Anand	5.69	Penalty was levied regarding non-compliances by our customer M/s. Volta Impex Pvt. Ltd. under GST Laws.	Yes
Penalty/ Fine	Principle 1	Dy. Commission of State Tax, Enforcement, Div – 8, Surat	11.99	Penalty was levied due to mismatch of name in ship to consignment	Yes
Settlement	-	None	-	Not applicable	Not applicable
Compounding fee	-	None	-	Not applicable	Not applicable

Note: 1) National Stock Exchange of India Limited (NSE) has levied penalty of ₹ 0.60 Lakhs for delayed submission of compliance under Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company subsequently filed a waiver application and NSE vide letter dated September 22, 2025, favorably considered the request and waived the fine. 2) The Company has received a penalty order of ₹ 0.94 Lakhs from State GST Department, Chhattisgarh regarding mismatch of turnover of the Company as per TDS v/s Return - 3B. The Company duly preferred an appeal against the said Order, and the Appellate Authority vide order dated January 28, 2026 has passed an order in favour of the Company.

Non - Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	None	-	Not applicable	Not applicable
Punishment	-	None	-	Not applicable	Not applicable

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Penalty was levied regarding non-compliances by our customer M/s. Volta Impex Pvt. Ltd. under GST Laws.	Appeal to Appellate Authority against Superintendent of Central GST & Central Excise, Anand
Penalty was levied due to mismatch of name in ship to consignment	Appeal to Appellate Authority against Dy. Commission of State Tax, Enforcement, Div – 8, Surat

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. It is a part of our Code of Conduct. We ensure all our systems are operated ethically.

Web-link to the policy:

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Code-of-Conduct.pdf>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Code%20of%20Conduct-new-2023.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

Particulars	2025-26 (Current Financial Year)		2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	Not Applicable	-	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	Not Applicable	-	Not Applicable

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Particulars	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Number of days of account payables	84	79

9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	15.47%	14.45%
	b. Number of trading houses where purchases are made from	387	372
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	53.59%	58.33%



Parameter	Metrics	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	10.43%	8.90%
	b. Number of dealers / distributors to whom sales are made	73	69
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	57.72%	59.37%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	12.06%	13.40%
	b. Sales (Sales to related parties / Total Sales)	6.33%	7.23%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	29.63%	21.77%

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe



Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	11.46%	14.08%	During the year, the Company made focused capital investments to enhance environmental and social performance. Transition to electric and lithium-ion battery-operated forklifts and stackers has reduced emissions, noise levels, and dependence on fossil fuels. Energy efficiency was improved through installation of an energy-efficient transformer and VRF/VRV air conditioning systems. Environmental management was strengthened with chip shredder machines, improved paint rooms with exhaust systems, and auto scrubber machines for better waste handling and workplace cleanliness. On the social front, deployment of hydraulic lifts, scissor tables, and boom lifts has improved ergonomics and reduced manual handling risks. Additional initiatives such as thermal imaging for preventive maintenance and procurement of an ambulance have further enhanced workplace safety and emergency preparedness.

Our R&D leverages advanced gear design, simulation tools, and bearing optimization to reduce friction, noise, and energy consumption, improving efficiency while lowering environmental impact. We also use digital modeling to optimize materials and enhance product reliability, supporting sustainable resource use.

Additionally, our predictive maintenance systems extend equipment life and reduce downtime, while precision automation and ergonomic solutions in manufacturing enhance safety, minimize risks, and improve overall employee well-being.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

b. If yes, what percentage of inputs were sourced sustainably?

The Company has established a comprehensive operating procedure for vendor approval, ensuring that all input materials are sourced exclusively from approved local and international suppliers. The Quality Assurance team conducts rigorous initial evaluations and periodic audits of vendors, particularly those supplying critical materials, while the Company is currently in the process of determining and strengthening relevant data and metrics in this area.

This framework is aligned with the Company's commitment to Environmental, Social, and Governance (ESG) principles, reinforcing sustainable, ethical, and transparent supply chain practices.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Our product line comprises products predominantly made of metals, accounting for around 99% of the composition. This metal content renders our products highly recyclable. The materials used, including ferrous and non-ferrous elements, contribute to a robust and sustainable life cycle lasting approximately 20-25 years. As a result, direct reclamation of our products for recycling post their life cycle is currently unviable.

Our product manual serves as a tool to raise awareness among customers, advocating for the recycling of used products through designated recyclers. At the end of their life cycle, our products do not generate plastic, e-waste, hazardous waste, or any other form of waste, aligning with our commitment to environmental sustainability.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, we are disposing the waste in line with the EPR requirement to registered recyclers.

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS



Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
Permanent Employees and Other than Permanent Employees											
Male	913	913	100%	913	100%	-	-	-	-	-	-
Female	26	26	100%	26	100%	26	100%	-	-	-	-
Total	939	939	100%	939	100%	26	2.77%	-	-	-	-

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
Permanent Workers and Other than Permanent Workers											
Male	1,510	1,510	100%	1,510	100	-	-	-	-	-	-
Female	3	3	100%	3	100	3	100%	-	-	-	-
Total	1,513	1,513	100%	1,513	100	3	0.20%	-	-	-	-

C. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Cost incurred on wellbeing measures as a % of total revenue of the company	0.04%	0.03%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	2025-26 (Current Financial Year)			2024-25 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	97.50%	100%	Y	100%	100%	Y
ESI*	NA	NA	NA	NA	NA	NA
Others – Please Specify						
Felicitation Scheme	100%	NA	NA	100%	NA	NA
NPS	7.03%	-	Y	5.50%	-	Y

*The facilities and branches of the Company are either exempted from or not covered under ESIC Scheme.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, our office and manufacturing unit are accessible to differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy

Yes, we emphasise on treating every individual with dignity and respect inside our organisation and throughout the supply chain. We also ensure that Human Rights Policy is strictly adhered in our premises and also encourages its supply chain partners to comply with our policy.

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Human%20Rights%20Policy-new-2023.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Female	NIL	100%*	NIL	Not Applicable
Total	-	100%*	-	-

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	Yes*, we have a grievance redressal mechanism which is elaborated in our Code of Conduct through which Employees & Workers can raise their concerns, and which are addressed at the earliest.
Other than Permanent Employees	
Permanent Workers	Employees & Workers will promptly report to the Management about any actual or possible violation of the Code of Conduct, or any event he or she becomes aware of that could affect the business or reputation of any unit of our Company to the appropriate person(s) as defined in the policy.
Other than Permanent Workers	

*Detailed redressal mechanism can be viewed in specific policies whose link is

<https://www.elecon.com/investors/policies>,

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Code%20of%20Conduct-new-2023.pdf>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Code-of-Conduct.pdf>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Human%20Rights%20Policy-new-2023.pdf>

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity

Category	2025-26 (Current Financial Year)			2024-25 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (C / D)
Total Permanent Employees						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total Permanent Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	2025-26 (Current Financial Year)					2024-25 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	913	388	42.50%	892	97.70%	718	718	100.00%	579	80.64%
Female	26	15	57.69%	22	84.62%	22	19	86.36%	11	50.00%
Total	939	403	42.92%	914	97.34%	740	737	99.59%	590	79.73%
Workers										
Male	1,510	1,455	96.36%	296	19.60%	1,419	959	67.58%	592	41.72%
Female	3	3	100%	-	-	3	1	33.33%	-	-
Total	1,513	1,458	96.36%	296	19.56%	1,422	960	67.51%	592	41.63%

9. Details of performance and career development reviews of employees and workers:

Category	2025-26 (Current Financial Year)			2024-25 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	913	861	94.30%	718	694	96.66%
Female	26	22	84.61%	22	22	100.00%
Total	939	883*	94.04%	740	716*	96.76%
Workers						
Male	1,510	-	-	1,449	-	-
Female	3	-	-	3	-	-
Total	1,513	-	-	1,422	-	-

*Only employees joining before the cut-off date, i.e., December 31, are eligible for performance review



10 Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?

Yes, at Elecon, safety is ingrained as a fundamental value rather than just a priority. To mitigate safety incidents and emphasise the importance of well-being, we take proactive and preventive measures. These include safety audits, emergency preparedness plans, fire safety protocols, comprehensive training, and targeted initiatives. Our dedication to preventing injuries and occupational illnesses is reflected in our adherence to ISO 45001:2018 standards and similar guidelines, which we promote throughout our organisation. This comprehensive occupational health and safety management system underscores our commitment to ensuring a safe and healthy work environment for all employees. The detailed policy is available at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/EHS%20policy-2023.pdf>.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

To ensure comprehensive risk management across our offices and manufacturing facility, we have implemented a systematic risk management procedure. This includes active involvement from engineers, production-in-charge personnel, and members of the Environment Health & Safety (EHS) team in conducting risk assessments and managing identified risks. Documentation, approval, and communication of risk mitigation plans to relevant stakeholders are integral steps in our risk management process. Our operations are guided by safety observations, rectification plans, and procedures encompassing Hazard Identification & Risk Assessment for all activities, contractor safety management, and regular external audits to maintain a safe and compliant workplace.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, We have a structured risk management approach in place to ensure safety across our offices and manufacturing facility. This involves engineers, production supervisors, and EHS team members actively participating in risk assessments and managing identified risks. Documenting, approving, and communicating risk mitigation plans to stakeholders is crucial. Our operations are guided by safety observations, rectification plans, and procedures covering Hazard Identification & Risk Assessment, contractor safety management, and routine external audits for workplace safety compliance.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all workers, including their dependent family members, have access to an external multispecialty reputed hospital in close proximity to our premises. This hospital is equipped with the latest facilities and infrastructure to provide comprehensive non-occupational medical and healthcare services. Additionally, we conduct awareness programmes conducted by experts on various topics such as good health habits, heart attack, varicose veins, orthopedic pain, and more to educate and empower our employees and their families.

Furthermore, all our employees are covered under a group health insurance policy that ensures access to a wide range of non-occupational medical and healthcare services. This coverage reinforces our commitment to supporting the well-being and health needs of our workforce and their loved ones.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	-	-
	Workers	0.17	0.18
Total recordable work-related injuries	Employees	-	-
	Workers	1	1
No. of fatalities	Employees	-	-
	Workers	-	-
High consequences for work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The entity maintains a safe and healthy workplace through a range of measures. These include routine safety audits, emergency preparedness plans, fire safety measures, and comprehensive training programmes. Hazards are promptly identified, and risk levels are mitigated to acceptable standards, with controls regularly reviewed and deviations addressed promptly. Adherence to safety protocols is closely monitored, with a focus on hazard elimination. Additionally, periodic training and awareness sessions reinforce safety practices, fostering a culture of safety across all operations. This holistic approach ensures that the entity prioritizes the well-being of its employees and creates a conducive environment for productive and safe work.

13. Number of Complaints on the following made by employees and workers:

	2025-26 (Current Financial Year)			2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	NA	-	-	NA
Health & Safety	-	-	NA	-	-	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100*
Working Conditions	100*

*Third party assessments are carried out by TUV Rheinland viz. IMS audit. We also undertake external safety audit as per BIS 14489 and, approved accredited laboratories carry out workplace condition monitoring on timely basis.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

As part of its corrective and preventive actions, the Company has introduced enhancements in Personal Protective Equipment (PPE) by mandating the use of helmets with integrated face shields. This upgraded PPE requirement has been implemented and deployed across all applicable areas to strengthen employee protection against operational hazards.

Further our actions are addressed in form of Kaizens and Poka-yoke based on recommendations received by assessments in order to mitigate the risk & concerns arising at working locations proactively with horizontal deployment.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders



Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Through our Stakeholder Engagement and Materiality Assessment process, we have identified important internal and external groups of stakeholders. These stakeholders play an important role in activities related to Elecon and can help our company shape a sustainable future.



2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Direct engagement, Customer satisfaction survey, Customer feedback	As and when required	To ensure product quality and safety, high customer satisfaction
Shareholders	No	Email, SMS, Newspaper advertisement, website	Annually/ Half yearly/ Quarterly	Annual Financial statements and other related information
Employees	No	Meetings, Email, SMS, Intranet, Posters, Slogans	Monthly/ Quarterly meetings and continuous communications	Engagement Initiatives, Trainings and Policy updates, Occupational Health & Safety and other Department updates
Regulatory & Government	No	Direct engagement	As and when required	To comply with applicable regulations
Communities	No	Direct engagement, CSR partners	As and when required	To have an overview on the implementation and success of the projects
Vendors	No	Regular supplier and contractor meets	As and when required	To resolve supplier and contractor concerns and encourage suppliers to adhere to Elecon's policies

PRINCIPLE 5: Businesses should respect and promote human rights



Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	2025-26 (Current Financial Year)			2024-25 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	939	278	30%	740	740	100%
Other than Permanent						
Total Employee	939	278	30%*	740	740	100%
Workers						
Permanent	1,513	1,513	100%	1,422	1,422	100%
Other than Permanent						
Total Workers	1,513	1,513	100%	1,422	1,422	100%

*From April 1, 2026 onwards, we have made mandatory for all individuals to undergo training on the Human Rights policies through self-learning portals.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	2025-26 (Current Financial Year)				2024-25 (Previous Financial Year)					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees (Permanent and Other than Perm1anent)										
Male	913	-	-	913	100%	718	-	-	718	100%
Female	26	-	-	26	100%	22	-	-	22	100%
Workers (Permanent and Other than Permanent)										
Male	1,510	165	11%	1,345	89%	1,419	62	4%	1,357	96%
Female	3	-	-	3	100%	3	-	-	3	100%

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	20,11,000*	1	18,27,000*
Key Managerial Personnel	1	55,70,830#	1	27,59,880
Employees other than BoD and KMP	912	6,83,592	25	7,30,956
Workers	1,510	1,92,832	3	2,77,860

*It is inclusive of remuneration, sitting fees with commission payable to the Directors for FY 2025-26.

#The Remuneration is taken only till Jan 2026, as ceased to be KMP w.e.f. January 31, 2026.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Gross wages paid to females as% of total wages	3.25%	2.27%

The percentage is calculated basis CTC (inclusive of Gratuity) of female Employees (Permanent & Other than Permanent) to that of total CTC of Employees (Permanent & Other than Permanent).

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The HR Department and respective Business Heads are responsible for addressing human rights-related issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Yes. The HR Department is the focal point of contact for any human rights issue. A cross-functional team is formed to verify and investigate if an issue is reported. After identifying and resolving the issue, a report is prepared, and all business heads are made aware of it for precautionary measures. In case of any severe human rights issues, the Board is presented with the report findings and further action to avoid repetition.

6. Number of Complaints on the following made by employees and workers:

	2025-26 (Current Financial Year)			2024-25 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	NA	-	-	NA
Discrimination at workplace	-	-	NA	-	-	NA
Child Labour	-	-	NA	-	-	NA
Forced Labour/ Involuntary Labour	-	-	NA	-	-	NA
Wages	-	-	NA	-	-	NA
Other human rights related issues	-	-	NA	-	-	NA



7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We are dedicated towards preventing harassment in the workplace, particularly sexual harassment, and have zero tolerance for such behavior. We support reporting any concerns about harassment and take complaints about it or any unpleasant or uncomfortable behavior seriously. Committee have been established to investigate complaints of sexual harassment and to suggest appropriate action where necessary.

We have a Prevention of Sexual Harassment (POSH) Policy and Human Rights Policy that defines the mechanism of resolving any discrimination and harassment case, which has set guidelines for members of the grievance redressal mechanism.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, we encourage our suppliers to adhere with our Supplier Code of Conduct and other policies. Our Supplier Code of Conduct can be viewed at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Supplier%20Code%20of%20Conduct-2023.pdf>.

10. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%. Our HR team takes a survey by randomly selecting employees and contractors for evaluation. Regulatory inspectors also verify the processes being followed in our manufacturing plants related to Human Rights affairs.
Forced/involuntary labor	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

There were no significant risks / concerns arising from the human rights assessments.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

The scope of reporting under this principle covers the Company's industrial and manufacturing sites, including on-site offices.



Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	(In Giga Joules)	
	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
From renewable sources (Giga Joules)		
Total electricity consumption (A)	16,812	13,181
Total fuel consumption (B)	-	-
Energy consumption through other sources (Renewable Energy) (C)	-	-
Total energy consumption (A+B+C)	16,812	13,181
From non-renewable sources (Giga Joules)		
Total electricity consumption (D)	66,566*	57,481
Total fuel consumption (E)	33,484	31,051
Energy consumption through other sources (F)	-	-
Total energy consumption from nonrenewable sources(D+E+F)	1,00,050	88,532
Total energy consumption (A+B+C+D+E+F)	1,16,862	1,01,713
Energy intensity per rupee of turnover (Total energy consumption/ revenue from operations)	0.58	0.54
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)** ((GJ/ Lakh of adjusted turnover)	11.97	11.23
Energy intensity in terms of physical Output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

*This is calculated after adjusting for surplus renewable energy generated and transmitted to the grid.

Renewable energy generated during year (Windmill 30,274 Giga Joules & Solar 9,430 Giga Joules)

**Intensity, in terms of physical output, is not applicable due to the diverse range of products manufactured, majority of measured in numbers rather than tonnage, making it challenging to track in standardised units.

***Purchasing power parity (PPP) conversion factor is 20.64 for the year 2026 & 20.66 for the year 2025 as per IMF data available at <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, energy audit has been carried out by third party agency namely Swajal Technologies.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable, as we do not have any recognised sites/facilities as a Designated Consumer (DC) under Perform, Achieve & Trade scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	(In kilolitres)	
	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Ground water	1,30,238	2,33,856
(iii) Third party water	4	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,30,242	2,33,856
Total volume of water consumption (in kilolitres)	1,30,242	2,33,856*
Water intensity per rupee of turnover (Water consumed / turnover) – KL/₹ Lakh	0.65	1.25
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	13.33	25.82
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

*78,905 kiloliters consumption of recycled water is not considered in this calculation as per the definition in the regulation.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, water audit has been carried out by certified water auditor under RGNGWTRI, Mr. Mitul Jain in March, 2026 and report is awaited.

4. Provide the following details related to water discharged:

Parameter	(in kilolitres)	
	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Ground water (Gardening)	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	78,905 (Tertiary)	93,807 (Tertiary)
(iii) To Sea water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Other	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharge (in kilolitres)	78,905	93,807

Our units implement initiatives to conserve freshwater by recycling treated wastewater, ensuring ZLD (Zero Liquid Discharge).

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, water audit has been carried out by certified water auditor under RGNGWTRI, Mr. Mitul Jain in March, 2026 and report is awaited.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes. Our water stewardship strategy revolves around optimising water usage to minimise intake while maximising efficiency. Across all our company-owned facilities and offices, we prioritise water conservation and recycling efforts, aiming for Zero Liquid Discharge (ZLD). Following treatment, all wastewater is recycled to support the preservation and expansion of our green spaces. Moreover, we've implemented rainwater harvesting systems across our extensive industrial site, channeling collected rainwater into designated pits to replenish our groundwater levels.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Units	(in Kilograms)	
		2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
NOx	MT	11.17	15.68
SOx	MT	0.17	0.19
Particulate matter (PM)*	MT	26.17	13.17
Persistent organic pollutants (POP)	MT	NA	NA
Volatile organic compounds (VOC)	M MT	0.42	0.33
Hazardous air pollutants (HAP)	MT	NA	NA
Others – please specify	NA	NA	NA

*This year we have calculated air emissions for 17 stacks 2025-26 using CPCB Standards.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

Yes, independent assessment has been carried out by external third-party agency. This agency is National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited, and Ministry of Environment, Forest and Climate Change (MoEF) approved.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Units	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	2,578	2,501
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	13,239	11,432
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MtCO ₂ e/ ₹ Lakh	0.08	0.07
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	MtCO ₂ e/ ₹ Lakh	1.62	1.54
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, carried out by the CNK & Associate LLP, to the extend numbers mentioned above.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

To support its transition towards net-zero emissions in operations, the Company has installed renewable energy capacity of 5.5 MW in solar rooftops and 13.25 MW in wind farms. Through the utilisation of these renewable energy sources, the Company has successfully avoided CO₂ emissions and reduced its overall carbon footprint.

Further, the Company had planned the installation of an additional 3.3 MW of wind energy capacity and 5 MW of solar power capacity during the year. However, due to adverse climatic conditions, including high wind intensity and unseasonal monsoon activity, the project execution has been delayed. Consequently, the commissioning timeline has been extended to June 2026.

The Company is also committed to reducing its greenhouse gas emissions in alignment with the Science-Based Targets initiative (SBTi). The target validation is planned to be completed during the current year, and the Company's emission reduction roadmap will be based on identified decarbonisation levers, including increased adoption of renewable energy, energy efficiency improvements, and fuel-switching initiatives.

9. Provide details related to waste management by the entity, in the following format:

Parameter	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Total Waste Generated (in metric tonnes)		
Plastic waste (A)	11.62	11.56
E Waste (B)	-	3.71
Bio medical waste (C)	-	-
Construction and Demolition Waste (D)	-	-
Battery Waste (E)	4.37	4.14
Radio-active waste (F)	-	-
Hazardous waste. Please specify, if any. (G)	165.56	127.43
Other Non-hazardous waste generated (H) Please specify, if any (Break-up by composition i.e., by materials relevant to the sector)	15,391.12	14,463.59
Total (A + B + C + D + E + F + G + H)	15,572.67	14,610.43
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.08	0.08
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	1.59	1.61
Waste intensity in terms of physical output NA	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Parameter	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Category of Waste		
(i) Recycled*	4,694.97	7,087.50
(ii) Re-used*	10,877.10	7,522.73
(iii) Other recovery operations	-	-
Total	15,572.07	14,610.23

*Waste recovery is done internally as well as through authorised recyclers.

For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)

Parameter	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Category of Waste		
(i) Incineration	0.60	0.20
(ii) Landfilling	-	-
(iii) Other recovery operations	-	-
Total	0.06	0.20

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No. During our ISO 14001 external audit, the waste collection procedure and data is verified as a part of the process.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We closely monitor waste management techniques. Automated machining of gear parts addresses this issue by minimising the amount of metal scrap generated. We generate a substantial amount of metal scrap, which is then reused in our foundry shop to make castings. Hazardous waste (used oil) contaminated empty containers (carboys, tins, cans, etc.) are disposed of to an approved recycler in accordance with regulatory requirements. Our foundry produces a substantial volume of burnt sand, which is used by recyclers in the infrastructure and building industries.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			Not Applicable, as our plants/ offices are not situated in ecological sensitive areas where environmental approval/ clearance is required.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Environmental impact assessments are not applicable to us, and we have not performed the same during the financial year ending March 31, 2026.					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
-	-	-	-	-

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent



Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.
We are associated with 8 trade and Industry chambers/ Associations

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation Gujarat Industries (FGI)	State
3	Gujarat Chamber of Commerce & Industry (GCCCI)	State
4	Central Gujarat Chamber of Commerce & Industry (CGCCI)	State
5	EIPC India	National
6	Vitthal Udyognagar Industries Association	Local
7	Indian Institute of Materials Management	National
8	Society of Indian Defence Manufacturers (SIDM)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of Authority	Brief of the Case	Corrective Action Taken
Not applicable, as no such adverse order is received from any authority for which corrective action must be taken by our Company for the year ending March 31, 2026.		

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development



Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/ No)	Relevant Web link
Not Applicable					



2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	No. of Project Affected Families (PAFs)	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community:

We have grievance redressal mechanism in our Human Rights Policy. Our Board level CSR Committee is responsible to redresses any community related grievances.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	73.55%	52.40%
Sourced directly from within the district and neighboring districts	52.11%	46.48%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:

Location	2025-26 (Current Financial Year)	2024-25 (Previous Financial Year)
Rural	-	-
Semi-Urban	85.69%	90.55%
Urban	0.56%	2.44%
Metropolitan	13.75%	7.01%

The percentage is calculated basis CTC (inclusive of Gratuity) of employees and workers to that of total CTC

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner



Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We have divided our operational geography amongst branches. Each branch is responsible for customers in their respective geography. We have deployed service personnel in each of our geography. Our service personnel are technically sound and are being given regular training.

Our customers can raise issues or complaints in the respective branches or online in our central Customer Resolution Management. These details are made available in our handbook to every customer. After lodging of a complaint, we deploy our competent personnel to resolve the complaint. After resolution, the service personnel shall inform the customer of the preventive action to be taken to avoid further complaints and safe operations of our equipment.

Complaints are reported to all concern HOD's/Business Heads on Monthly basis and a Management Review Meeting (M.R.M.) is carried out every six months.

2. Turnover of products and/ services as a percentage of turnover from all products/services carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	63.29
Safe and responsible usage	100.00
Recycling and/or safe disposal	63.29

3. Number of consumer complaints in respect of the following:

	2025-26 (Current Financial Year)			2024-25 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, we secure our digital data and maintain privacy through various mechanisms. We have our own internal IT policy which is adhered to.

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Data%20Privacy%20and%20Cyber%20Security%20Policy-2023.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of Consumers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Nil

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches	Nil
b. Percentage of data breaches involving personally identifiable information of customers	Not Applicable
c. Impact, if any, of the data breaches	Not Applicable



INDEPENDENT REASONABLE AND LIMITED ASSURANCE REPORT ON BUSINESS RESPONSIBILITY SUSTAINABILITY REPORT OF ELECON ENGINEERING COMPANY LIMITED

To
The Board of Directors
Elecon Engineering Company Limited
Gujarat, India.
Anand – Sojitra Road,
Vallabh Vidyanagar – 388 120,

We have undertaken to perform a Reasonable Assurance for Business Responsibility and Sustainability Report [hereinafter 'BRSR'] 'Core Key Performance Indicators (KPIs)' and Limited Assurance for 'Essential Indicators' for Elecon Engineering Company Limited vide Engagement Letter in respect of the agreed BRSR in accordance with the criteria stated below. This is included in BRSR of the company for the financial year ended March 31, 2026.

Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is as per the guidelines issued by Securities and Exchange Board of India (SEBI) in accordance with the circulars:

- SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023
- SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023

and clarifications issued for the same.

This engagement was conducted by a multidisciplinary team including assurance practitioners, social, governance and environmental experts.

Identified Sustainability Information

The identified Sustainability Information for the financial year ended March 31, 2026 is summarised below in **Appendix 1**;

The areas for which Reasonable and Limited assurance have been undertaken are also detailed in **Appendix 1** to this report.

Our Reasonable and Limited Assurance engagement was with respect to the year ended March 31, 2026 information only unless otherwise stated and we have not performed any procedures with

respect to earlier periods or any other elements included in the BRSR and therefore, do not express any conclusion thereon.

Management's Responsibility

The Company's management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, considering applicable laws and regulations, if any, related to reporting on Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of the BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) and have the required competencies and experience to conduct this assurance engagement; and

The firm applies Standard on Quality Control (SQC) 1, 'Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements' issued by the ICAI and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a Reasonable and Limited Assurance conclusion, as applicable and given in the Appendix 1 to this report on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained;

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, 'Assurance Engagements on Sustainability Information', issued by the ICAI. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability Information are prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances;

For the purpose of the limited assurance, this standard requires that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement;

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information;

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks; and

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Basis of Opinion

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the identified sustainability indicators and related disclosures;
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and / or measurements of the identified sustainability indicators;

- Made enquiries of the Company's Management, including those responsible for Sustainability, Environment, Social, Governance (ESG), Corporate Social Responsibility (CSR), etc., and those with responsibility for managing the Company's BRSR;
- Obtained an understanding of, and performed an evaluation of, the design of the key systems, processes and controls for managing, recording and reporting on the Identified Sustainability Indicators including at the sites and corporate office visited;
- Based on that understanding, the risks that the selected information may be materially misstated and determining the nature, timing and extent of further procedures;
- Checked the consolidation for various domestic branch offices, 2 plant sites and corporate office under the reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported except data pertaining to energy, waste, water and emissions domestic branch offices are not included for the purpose of BRSR Core KPIs;
- Based on above understanding and the risks that the identified sustainability indicators may be materially misstated, determined the nature, timing and extent of further procedures;
- Performed substantive testing on a sample basis of the Identified Sustainability Indicators at corporate head office, and 2 plant sites located at Vallabh Vidyanagar, Gujarat to verify that data had been appropriately measured with underlying documents recorded, collated and reported;
- Assessed records and performed testing including recalculation of sample data;
- Reviewed records and performed testing including recalculation of sample data;
- Assessed the level of adherence to the 'Guidance note for BRSR format' issued by SEBI followed by the Company in preparing the BRSR;
- Assessed the BRSR for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to agreed indicators and relevant source data/information; and
- Obtained representations from Company's Management.

Exclusions:

Our assurance scope excludes the following and therefore we do not express a conclusion on the same:



- Operations of the Company other than those mentioned in the Scope of Assurance as per the above referred Engagement Letter;
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information;
- Data and information outside the defined reporting period i.e., Financial Year 2025-26; and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Opinion on Reasonable Assurance

Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information for the financial year ended March 31, 2026 (as stated under 'Identified Sustainability Information') is prepared in all material respects, in accordance with the criteria.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Identified Sustainability Information included in the BRSR for year ended March 31, 2026 are not prepared, in all material respects, in accordance with the Criteria.

Restriction on use

Our Reasonable Assurance Report and Limited Assurance conclusion have been prepared and addressed to the Board of Directors of Elecon Engineering Company Limited at the request of the company solely, to assist company in reporting on Company's sustainability performance and activities. Accordingly, we accept no liability to anyone other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For C N K & Associates LLP

Chartered Accountants

Firm Registration Number: 101961 W/W – 100036

Himanshu Kishnadwala

Partner

Membership Number: 037391

Date: April 15, 2026

Place: Vallabh Vidyanagar

UDIN: 26037391YFHYP14600

APPENDIX 1:

Sr. No.	Indicator Number	Name of Indicator	Type of Assurance
1	Section C - Principle 6 -Q7	Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the given format	Reasonable
2	Section C - Principle 6 -Q3	Provide details of the following disclosures related to water withdrawal, in the given format	Reasonable
3	Section C - Principle 6 -Q4	Provide the following details related to water discharged	Reasonable
4	Section C - Principle 6 -Q1	Details of total energy consumption (in Joules or multiples) and energy intensity, in the given format	Reasonable
5	Section C - Principle 6 -Q9	Provide details related to waste management by the entity, in the given format	Reasonable
6	Section C - Principle 3 - Q1c	Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the given format	Reasonable
7	Section C - Principle 3 - Q11	Details of safety related incidents, in the given format	Reasonable
8	Section C - Principle 5 - Q3b	Gross wages paid to females as % of total wages paid by the entity, in the given format	Reasonable
9	Section C - Principle 5 - Q 7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the given format	Reasonable
10	Section C - Principle 8 -Q4	Percentage of input material (inputs to total inputs by value) sourced from suppliers	Reasonable
11	Section C - Principle 8- Q 5	Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the given locations, as % of total wage cost.	Reasonable
12	Section C - Principle 9 - Q 7	Provide the following information relating to data breaches: a. Number Of instances of data breaches b. Percentage of data breaches involving personally identifiable information of customers c. Impact, if any, of the data breaches	Reasonable
13	Section C - Principle 1 - Q 8	Number of days of accounts payables (Accounts Payable * 365) / cost of goods/services procured) in the given format.	Reasonable
14	Section C - Principle 1 - Q 9	Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances & investments, with related parties, in the given format	Reasonable
15	BRSR Report	1. Section A: General Disclosure – 24 indicators 2. Section B: Management & Process disclosures – 12 indicators 3. Section C: Principle wise performance disclosures – 9 Principles (Essential indicators except the Core KPI's as covered in Sr. No. 1 – 14 above)	Limited



ANNEXURE – F TO BOARD'S REPORT

CORPORATE GOVERNANCE REPORT

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the report contains the details of Corporate Governance systems and processes at Elecon Engineering Company Limited ('the Company').

STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last longer. Corporate Governance comprises of a set of system and practices to ensure that Company's affairs are managed in a manner which ensures accountability, transparency and fairness in all the transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. We are committed to evolve and follow the Corporate Governance guidelines and best practices in the best interest of all our stakeholders and society. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performances as well as the governance of the Company. We believe to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. The Board of Directors of the Company strives for the best Corporate Governance practices with appropriate checks and balances at right places and at right intervals.

POLICIES AND PRACTICES

Code of Conduct

The Company has in place a comprehensive Code of Conduct ('the code') and the code applies to all the Board Members including Independent Directors and Members of the Senior Management of the Company. The Code gives guidance and strives for ethics, honesty, integrity and fairness. The Code is available on the website of the Company and can be accessed at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Code-of-Conduct.pdf>. The compliance to the code is affirmed annually by the above stated persons to whom the code applies.

A declaration on confirmation of compliance of the Code of Conduct, signed by the Company's Chairman and Managing Director is attached to this Report.

Prevention of Insider Trading Code

The Board of Directors of the Company has approved the policy on the Code of Conduct for Prevention of Insider Trading & Code of Practices and Procedures for Fair Disclosure of Unpublished

Price Sensitive Information as per the SEBI (Prohibition of Insider Trading) Regulations, 2015 as available on the website of the Company and can be accessed at web-link https://www.elecon.com/views/templates/admin-uploads/Investors/Trading-Window/2020-2021/Elecon_Code_of_Conduct_of_Prevention_of_Insider_Trading_and_Code_of_Fair_Disclosure_of_UPSI_2020_2021.pdf. The Compliance Officer of the Company is responsible for adherence to 'Code of Conduct for Prohibition of Insider Trading & Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.'

Whistle Blower Policy

The Company has in place a Whistle Blower Policy and Vigil Mechanism under which employees and Directors are encouraged to report their concerns about unethical behavior / practices. Employees may use this channel to report concerns related to discrimination, retaliation and harassment and are assured of complete anonymity and confidentiality. During the year under review, no such case was reported. No employee of the Company has been denied to access to the Audit Committee. The detail of such mechanism is communicated to all the Directors and Employees and the Whistle Blower Policy is available on the website of the Company and can be accessed at web-link <https://www.elecon.com/views/templates/admin-uploads/Investors/whistle-blower-policy/Elecon-Whistle-Blower-Policy-Nov-2024.pdf>

Policy for Determining Materiality for Disclosures

In line with requirements under Regulation 30 of the Listing Regulations, the Company has framed a policy on disclosure of material events and information as per the Listing Regulations, which is available on our website <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Amendment-Policy-on-determining-materiality-events.pdf>. The objective of this policy is to have uniform disclosure practices and ensure timely, adequate and accurate disclosure of material event and information on an ongoing basis.

Policy for Determining Material Subsidiary

The Company has adopted policy for determining material subsidiaries and material unlisted subsidiary of the Company to provide the governance framework for them. The Company's policy on 'Material Subsidiary' is placed on the Company's website and can be accessed through weblink <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Policy-on-Determining-Material-Subsidiary-2020.pdf>. For financial year 2025-26, the Company does not have any material subsidiary Company.

BOARD OF DIRECTORS

The Company has defined guidelines and an established framework for the meetings of the Board and its Committees. These guidelines seek to systematise the decision-making process at the meetings of the Board and Committees in an informed and efficient manner.

The Board provides strategic guidance and independent views to the Company's management while discharging its fiduciary responsibilities. The Board also provides direction and also

exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations and society's expectations. The Company is managed by the Board of Directors consisting of highly qualified and experienced professionals from different fields, which formulates strategies, policies and reviews its performance periodically. The Chairman & Managing Director manages the business of the Company under the overall supervision, guidance and control of the Board.

Composition of the Board

The Board of the Company represents a strong blend of experience, integrity, and strategic leadership. Comprising eminent professionals with diverse backgrounds and expertise, the Board provides effective oversight and guidance to the Company, enabling it to pursue sustainable growth while upholding the highest standards of governance.

The Company maintains a well-balanced Board structure with an optimum mix of Executive and Non-Executive Directors, including Independent Directors, who play a critical role in the Board's decision-making process by bringing independent judgment on matters relating to strategy, performance, risk management, and governance.

As on March 31, 2026, the Board consists of Eight (8) Directors as follows:

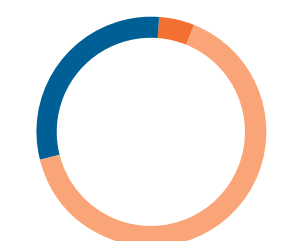
Sr. No.	Category	Name of Director	% of total Board Size
1	Executive Director	Mr. Prayasvin B. Patel, CMD*	12.5
2	Non-Independent & Non-Executive Director	Mr. Aayush A. Shah Mr. Pradip M. Patel Mr. Prashant C. Amin	37.5
3	Independent & Non-Executive Director**	Mr. Ashutosh A. Pednekar Mr. Nirmal P. Bhogilal Mr. Pranav C. Amin Mrs. Natasha K. Treasurywala	50

*CMD: Chairman and Managing Director

**Independent & Non-Executive Director includes One Woman Independent Director

Further, none of the Directors on the Company's Board is a Member of more than 10 (Ten) Committees or act as Chairman of more than 5 (Five) Committees (Committees being Audit Committee and Stakeholders Relationship Committee) across all the Companies in which he or she is a Director pursuant to Regulation 26 of the Listing Regulations. Necessary disclosures have been made by each Director.

Board Composition

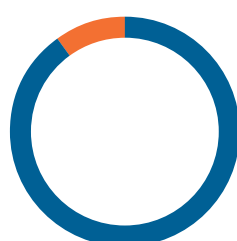


■ Executive Director
■ Non-Executive Director
■ Independent Director

87.5%

Non-Executive Directors on the Board

Board Gender Diversity



■ Men
■ Women



Changes in Board of Directors during the Financial Year 2025–26

The changes in Board composition during the year under review are set out below:

Name	Nature of Change	Details
Mrs. Natasha K. Treasurywala (DIN: 06586886)	Appointment	Based on the recommendation of the Nomination and Remuneration Committee, the Board approved the appointment of Mrs. Natasha K. Treasurywala as an Additional Director designated as Non-Executive & Independent Woman Director with effect from April 24, 2025. Her appointment was approved by the shareholders of the Company at the 65 th Annual General Meeting held on June 25, 2025.
Dr. Sonal V. Ambani (DIN: 02404841)	Cessation	Dr. Sonal V. Ambani ceased to be the Non-Executive & Independent Woman Director of the Company on completion of her second term, with effect from the close of business hours on August 13, 2025.

Governance Affirmations

- The composition of the Board is in conformity with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- As on March 31, 2026, none of the Directors of the Company are related to each other except that:
 - Mr. Pradip M. Patel is the brother-in-law (sister's husband) of Mr. Prayasvin B. Patel; and
 - Mr. Aayush A. Shah is the son-in-law of Mr. Prayasvin B. Patel.
- All Independent Directors have submitted declarations under Section 149(6) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations confirming that they meet the criteria of independence. In the opinion of the Board, the Independent Directors fulfil the conditions and are independent of the management.
- During the period under review, none of the Independent Directors resigned from the Board of the Company.
- Video and teleconferencing facilities are used as and when required to enable Directors at different locations to participate in Board and Committee meetings.
- The number of Directorships and Committee Memberships / Chairmanships held by the Directors are within the limits prescribed under the Companies Act, 2013 and the Listing Regulations.

Brief Profile of Directors

Brief profile of Directors of the Company as on March 31, 2026, including their category, shareholding in the Company, number of other Directorships including name of listed entities where he/she is a director along with the category of their directorships, committee positions held by them in other companies as a Member or Chairperson are given below:

Name and Designation of Director(s) (DIN)	Date of Appointment, Other Directorship, Committee Positions and Shareholding in the Company	List of Directorship held in Other Listed Companies and Category of Directorship
Mr. Prayasvin B. Patel Chairman & Managing Director (DIN: 00037394)	Appointed: July 1, 2011 Other Directorships#: 8 Committee membership(s)/ Chairmanship(s) in other Company(ies)^: 2 No. of Shares held: 39,25,864	Eimco Elecon (India) Limited - Executive Director

Name and Designation of Director(s) (DIN)	Date of Appointment, Other Directorship, Committee Positions and Shareholding in the Company	List of Directorship held in Other Listed Companies and Category of Directorship
Mr. Aayush A. Shah Non-Independent & Non-Executive Director (DIN: 07140517)	Appointed: April 25, 2023 Other Directorships#: NIL Committee membership(s)/ Chairmanship(s) in other Company(ies)^: NIL No. of Shares held: NIL	NIL
Mr. Pradip M. Patel Non-Independent & Non-Executive Director (DIN: 00012138)	Appointed: November 14, 1977 Other Directorships#: 2 Committee membership(s)/ Chairmanship(s) in other Company(ies)^: 2 No. of Shares held: 1,24,824	Eimco Elecon (India) Limited – Chairman, Non-Executive & Non-Independent Director
Mr. Prashant C. Amin Non-Independent & Non-Executive Director (DIN: 01056652)	Appointed: July 29, 2008 Other Directorships#: 2 Committee membership(s)/ Chairmanship(s) in other Company(ies)^: 2 (as a Chairman) No. of Shares held: 81,350	Eimco Elecon (India) Limited – Non-Executive & Non-Independent Director Vidya Wires Limited – Non-Executive & Independent Director
Mr. Ashutosh A. Pednekar Independent & Non-Executive Director (DIN: 00026049)	Appointed: July 1, 2022 Other Directorships#: 3 Committee membership(s)/ Chairmanship(s) in other Company(ies)^: 2 (as a Chairman) No. of Shares held: NIL	Northern Arc Capital Limited – Non-Executive & Independent Director
Mrs. Natasha K. Treasurywala Independent & Non-Executive Director (DIN: 07049212)	Appointed: April 24, 2025 Other Directorships#: NIL Committee membership(s)/ Chairmanship(s) in other Company(ies)^: NIL No. of Shares held: NIL	NIL
Mr. Nirmal P. Bhogilal Independent & Non-Executive Director (DIN: 00173168)	Appointed: April 1, 2024 Other Directorships#: 1 Committee membership(s)/ Chairmanship(s) in other Company(ies)^: 1 No. of Shares held: NIL	Batliboi Limited – Chairman & Executive Director
Mr. Pranav C. Amin Independent & Non-Executive Director (DIN: 00245099)	Appointed: May 27, 2021 Other Directorships#: 3 Committee membership(s)/ Chairmanship(s) in other Company(ies)^: 2 (including one as a Chairman) No. of Shares held: NIL	Alembic Pharmaceuticals Limited - Managing Director Max Healthcare Institute Limited - Non-Executive & Independent Director

#excluding Directorship(s) held in the Company, alternate directorships, directorship in foreign companies and Section 8 companies and private limited companies which are not the subsidiaries of public limited companies.

^In accordance with Regulation 26 of the Listing Regulations.

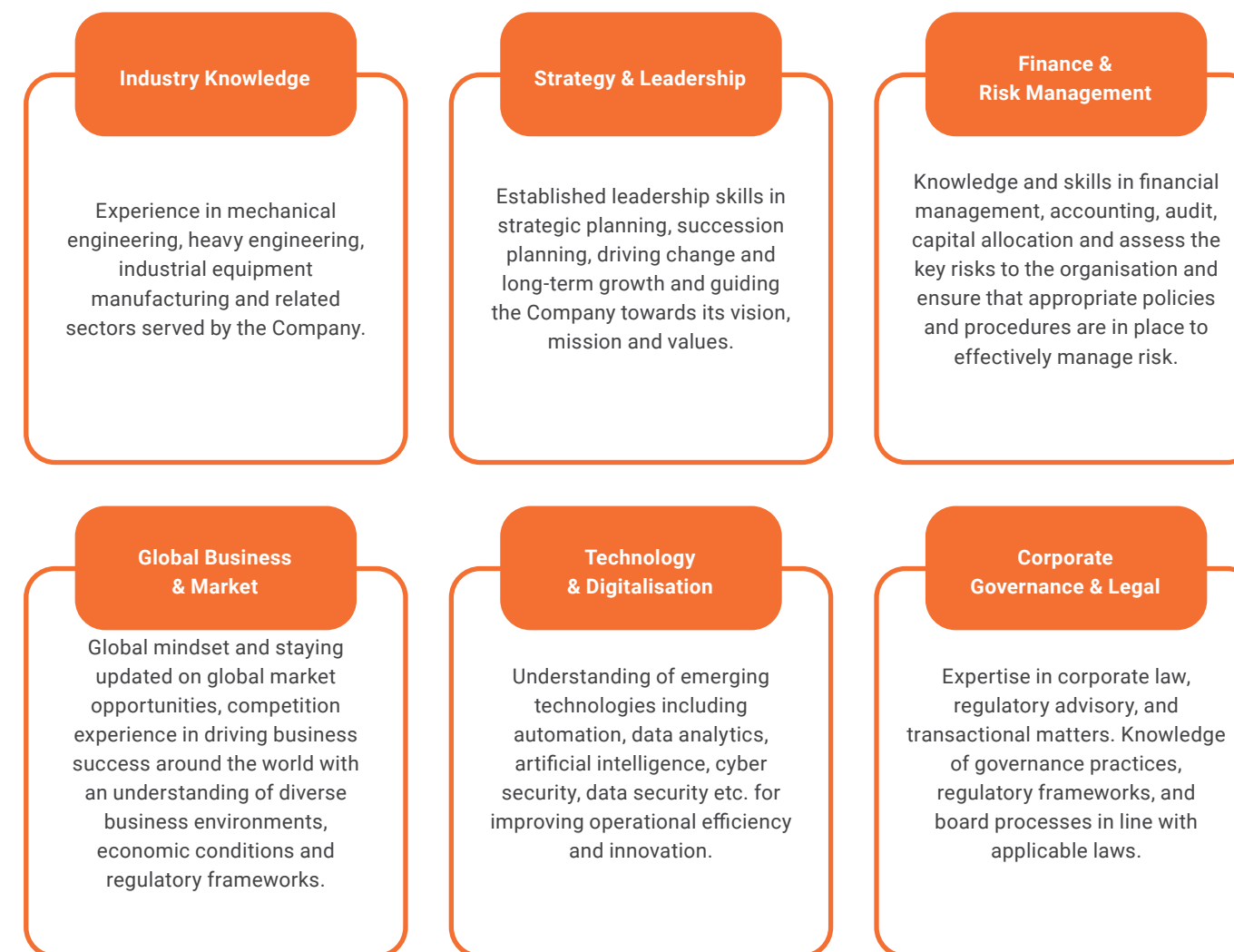
The brief profile of the Directors along with the details of their directorships and full time positions held in body corporates is available on the website of the Company.



CORE SKILLS/EXPERTISE/ COMPETENCIES AVAILABLE WITH THE BOARD

The Board comprises qualified and experienced members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The Board has an identified list of core skills/expertise/competencies of the Board of Directors as required in the context of the business of the Company.

The following skills/expertise/ competencies have been identified for the effective functioning of the Company and are currently available with all members of the Board:



BOARD MEETINGS AND PROCEDURE

The Company ensures that Board and Committee meetings are well-planned, focused, and effective. The process for scheduling and preparing agenda items is designed to facilitate meaningful discussions, informed decisions and strategic guidance.

1. Scheduling of Meetings:

- Meetings are convened with appropriate advance notice after obtaining the approval of the Chairman of the Board.
- To address urgent business, meetings may be called at shorter notice.
- Both the Board and its Committees are authorized to pass resolutions by circulation for matters of utmost urgency.

2. Preparation and Circulation of Agenda:

- Detailed agenda papers, management reports, and explanatory statements are circulated in advance to all Directors to enable informed and focused deliberations.
- When attachment of documents is not practicable, or if an agenda item is confidential, it is placed on the table with the Chairman's permission.
- In exceptional cases, additional or supplemental agenda items may be included. Urgent matters arising after circulation may be placed as Table Agenda or Chairman's Agenda.

- Agenda papers are prepared by the Company Secretary and submitted to the Chairman & Managing Director for approval before circulation.

3. Conduct of Meetings

- Comprehensive presentations are made at the Board and Committee meetings covering financial performance, key business segments, operations and auditors' reports.
- Meetings are usually held at the Company's Registered Office, Vallabh Vidyanagar, Dist. Anand, unless convened otherwise.
- Directors have complete access to all information of the Company and can propose additional items for discussion.
- Senior Management officials are invited to provide inputs and clarifications wherever required.

4. Participation through Video Conferencing:

- In line with Companies Act, 2013 and Listing Regulations, Directors are provided the option to participate via video conferencing or other audio-visual modes, ensuring convenience and compliance.

5. Post-Meeting Follow-Up:

- The Company has an effective post-Board meeting follow-up system.

- Action Taken Reports on the decisions made are presented at the subsequent meeting for review and information of the Board.

Compliance

Ensuring robust compliance forms an integral part of the Company's governance framework. The Company Secretary plays a key role in this process, overseeing that all meetings and decisions of the Board are conducted in strict adherence to applicable laws and regulations.

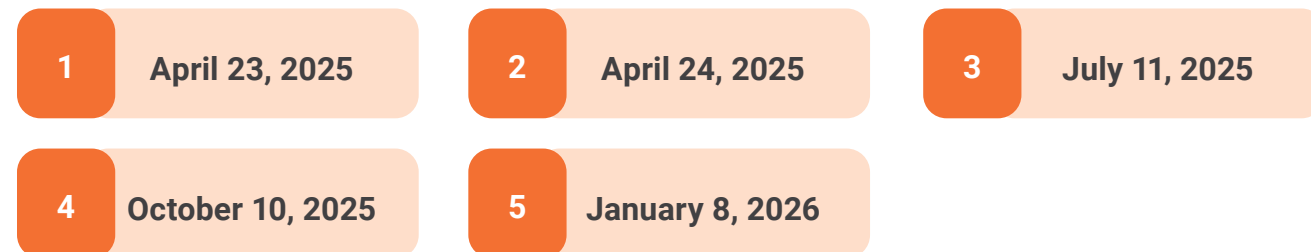
The Company Secretary oversees the preparation of Board and Committee agenda papers and ensures strict adherence to all applicable laws and regulations, including:

- Companies Act, 2013 and Rules thereunder
- SEBI Guidelines and Listing Regulations
- Secretarial Standards issued by ICSI
- Other statutory and capital market requirements

The Board reviews a quarterly Compliance Report, confirming that the Company operates in full compliance with all legal and regulatory obligations, reflecting its commitment to transparency, accountability, and good governance.

Board Meetings and Attendance

During the year under review, Board met 5 (Five) times on:



The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum gap between two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The attendance of the Board members at the Board meetings and the Annual General Meeting of the Company held during FY 2025-26, is as follows:

Name of Directors	AGM held on June 25, 2025	Board Meetings					Total Board Meeting held during tenure	Board Meetings attended	% of Attendance
		1	2	3	4	5			
Mr. Prayasvin B. Patel ©							5	5	100
Mr. Aayush A. Shah							5	5	100
Mr. Pradip M. Patel							5	5	100
Mr. Prashant C. Amin							5	5	100
Mr. Ashutosh A. Pednekar							5	5	100



Name of Directors	AGM held on June 25, 2025	Board Meetings					Total Board Meeting held during tenure	Board Meetings attended	% of Attendance
		1	2	3	4	5			
Mrs. Natasha K. Treasurywala							3	3	100
Mr. Nirmal P. Bhogilal							5	5	100
Mr. Pranav C. Amin							5	5	100
Dr. Sonal V. Ambani							3	3	100

Attended through video conference | Attended in Person | © Chairman | Not Applicable |

During the year under review, no Circular Resolution was passed by the Board of the Directors of the Company.

Recording minutes of proceedings at the Board Meeting

The Minutes of the proceedings of each Board Meeting is recorded and the same is sent to all Directors for their comments, if any. The said minutes are taken for approval at the next Board Meeting and the same are signed by the Chairman in the manner as prescribed under the Companies Act, 2013 & Rules made thereunder and as per the Secretarial Standards.

Disclosure regarding Directors retiring by rotation and being re-appointed

Mr. Pradip M. Patel (DIN: 00012138), Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

A brief profile of Mr. Pradip M. Patel is given in the notice of Annual General Meeting, annexed to this Annual Report.

Appointment of Independent Directors

On appointment of new Independent Director, Company issues formal letter of appointment to independent director describing their duties, responsibilities etc.

The terms and conditions of appointment of Independent Directors are uploaded on the website of the Company and can be accessed through web-link <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/LOA-independent-directors-terms-conditions.pdf>.

Separate meeting of Independent Directors

Separate meeting of Independent Directors was held on February 3, 2026 to evaluate the performance of Non-Independent Directors and the Board as a whole as well as the performance of the Chairman of the Company.

Familiarization Programme for Independent Directors

The Company has conducted the familiarization programme for Independent Directors of the Company; details for the same have been disclosed on the Company's website and can be accessed through web-link <https://www.elecon.com/investors/corporate-information>.

Certification from Company Secretary in Practice

The Company has received a certificate from M/s. Samdani Shah & Kabra, Practicing Company Secretaries, as required under the Listing Regulations, confirming that none of the Directors on Board of the Company has debarred or disqualified from being appointed or continuing as director of the Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. A copy of the same is attached to this report.

CEO / CFO Certificate

The Managing Director/Chief Executive Officer and the Chief Financial Officer of the Company have furnished the requisite certificate to the Board of Directors under Regulation 17(8) of Listing Regulations. The said certificate is part of the Annual Report.

REMUNERATION OF DIRECTORS

Remuneration of the Executive Director for the Financial Year 2025-26

The Company pays remuneration by way of salary, perquisites and allowances to its Executive Director(s), which is within the permissible limits of the Companies Act, 2013 as approved by Board and Shareholders.

Name of Director	Salary	Perquisites*	Commission	Total	Stock Options
Mr. Prayasvin B. Patel	614.15	10.36	1,500.00	2,124.51	Nil

*Monetary value of perquisites is in accordance with provision of the Income Tax Act, 1961.

The Chairman and Managing Director is appointed on contractual basis. There is no separate provision for payment of severance fees.

Remuneration of the Non-Executive Directors for the Financial Year 2025-26

Name of Directors	Sitting fees for 2025-26*	Commission on Annual basis for Financial Year 2025-26	Total
Mr. Aayush A. Shah	1.50	17.25	18.75
Mr. Pradip M. Patel	2.86	17.25	20.11
Mr. Prashant C. Amin	1.68	17.25	18.93
Mr. Ashutosh A. Pednekar	2.94	21.00	23.94
Mrs. Natasha K. Treasurywala	1.02	17.25	18.27
Mr. Nirmal P. Bhogilal	2.98	17.25	20.23
Mr. Pranav C. Amin	2.22	17.25	19.47
Dr. Sonal V. Ambani	1.72	8.75	10.47

*The above Sitting Fees excludes re-imbusement of the expenses incurred by Directors to attend the Meetings.

During the year, there was no other pecuniary relationship or transaction of Non-Executive Directors with the Company. The Company has not granted any stock options to its Non-Executive Directors.

BOARD COMMITTEES AND ITS COMPOSITION

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The recommendations of the Committees are submitted to the Board for approval. During the year, all the recommendations of the Committees were accepted by the Board. The minutes of the meetings of all the Committees are placed before the Board for review.

Mrs. Bharti Isarani, Company Secretary and Compliance Officer of the Company, is the Secretary to all the Committees constituted by the Board.

As on March 31, 2026, the Board has constituted the following committees:



© Chairman of the Committee

*Senior Executives of the Company are the Members of the Risk Management Committee.



Procedure at Committee Meetings

The Company's guidelines relating to the Board meetings are applicable to the Committee meetings. The composition and terms of reference of all the Committees are in compliance with the Companies Act, 2013 and the Listing Regulations, as applicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functioning. Minutes of the proceedings of Committee meetings are circulated to the respective Committee members and are also placed before the Board for its noting.

Audit Committee

The constitution and terms of reference of Audit Committee of the Company are in compliance with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations.

Composition

75%
Independence

100%
Average Attendance

Terms of Reference

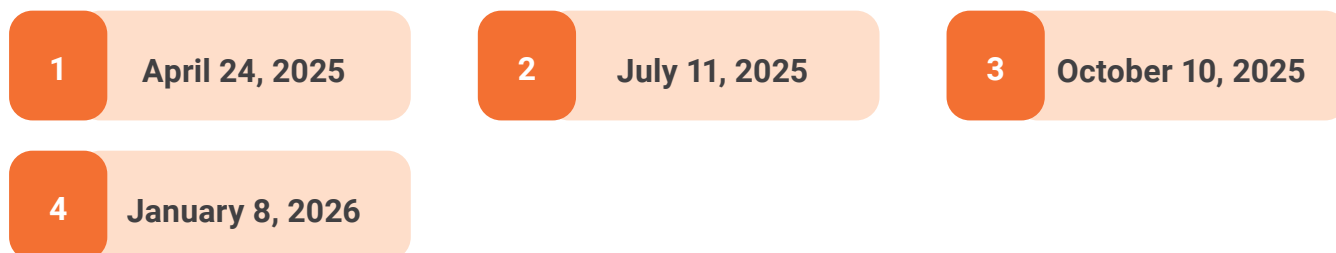
The terms of reference of the Audit Committee inter alia include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and Auditor's report thereon before submission to the board for approval, with particular reference to:
 - 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
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - modified opinion(s) in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up thereon;
- 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;
- 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 CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. To review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal control are adequate and are operation effectively;
22. 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.
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
24. Mandatorily review the following information:
 - management discussion and analysis of financial condition and results of operations;
 - management letters / letters of internal control weaknesses issued by the statutory auditors;
 - internal audit reports relating to internal control weaknesses;
 - the appointment, removal and terms of remuneration of the chief internal auditor;
 - statement of deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Meetings and Attendance

The Audit Committee met 4 (four) times during the Financial Year 2025-26 on:



Name of Directors	Audit Committee Meetings				Held during the tenure	Total Attended	% of Attendance
	1	2	3	4			
Mr. Ashutosh A. Pednekar ©					4	4	100
Mr. Nirmal P. Bhogilal					4	4	100
Mr. Pradip M. Patel					4	4	100
Mr. Pranav C. Amin*					2	2	100
Dr. Sonal V. Ambani**					2	2	100
Attendance (%)	100	100	100	100	-	-	-

Attended through video conference | Attended in Person | © Chairman | Not Applicable

*appointed as the member of the Audit Committee w.e.f. August 14, 2025.

**ceased to be the Independent Director of the Company w.e.f. close of business hours on August 13, 2025.

The CFO, Statutory Auditors, Internal Auditors are permanent invitees to the meetings and attended & participated at the meetings of the Committee.

All the members of the Audit Committee possess requisite qualifications.



During the year under review, no Circular Resolutions were passed by the Audit Committee of the Company.

All these Committee meetings were held through video conference and physical mode in compliance of MCA Circulars and SEBI Circulars.

Nomination and Remuneration Committee

The constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with provisions of Section 178 of Companies Act, 2013 and Regulation 19 of Listing Regulations.

Composition



Terms of Reference

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

For every appointment of an independent director, the Nomination and Remuneration Committee 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:

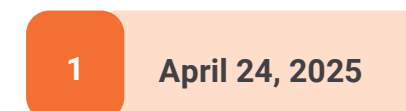
- a. the services of an external agencies, if required;
- b. candidates from a wide range of backgrounds, having due regard to diversity; and
- c. the time commitments of the candidates.

2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
5. Review 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.
6. Recommend to the board, all remuneration, in whatever form, payable to Senior Management.

The Nomination & Remuneration policy is framed by the Nomination and Remuneration Committee and approved by the Board. The terms and conditions of appointment of Directors are disclosed on the website of the Company at <https://www.elecon.com/investors/policies>.

Meetings and Attendance

The Nomination and Remuneration Committee met 1 (one) time during the Financial Year 2025-26 on:



Name of Directors	NRC Meeting		Total Attended	% of Attendance
	1	Held during the tenure		
Mr. Nirmal P. Bhogilal ©		1	1	100
Mr. Pradip M. Patel		1	1	100
Mr. Pranav C. Amin*		0	0	
Mrs. Natasha K. Treasurywala*		0	0	
Dr. Sonal V. Ambani**		1	1	100
Attendance (%)	100	-	-	-

Attended through video conference | Attended in Person | © Chairman | Not Applicable

*appointed as the members of the Nomination and Remuneration Committee w.e.f. August 14, 2025.

**ceased to be the Independent Director of the Company w.e.f. close of business hours on August 13, 2025.

During the year under review, no Circular Resolutions were passed by the Nomination & Remuneration Committee of the Company.

All these Committee meetings were held through video conference and physical mode in compliance of MCA Circulars and SEBI Circulars.

Nomination & Remuneration Policy

The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company, which is uploaded on the website of the Company <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Nomination%20&%20Remuenration%20Policy%20-25.04.2023.pdf>

The Remuneration of the Executive Directors is determined by the Nomination and Remuneration Committee within the permissible limits of the Companies Act, 2013 and as approved by Board and shareholders.

The Company's remuneration policy is driven by the success and performance of the managerial personnel. While reviewing the remuneration of managerial personnel, Key Managerial Personnel (KMPs) and other senior officials, the Committee takes into account the following:

- Financial position of the Company
- Scales prevailing in the industry
- Appointee's qualification and expertise
- Past performance
- Past remuneration etc.

Performance Evaluation:-

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of the Individual Directors and the Board. The framework of performance evaluation of the Independent Directors will capture the following points:

- Leadership & stewardship abilities;
- Contributing to clearly defined corporate objectives & plans;
- Communication of expectations & concerns clearly with subordinates;
- Obtain adequate, relevant & timely information from external sources;
- Review & approval achievement of strategic and operational plans, objectives, budgets;
- Regular monitoring of corporate results against projections;
- Identify, monitor & mitigate significant corporate risks;
- Assess policies, structures & procedures;
- Direct, monitor & evaluate KMPs, senior officials;
- Review management's succession plan;
- Effective meetings;



- Assuring appropriate board size, composition, independence, structure;
- Clearly defining roles & monitoring activities of committees; and
- Review of corporation's ethical conduct.

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

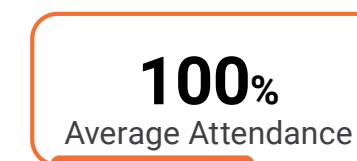
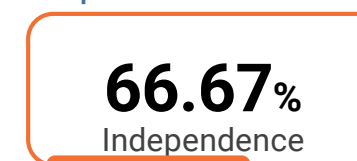
A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the respective Independent Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The performance of the Committee was evaluated by the Board after seeking inputs from the Committee members. The Directors expressed their satisfaction with the evaluation process.

The Committee has also reviewed the performance of the KMPs and SMPs as per the said policy of the Company for the year under review.

Stakeholder's Relationship Committee

The constitution and terms of reference of Stakeholder's Relationship Committee of the Company are in compliance with the provisions of Section 178 of Companies Act, 2013 and Regulation 20 of Listing Regulations.

Composition

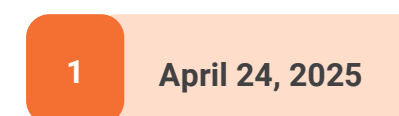


Terms of reference

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. Carry out any other function as may be referred by the Board from time to time or endorsed by any statutory notification / amendment or modifications as may be applicable.

Meetings and Attendance

The Stakeholder's Relationship Committee met 1 (one) time during the Financial Year 2025-26 on:



Name of Directors	SRC Meeting	Held during the tenure	Total Attended	% of Attendance
	1			
Mr. Nirmal P. Bhogilal ©		1	1	100
Mr. Pradip M. Patel		1	1	100
Mrs. Natasha K. Treasurywala*		0	0	
Dr. Sonal V. Ambani**		1	1	100
Attendance (%)	100	-	-	-

Attended through video conference | Attended in Person | © Chairman | Not Applicable

*appointed as the members of the Stakeholders Relationship Committee w.e.f. August 14, 2025.

**ceased to be the Independent Director of the Company w.e.f. close of business hours on August 13, 2025.

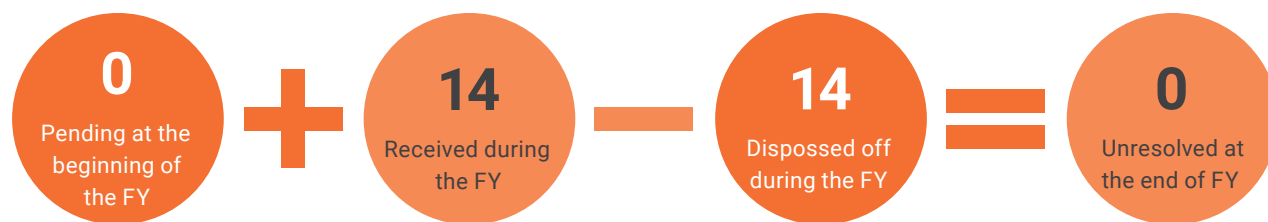
During the year under review, no Circular Resolutions were passed by the Stakeholders' Relationship Committee of the Company.

All these Committee meetings were held through video conference and physical mode in compliance of MCA Circulars and SEBI Circulars.

Redressal of Investor Grievance

The Company as well as its Registrar & Share Transfer Agent address complaints, suggestions, and grievances.

The number of complaints received and resolved to the satisfaction of investors during the financial year 2025-26 are as under:



FY – financial year

All the complaints and grievances were taken into consideration and resolved expeditiously except in case of dispute over facts or other legal impediments and procedural issues. The Company also endeavours to take into consideration the suggestions of the stakeholders.

Dispute Resolution Mechanism at Stock Exchanges (SMART ODR):

Pursuant to SEBI Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, an Online Dispute Resolution Portal (ODR Portal) has been established to facilitate online conciliation and arbitration of disputes relating to securities.

Investors may initiate arbitration through the Stock Exchanges in case of disputes against the Company or its Registrar & Share Transfer Agent (RTA) pertaining to delays or defaults in investor service requests. This mechanism is in addition to the existing SCORES platform, where investors may first lodge their grievances. If unsatisfied with the resolution provided by the Company, RTA, or through SCORES, investors may escalate the matter through the ODR Portal (<https://smartodr.in/login>). The said link is also available on the Company's website.

The Company has duly intimated this dispute resolution mechanism to all Members holding shares in physical form, in compliance with SEBI requirements.

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

Corporate Social Responsibility (CSR) Committee

The Company has constituted CSR Committee as per the provisions of Section 135 of Companies Act, 2013 and rules framed there under.



Composition

33.33%
Independence

100%
Average Attendance

Terms of Reference

- The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- The manner of execution of such projects or programmes as specified in Sub-Rule (1) of Rule 4;
- The modalities of utilization of funds and implementation schedules for the projects or programmes;
- Monitoring and reporting mechanism for the projects or programmes;
- Details of need and impact assessment, if any, for the projects undertaken by the Company;
- The CSR Committee/Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year;
- Monitor and ensure that the surplus arising out of the CSR projects or programmes or activities shall not form part of the business profits of a Company;
- Review and comply with the requirements of the provisions of the Act, CSR Rules and periodical disclosure requirements.
- To take necessary actions on the matters delegated by the Board from time to time.

Meetings and Attendance

The CSR Committee met 1 (one) time during the Financial Year 2025-26 on:

1 April 22, 2025

Name of Directors	CSR Committee Meeting	Held during the tenure	Total Attended	% of Attendance
	1			
Dr. Sonal V. Ambani ©*		1	1	100
Mr. Pranav C. Amin ©**		0	0	
Mr. Prashant C. Amin		1	1	100
Mr. Prayasvin B. Patel		1	1	100
Attendance (%)	100	-	-	-

Attended through video conference | Attended in Person | © Chairman | Not Applicable

*ceased to be the Independent Director of the Company w.e.f. close of business hours on August 13, 2025.

**appointed as the Chairman of the CSR Committee w.e.f. August 14, 2025.

During the year under review, no Circular Resolutions were passed by the CSR Committee of the Company.

All these Committee meetings were held through video conference and physical mode in compliance of MCA Circulars and SEBI Circulars.

Risk Management Committee

As per the Regulation 21 of the Listing Regulations, it is mandatory for top 1000 Listed Companies to constitute the Risk Management Committee consisting of minimum three members with majority of them being members of the Board of Directors, including at least one Independent Director.

The constitution and terms of reference of Risk Management Committee of the Company are in compliance with provisions of Regulation 21 of the Listing Regulations.

Composition

20%
Independence

90%
Average Attendance

Terms of Reference

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- To monitor and review the risk management plan, cyber security and such other functions as may be delegated by the Board to the Risk Management Committee, as may be necessary for effective implementation of the Risk Management Policy; and
- To take necessary actions on the matters delegated by the Board from time to time.

Meetings and Attendance

The Risk Management Committee met 2 (two) time during the Financial Year 2025-26 on:

1 August 13, 2025

2 February 3, 2026

Name of Directors	CSR Committee Meeting		Held during the tenure	Total Attended	% of Attendance
	1	2			
Mr. Ashutosh A. Pednekar ©			2	2	100
Mr. Prayasvin B. Patel			2	1	50
Mr. Prashant C. Amin			2	2	100
Mr. Dipak S. Dalwadi*			2	2	100
Mr. Kaushik M. Patel**			2	2	100
Attendance (%)	80	100	-	-	-

Attended through video conference | Attended in Person | © Chairman | Not Applicable

*is the Business Head of Gear division and has been appointed as the member of the RMC Committee w.e.f. August 01, 2025.

**is the Business Head of MHE division and has been appointed as the member of the RMC Committee w.e.f. July 11, 2025.

During the year under review, no Circular Resolutions were passed by the Risk Management Committee of the Company.

All these Committee meetings were held through video conference and physical mode in compliance of MCA Circulars and SEBI Circulars.



RISK MANAGEMENT POLICY

The Risk Management Policy of the Company is available at the website of the Company <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Risk-Management-Policy.pdf>.

Senior Management

Particulars of Senior Management as on date is as below:

Sr. No	Name of Senior Management Personnel ('SMP')	Designation
1	Mr. Dipak S. Dalwadi	Head - Gear Division
2	Mr. Kaushik M. Patel	Head - MHE Division
3	Mr. Chintan J. Shah (KMP)	Chief Financial Officer
4	Mrs. Bharti L. Isarani (KMP)	Company Secretary & Compliance Officer

Change in Senior Management Personnel (SMP)

The changes in the SMP are set out below:

Name	Nature of Change	Details
Mr. Pranav Kumar Bhasin (Ex- Head – MHE Division)	Completion of tenure	He ceased to be the Head of Gear Division of the Company with effect from the closing of business hours on May 26, 2025 pursuant to completion of his tenure.
Mr. Kaushik M. Patel (Head – MHE Division)	Appointment	He has been appointed as the Head of MHE Division of the Company with effect from May 27, 2025.
Mr. Man Mohan Nanda (Ex- Head – Gear Division)	Completion of tenure	He ceased to be the Head of Gear Division of the Company with effect from the closing of business hours on July 31, 2025 pursuant to completion of his tenure.
Mr. Dipak S. Dalwadi (Head – Gear Division)	Appointment	He has been appointed as the Head of Gear Division of the Company with effect from August 1, 2025.
Mr. Narasimhan Raghunathan (Ex- Chief Financial Officer)	Resignation	He has resigned from the position of Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company with effect from the close of business hours on January 31, 2026, due his personal and family commitments.
Mr. Chintan J. Shah (Chief Financial Officer)	Appointment	He has been appointed as the Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company with effect from the close of business hours on April 15, 2026.

Compliance Officer



Mrs. Bharti Isarani, Company Secretary and Compliance Officer, is the Compliance Officer of the Company.


General Body Meetings

Annual General Meetings

The day, date, time and venue of the Annual General Meetings held during preceding three years and the special resolution(s) passed thereat, are as follows:

Financial Year	Location / Mode	Day, date and time (IST)	Special Resolutions Passed	Voting Results of AGM
2022-23		Wednesday, June 28, 2023 3.00 p.m.	<ul style="list-style-type: none"> Appointment of a Director in place of Mr. Pradip M. Patel (DIN: 00012138), who retires by rotation and being eligible, offers himself for re-appointment who has attained the age of Seventy-five (75) years. Re-appointment of Mr. Prayasvin B. Patel (DIN: 00037394), as the Chairman & Managing Director of the Company for a period of 3 years with effect from July 1, 2023 and fixation of remuneration. 	https://www.elecon.com/views/templates/admin-uploads/Investors/Corporate-Announcements/2023-2024/AGMVotingResults28062023-1.pdf

Financial Year	Location / Mode	Day, date and time (IST)	Special Resolutions Passed	Voting Results of AGM
2023-24		Tuesday, June 25, 2024 3.00 p.m.	Nil	https://www.elecon.com/views/templates/admin-uploads/Investors/Corporate-Announcements/2024-2025/AGMVotingResults.pdf
2024-25		Wednesday, June 25, 2025 3.00 p.m.	<ul style="list-style-type: none"> Appointment of Mrs. Natasha K. Treasurywala (DIN: 07049212) as a Non-Executive Independent Woman Director for five consecutive years with effect from April 24, 2025. Approval of the payment of Commission to Non-Executive Directors. 	https://www.elecon.com/views/templates/admin-uploads/Investors/Corporate-Announcements/2025-2026/Elecon-Voting-Results-25-06-2025.pdf

 Through Video Conferencing - deemed venue Registered Office of the Company.

Postal Ballot

During the year under review, no resolutions were passed through Postal Ballot process.

Special resolutions proposed to be conducted through Postal Ballot

None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot. Any Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

Procedure for Postal Ballot

The Postal Ballot shall be carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the rules framed thereunder and MCA Circulars.

Framework for Monitoring Subsidiary Companies

The Company has 13 Direct & Indirect Subsidiary Companies. The subsidiaries of the Company function with an adequately empowered Board of Directors and sufficient resources. For more effective governance, the Company monitors performance of subsidiary companies, inter alia, by following means:

- Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
- Minutes of meetings of Board of Directors of the unlisted subsidiary Company be placed before the Board of the Company regularly. For the financial year under review, the Company does not have any material unlisted subsidiary Company.

- A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board of the Company at its meetings. The risk factors and project reports of the Subsidiary Companies are also reviewed by the Audit Committee of the Company.

Related Party Transactions

Full disclosure of related party transactions in compliance with Indian Accounting Standard – 24 notified by the Ministry of Corporate Affairs are given in the Notes to Financial Statements. All contracts or arrangements with related parties, entered during the financial year were at arm's length basis and in the ordinary course of the Company's business as defined under the Act and Regulation 23 of the Listing Regulations. There was no materially significant related party transaction during the financial year which were in conflict with the interest of the Company.

The policy on Related Party Transactions as approved by the Board of Directors is uploaded on the Company's website at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Proposed-RPT-Policy-Clean-Final.pdf>.

Details of Non-Compliance by the Company and penalties, strictures imposed on the Company by the Stock Exchange, SEBI or any Statutory Authorities on any matter related to capital market during the last three years

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities on all matters related to Capital Market during the last three years. All Returns/ Reports were filed within stipulated time with Stock Exchanges/ other authorities.



However, pursuant to a notice dated June 27, 2025 received from NSE regarding delay in compliance with Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period ended March 31, 2025, a penalty was levied. The Company subsequently filed a waiver application with explanation and NSE vide letter dated September 22, 2025, favourably considered the request and waived the fine, while advising adherence to applicable regulations.

Except for the above, no penalties or strictures have been imposed on the Company by SEBI, Stock Exchanges or any statutory authority for any matter relating to Capital Market during the last three years.

Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Indian Accounting Standard notified by the Ministry of Corporate Affairs. The significant accounting policies applied in preparation and presentation of financial statements has been set out in the Notes to Financial Statements.

Means of Communication

Quarterly results: The quarterly/ half yearly and annual financial results are normally published in prominent daily newspapers viz. The Economic Times, Financial Express, The Business Standard,

The Hindu Business Line, Naya Padkar, Jay Hind having wide circulation across the country and displayed on the website of the Company on www.elecon.com.

News releases, presentations: Official news releases and official media releases are generally sent to Stock Exchanges and are also available on the website of the Company.

Presentations to institutional investors/analysts: Detailed presentations are made to institutional investors and financial analysts on the Company's quarterly, half-yearly as well as annual financial results and are sent to the Stock Exchanges. These presentations, video recordings and transcript of the meetings are available on the website of the Company.

Website: The Company's website (www.elecon.com) contains a separate dedicated section 'Investors' where shareholders' information is available

Letters/e-mails/SMS to Investors: Apart from sending Annual Report, the Company or its Registrar & Share Transfer Agent has also addressed various investor-centric letters/e-mails/SMS to its shareholders during the year. This includes reminders for claiming unclaimed/unpaid dividend from the Company; claiming shares lying in unclaimed suspense account with the Company; dematerialisation of shares, updating e-mail address, PAN, bank account details and Nomination details.

Dividend History

Financial Year	Rate (%)	Per Share (₹)	Amount (₹ in Lakhs)
2018-2019	10%	0.20	224.40
2019-2020	Nil	Nil	Nil
2020-2021	20%	0.40	448.80
2021-2022	70%	1.40	1,570.80
2022-2023	100%	2.00	2,244.00
2023-2024 (Interim Dividend)	50%	1.00	1,122.00
2023-2024	100%	2.00	2,244.00
2024-2025 (Interim Dividend)	50%	0.50	1,121.00
2024-2025	150%	1.50	3,366.00
2025-2026 (Interim Dividend)	50%	0.50	1,121.00
2025-26*	150%	1.50	3,366.00

*Subject to the approval by the members at the 66th AGM.

Stock Options / Convertible instruments

The Company has not issued any Stock options/Convertible instruments to its Directors/Employees.

Green Initiative

Electronic copies of the Annual Report 2025-26 and the Notice of the 66th Annual General Meeting are sent to all members whose email addresses are registered with the Company/Depository Participant(s).

GENERAL SHAREHOLDER INFORMATION

66th Annual General Meeting

Day, Date & Time

Thursday, June 25, 2026 at 03:00 P.M.

Mode

Video Conferencing / Other Audio Visual Means

E-voting details

Starts: **Monday, June 22, 2026 at 09:00 A.M.**
 Ends: **Wednesday, June 24, 2026 at 05:00 P.M.**

Deemed Venue

Registered Office of the Company at Anand – Sojitra Road,
 Vallabh Vidyanagar – 388 120, Dist. Anand, Gujarat

Financial Year

April 1 to March 31

Date of Book Closure

Saturday, June 13, 2026 to Thursday, June 25, 2026 (both days inclusive).

Dividend Payment Date

Credit/dispatch of Dividend Warrants on or after Tuesday, June 30, 2026.

Payment of Listing Fees

Annual listing fees for the FY 2025-26 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited. The equity shares of the Company have been neither de-listed nor suspended from trading during the year under review.

Fees Paid to the Statutory Auditors

Details relating to fees paid to the Statutory Auditors are given in Note No. 33 to the Standalone Financial Statements and Note No. 35 to the Consolidated Financial Statements.

During the year under review, there is no payment made to the entities in the network firm/network entity of which the statutory auditors are a part.

Registrar & Share Transfer (R&T) Agent:

MUFG Intime India Private Limited

Geetakunj, 1 Bhakti Nagar Society,
 Behind ABS Tower, Old Padra Road,
 Vadodara, Gujarat – 390015.

Email: investor.helpdesk@in.mpms.mufg.com

Phone: 0265-3566768

Contact Person: **Mr. Alpesh Gandhi**

The shareholders can raise a query or service request by visiting MUFG website > Investor Services > Service Request (https://web.in.mpms.mufg.com/helpdesk/Service_Request.html).

Shareholders are requested to correspond directly with the R & T Agent for transfer / transmission of shares, change of address, queries pertaining to their shares, dividend etc.



Share Transfer System:

In terms of Regulation 40(1) of the Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form.

After processing of the service request, securities are issued/credited directly to the investor's demat account and there is no requirement of issuing any letter of confirmation.

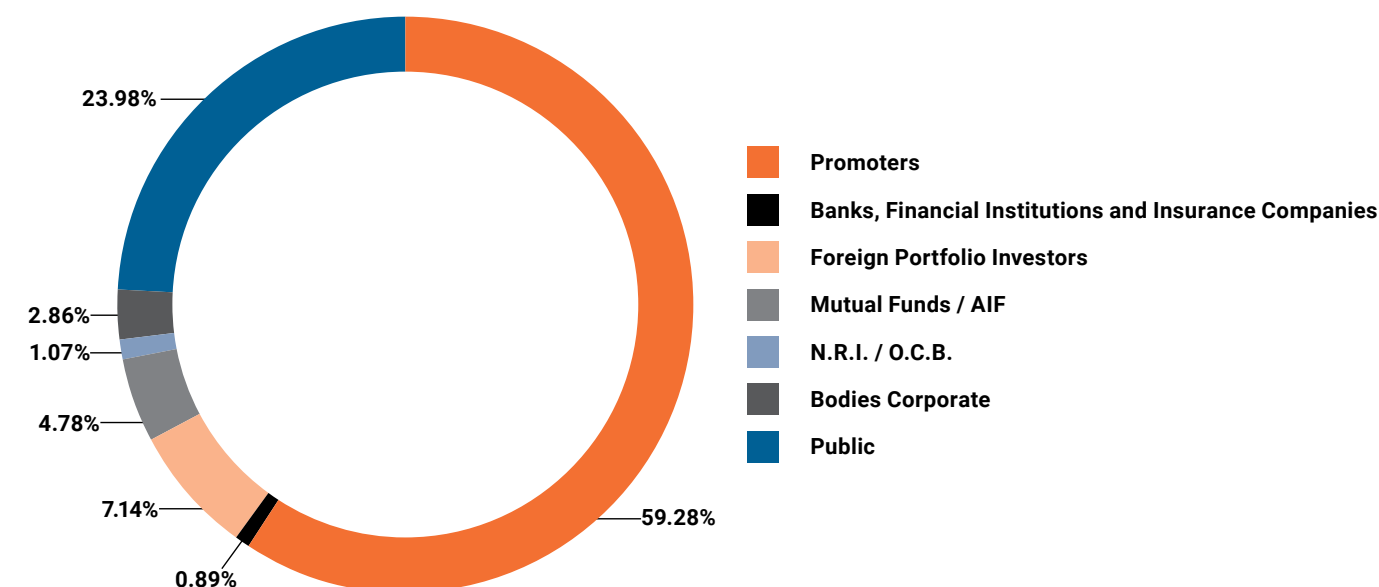
Further, pursuant to SEBI Circular dated January 30, 2026, a special window for re-lodgement of transfer deeds and dematerialisation of physical securities sold/purchased prior

to April 1, 2019 has been opened for a period of one year from February 5, 2026 to February 4, 2027. The said circular is available on the website of the Company for reference of the shareholders.

The Board has delegated powers to the Registrar & Share Transfer Agent to process and effect investor service requests such as transmission, name deletion, issue of duplicate securities certificates and other related matters.

Shareholding Pattern as on March 31, 2026:

Category	No. of Shares held	(%) of total
Promoters	13,30,12,116	59.28
Banks, Financial Institutions and Insurance Companies	19,90,758	0.89
Foreign Portfolio Investors	1,60,21,573	7.14
Mutual Funds / AIF	1,07,32,753	4.78
N.R. I. / O.C. B.	24,04,432	1.07
Bodies Corporate	64,26,626	2.86
Public	5,38,11,672	23.98
TOTAL	22,43,99,930	100.00



Distribution of Shareholding as on March 31, 2026:

Category	No. of Shareholders	Percentage of Total	No. of Shares	Percentage of Total
1 - 500	1,11,638	89.01	1,03,12,816	4.60
501 - 1000	6,618	5.28	51,09,565	2.28
1001 - 2000	3,373	2.69	51,37,868	2.29
2001 - 3000	1,181	0.94	29,95,193	1.33
3001 - 4000	624	0.50	22,45,712	1.00
4001 - 5000	414	0.33	18,98,890	0.85
5001 - 10001	814	0.65	58,20,962	2.59
Above 10001	760	0.60	19,08,78,924	85.06
TOTAL	1,25,422	100.00	22,43,99,930	100.00

Dematerialization of Shares and Liquidity

As on March 31, 2026, 22,27,18,830 Shares were in dematerialized form representing 99.25% of total Shares. The Company's shares are traded on the BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai.

Outstanding GDRs/ADRs/Warrants or any other convertible Instruments, conversion date and likely impact on equity as on March 31, 2026:

There is no outstanding GDRs/ADRs/Warrants or any other Convertible Instruments as on March 31, 2026.

Unclaimed Dividend

As per the provisions of Section 124 read with Section 125 of Companies Act, 2013, the Company is required to transfer the dividend remained unclaimed and unpaid for a period of seven years from the due dates to the Investor Education and Protection Fund (IEPF) set up by the Central Government. During the year, the unclaimed dividend pertaining to the financial year 2017-18 has been transferred to the Investor Education & Protection Fund.

Here below are the proposed dates for transfer of the unpaid dividend to IEPF by the Company.

Financial Year	Date of Declaration	Proposed date for transfer to IEPF*	Amount (₹ in Lakhs) lying unpaid as on March 31, 2026
2018-2019	September 17, 2019	November 17, 2026	2.49
**2019-2020	-	-	NA
2020-2021	August 6, 2021	October 14, 2028	4.08
2021-2022	June 28, 2022	September 16, 2029	11.65
2022-2023	June 28, 2023	September 2, 2030	13.84
2023-24 (Interim Dividend)	October 20, 2023	January 2, 2031	6.15
2023-24 (Final)	June 25, 2024	September 23, 2031	18.34
2024-25 (Interim Dividend)	October 18, 2024	December 20, 2031	8.46
2024-25 (Final)	June 25, 2025	August 22, 2032	25.88
2025-26 (Interim Dividend)	October 10, 2025	December 11, 2032	8.38
Total amount lying unpaid as on March 31, 2026			99.27

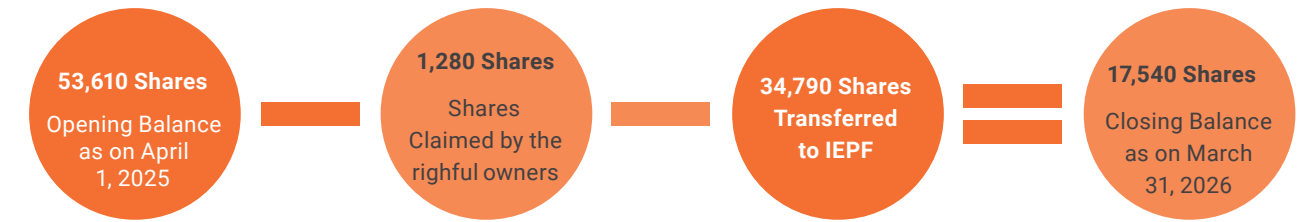
*Indicative dates, actual dates may vary.



** In the financial year 2019-20, the Company had not declared dividend.

Unclaimed Shares

The details of unclaimed equity shares lying unclaimed in Elecon Engineering Company Limited - Unclaimed Suspense Account and shares claimed by rightful owners during the financial year is as under:



*The Voting rights on such shares remains frozen until claimed by rightful owners.

Transfer of Unclaimed Equity Shares to Investor Education and Protection Fund (IEPF) Authority

Pursuant to the provisions of Sections 124 and 125 of the Companies act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, ('Rules') all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF after complying with the procedure laid down under the Rules.

The Company is in compliance with the aforesaid provisions and the Rules made thereunder, transferred total 1,50,418 number of equity shares of 213 folios of which dividends had remained unpaid or unclaimed for a period of seven consecutive years or more, to the demat account of IEPF Authority.

The shareholders who have claims on above shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, alongwith requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred to IEPF.

Commodity price risk or foreign exchange risk and hedging activities

The raw materials of the Company are subject to market rate fluctuations including raw materials prices and foreign exchange volatility. The Company has in place a risk management framework for identification, monitoring and mitigation of above market rate fluctuations by way of hedging instruments as well as pass through of the impact to the Customers. The exposure to currency risk is explained in detail in the notes to the financial statements.

Plant Locations

Divisions	Gear Division	Material Handling Equipment Division
Address	Anand-Sojitra Road, Vallabh Vidyanagar - 388 120, Gujarat	Anand-Sojitra Road, Vallabh Vidyanagar - 388 120, Gujarat

Address of Regd. Office

Anand-Sojitra Road,
Vallabh Vidyanagar – 388120, Gujarat

Website

www.elecon.com

Address for Correspondence:

The Shareholders may address their communication/suggestions/grievances/queries to:

Mrs. Bharti Isarani

Company Secretary & Compliance Officer

Elecon Engineering Company Limited

Anand-Sojitra Road,

Vallabh Vidyanagar - 388 120,

Tal. & Dist. Anand (Gujarat)

Tel No. (02692) 238701, 238702

Email address: investor.relations@elecon.com

CREDIT RATING

Following are the list of credit ratings obtained by the Company from ICRA Limited (Current Rating Agency) during the Financial Year 2025-26:

Rating by ICRA Limited (ICRA) for Bank Facilities of amount as mentioned hereunder:

Instrument Details	Current Rating July, 2025		Rating July, 2024	
	Amount (₹ in Crores)	Rating	Amount (₹ in Crores)	Rating
Rated on Long Term Scale: Cash Credit Limits	400.00	[ICRA]AA (Stable)	400.00	[ICRA]AA- (Stable)
Rated on Short Term Scale: Non-Fund Based Limits		[ICRA]A1+		[ICRA]A1+



Compliance with mandatory / discretionary requirements

During the year, the Company has fully complied with the mandatory requirements as stipulated in Listing Agreement and Listing Regulations.

The Company has adopted the following discretionary requirements of the Listing Regulations:

1. The Board

- The requirement regarding maintenance of office and reimbursement of expenses for the Non-Executive Chairman is not applicable, as the Chairman is an Executive Director.

2. Shareholders' Rights

- The Company has not adopted the practice of sending out half-yearly declarations of financial performance to shareholders.
- However, quarterly results as approved by the Board are submitted to stock exchanges and published on the Company's website for public access.

3. Separation of Roles

- The Company has not adopted the discretionary requirement of separating the roles of the Chairperson and the Managing Director/CEO.

4. Modified Opinion(s) in Audit Report

- The Company's Standalone and Consolidated Financial Statements for the financial year ended on March 31, 2026, have been issued with an unmodified audit opinion.
- This reflects the Company's strong financial discipline, adherence to applicable accounting standards and robust internal controls.

5. Reporting of Internal Auditor

- The Internal Auditor reports directly to the Audit Committee, thereby ensuring independence and transparency in the audit process.
- Internal audit reports are submitted quarterly and are thoroughly reviewed by the Audit Committee, which provides guidance and oversees the implementation of any recommended actions, supporting a culture of continuous improvement.

6. Meetings of Independent Directors

- The Independent Directors met once during the year without the presence of non-independent directors and management as against recommended two meetings, as per the discretionary requirements.

Practicing Company Secretary's Corporate Governance Certificate

The Company has obtained a certificate from M/s. Samdani Shah & Kabra, Practicing Company Secretaries confirming compliance of the conditions of Corporate Governance as stipulated in Para E of Schedule V to the Listing Regulations is annexed to this report.

THE COMPANY IS IN COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND REGULATION 46(2) OF THE LISTING REGULATIONS.

Other Disclosures

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

The Company has in place a policy for prevention of sexual harassment at the work place in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the above Act.

The following is the summary of sexual harassment complaints received and disposed off during the current financial year:

- Number of Complaints received: Nil
- Number of Complaints disposed of: Nil 0 Cases during the year
- Number of Complaints pending as on end of the financial year: Nil

0 Cases during the year

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

During the period under review, it is not applicable to the Company.

Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

During the period under review, there is no loan to firms/companies in which directors are interested.

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

During the period under review, it is not applicable to the Company.

Disclosure of certain types of agreements binding Company.

During the year under review, no such agreement has been entered which was required to be disclosed under the Clause 5A of Paragraph A of Part A of Schedule III of the Listing Regulations.



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2026

[Pursuant to Regulation 34(3) read with Schedule V Para C Clause 10 (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Elecon Engineering Company Limited
Anand – Sojitra Road,
Vallabh Vidyanagar – 388 120,
Gujarat, India.

We have examined the Registers, Papers, Books, Records, Forms, Returns, Declarations, Disclosures and other related documents of Elecon Engineering Company Limited ('Company'), having CIN: L29100GJ1960PLC001082, Registered office situated at Anand, Sojitra Road, Vallabh Vidyanagar - 388120, Gujarat, India, as produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of the Directors	DIN	Original Date of Appointment
1.	Mr. Aayush Alkesh Shah	07140517	April 25, 2023
2.	Mr. Ashutosh Arvind Pednekar	00026049	July 1, 2022
3.	Mrs. Natasha Kersi Treasurywala*	07049212	April 24, 2025
4.	Mr. Nirmal Pratap Bhogilal	00173168	April 1, 2024
5.	Mr. Pradip Manubhai Patel	00012138	November 14, 1977
6.	Mr. Pranav Chirayu Amin	00245099	May 27, 2021
7.	Mr. Prashant Chandrakant Amin	01056652	July 29, 2008
8.	Mr. Prayasvin Patel	00037394	July 1, 2011
9.	Dr. Sonal Vimal Ambani**	02404841	August 14, 2015

*Mrs. Natasha Kersi Treasurywala, has been appointed as an Independent Director, effective from April 24, 2025

**Dr. Sonal Vimal Ambani ceased to be an Independent Director, effective from August 14, 2025.

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.

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677 | CP No. 2863

ICSI Peer Review: 7619/2026

ICSI Unique Code: P2008GJ016300

ICSI UDIN: F003677H000108342

Place: Vadodara

Date: April 15, 2026

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2026

[Pursuant to Schedule V – Para E of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Elecon Engineering Company Limited
Anand – Sojitra Road,
Vallabh Vidyanagar – 388 120,
Gujarat, India.

We have examined the compliance of the conditions of Corporate Governance by **Elecon Engineering Company Limited** ('Company') for the Financial Year ended March 31, 2026 ('review period'), as per the relevant provisions of Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations provided 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) and (t) of Regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the review period.

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

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677 | CP No. 2863

ICSI Peer Review: 7619/2026

ICSI Unique Code: P2008GJ016300

ICSI UDIN: F003677H000108177

Place: Vadodara

Date: April 15, 2026

DECLARATION

To,
The Members,
Elecon Engineering Company Limited
Anand – Sojitra Road,
Vallabh Vidyanagar - 388 120,
Gujarat, India.

I, Prayasvin B. Patel, Chairman & Managing Director of the Company, do hereby declare that all members of the Board of Directors (including Independent Directors) and Senior Management Personnel of the Company have affirmed to exercise their authorities and powers and discharged their duties and functions in accordance with the requirement of the Code of Conduct as prescribed by the Company and have adhered to the provisions of the same, for the financial year ended on March 31, 2026.

For, **Elecon Engineering Company Limited,**

Prayasvin B. Patel

Chairman & Managing Director

DIN: 00037394

Place: Vallabh Vidyanagar

Date: April 15, 2026

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

To,
The Board of Directors
Elecon Engineering Company Limited
Anand – Sojitra Road,
Vallabh Vidyanagar – 388 120,
Gujarat, India.

We the undersigned in our respective capacities as Chief Executive Officer and Chief Financial Officer of Elecon Engineering Company Limited ('the Company') to the best of our knowledge and belief, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the financial year ended on March 31, 2026 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) 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.
- (b) To the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended on March 31, 2026, which are fraudulent, illegal or violative of the Company's Code of Conduct or ethics policy.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee-
 - (i) there are no significant changes in internal control over financial reporting during the financial year ended on March 31, 2026;
 - (ii) there are no significant changes in accounting policies during the financial year ended on March 31, 2026 and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there are no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Elecon Engineering Company Limited,

Prayasvin B. Patel
Chairman & Managing Director

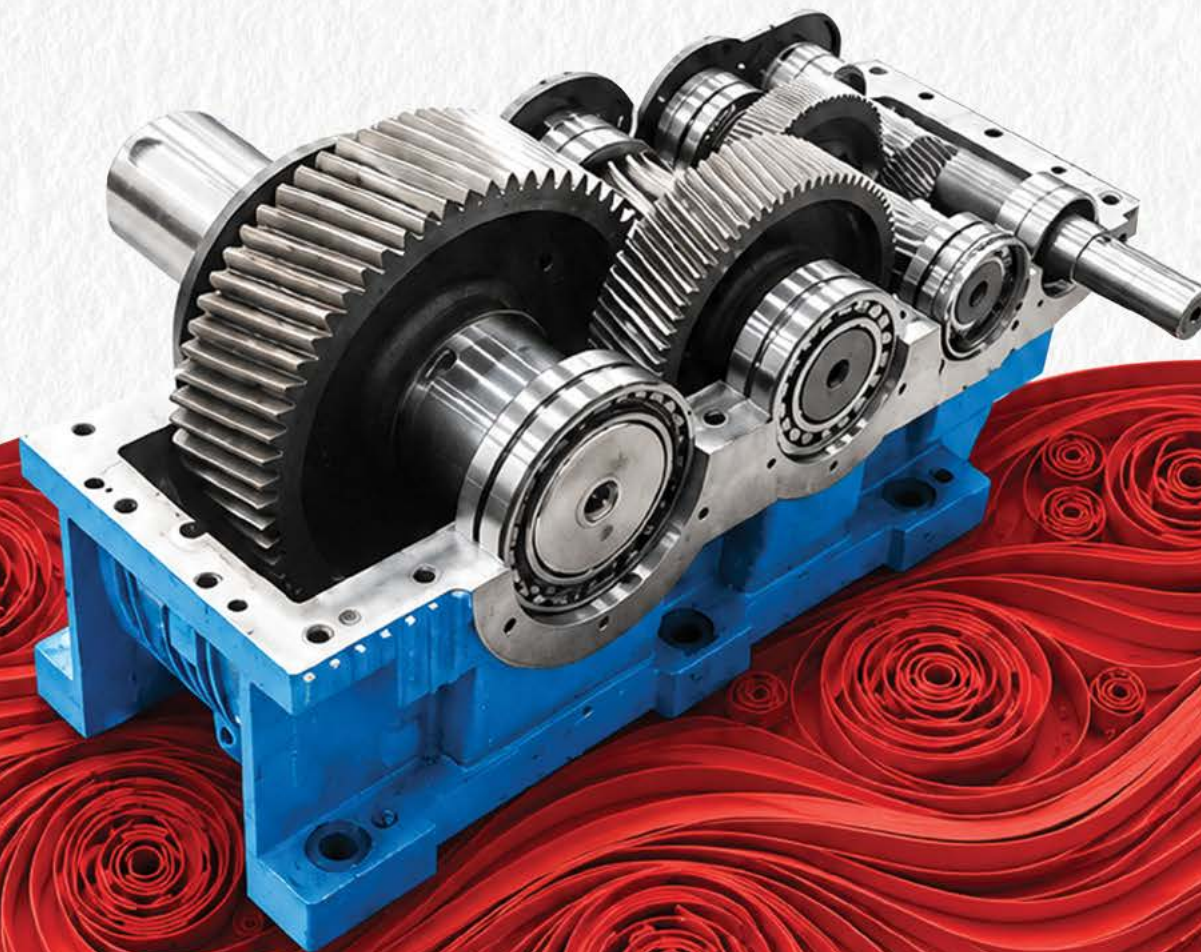
Place: Vallabh Vidyanagar

Date: April 15, 2026

Chintan J. Shah
Chief Financial Officer



Standalone Financial Statements



INDEPENDENT AUDITOR'S REPORT

To The Members Of Elecon Engineering Company Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Standalone Financial Statements of Elecon Engineering Company Limited ('the Company'), which comprise the Standalone Balance Sheet as at March 31, 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the 'Standalone Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended (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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('ICAI') together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone 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 Standalone Financial Statements of the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. no.	Key Audit Matters	Auditor's Response
1.	<p>Related party transactions</p> <p>The Company has undertaken several transactions with its related parties. These include sale of goods, purchase of goods and availing / rendering of services from / to related parties. We identified related party transactions as a key audit matter due to significance of related party transactions, increased regulatory compliances and risk of such transactions remaining undisclosed in the financial statements.</p>	<p>We applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence:</p> <ul style="list-style-type: none"> • Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, determining whether the same are at Arm's Length basis, recording and disclosure of related party transactions; • Read minutes of shareholder meetings, board meetings, audit committee meetings and reports of Internal Auditors regarding Company's assessment of related party transactions being in the ordinary course of business and at arm's length; • Tested, on a sample basis, related party transactions with the underlying contracts, obtaining confirmations and other supporting documents as per the policies and procedures of the company; • Verified the related party information disclosed in the financial statements as per the relevant Indian accounting standards with the underlying supporting documents, on a sample basis.



Sr. no.	Key Audit Matters	Auditor's Response
2.	<p>Allowance for Expected credit loss on trade receivables.</p> <p>Evaluation of trade receivables for impairment or Expected Credit Loss (ECL) requires exercise of judgement and involves consideration of various factors. These factors include customer's ability and willingness to pay the outstanding amounts, past due receivables, financial and economic difficulties of customers;</p> <p>This assessment is done for each group of customers resulting from possible defaults over the expected life of the receivables. Based on this assessment, credit loss rate is determined in provision matrix. The credit loss rate is based on the experience of actual credit losses over past years adjusted to reflect the current economic conditions and forecasts of future economic conditions. Based on such credit loss rate, the Company records ECL allowance for trade receivables.</p> <p>In view of the above, we have considered measurement of ECL on trade receivables (including retention monies) as a key audit matter.</p>	<p>We applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence:</p> <ul style="list-style-type: none"> • Evaluating the accounting policy for impairment of trade receivables in terms of the relevant Indian accounting standard; • Testing the design, implementation and operating effectiveness of the Company's key internal financial controls. These controls relate to measurement of ECL on trade receivables; • Evaluated monitoring mechanism by the company related to credit control, collection of trade receivables, follow up for past due amounts and for identification and recognition of corresponding impairment losses; • For past due receivables, we examined the ageing of receivables, impairment losses provided/ reversed during the year and compared them to historical experience; • Evaluating the Company's assessment regarding credit worthiness of such customers and identification of the credit impaired customers; • Balance confirmation requests were circulated to some of the selected customers on random sampling; • We evaluated the historical credit loss experience, current observable data and forward-looking outlook including subsequent realisation; • Assessing the adequacy of the related disclosures in the Standalone Financial Statements with reference to the relevant Indian accounting standards.

Information other than the Standalone Financial Statement and Auditor's Report thereon

The Company's Management and the Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to that Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained during the course of the 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. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Management and Board of Directors 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 also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Standalone Financial Statements

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

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

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

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 Standalone Financial Statements for the financial year ended March 31, 2026, 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 the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, 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 (Also refer our comments in para 2(h)(vi));
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors 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 the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to Standalone Financial Statements;

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 read with Schedule V of the Act, as amended;

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

i. The Company has disclosed the impact of pending litigations as on March 31, 2026 on its financial position in its Standalone Financial Statements - Refer note no - 41 to the Standalone Financial Statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. a) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note no - 48(h) to the Standalone Financial Statement, 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(s) or entity(ies), including foreign entities ('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, as disclosed in note no - 48(i) to the

Standalone Financial Statement, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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; and

c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under a) and b) above, contain any material misstatement.

v. The interim dividend declared and paid by the company during the year is in accordance with section 123 of the Act;

The final dividend paid by the company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend;

As stated in note no.- 16.2 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act, to the extent it applies to declaration of dividend;

vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account which has the feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration Number. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.037391

UDIN: 26037391VYVCMQ5331

Place: Vallabh Vidyanagar

Date: April 15, 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report 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 normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets;
 - (B) The Company has maintained proper records showing full particulars of intangible assets;
 - All Property, Plant and Equipment, investment property and right-of use assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.;
 - On the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except the following:

Description of property	Gross carrying value held (₹ In Lakhs)	Title deeds held in name of	Whether promoter, director or their relative or employee	Period held since which date	Reason for not being held in name of company
Land Survey No.75/2, 76/1/P-1, 79/P/1, 82/P-1/P-1, 94/P-1/P-1, 100/P-1, 99/1/P-1, 108/P-4/P-1 Naransari, Bhachau, Kutch	46	Veer Energy & Infrastructure Limited	No	August 29, 2008	Mutation Pending

- The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year;
 - As disclosed in note no. 48(a) of the Standalone Financial Statements, no proceedings have been initiated during the year or pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder;
- ii. a) The physical verification of inventories except goods-in-transit have been conducted by the management during the year. In our opinion, the frequency of verification is reasonable. Considering the size of the Company and nature of its operations, the coverage and procedures are adequate. The discrepancies noticed on physical verification of inventory did not exceed 10% or more for each class of inventory and the same have been appropriately dealt in the books of account;
- b) The company has been sanctioned working capital limits in excess of five Crore rupees, in aggregate during the year from various banks on the basis of security of current assets. The quarterly returns

/ statements filed by the Company are broadly in agreement with the books of accounts and no material unreconciled discrepancies have been observed Refer note no.17.1(f) to the Standalone Financial Statements.

- iii. a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Hence reporting under clause 3 (iii) a) of the order is not applicable;
- b) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest;
- c) In the case of loans granted by the Company in earlier years, in our opinion, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular as per stipulation;
- d) There is no overdue amount for more than ninety days in respect of loans granted in earlier years;
- e) There are no loans which has fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;

- During the year the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment. Hence reporting under clause 3 (iii) f) of the order is not applicable;
- iv. The Company has complied with the provisions of section 185 and 186 of the Act in respect of loans granted, investment made, guarantee and securities provided, as applicable;
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and rules made thereunder, to the extent applicable. Hence reporting under clause 3(v) of the order is not applicable;
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have

been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;

vii. In respect of statutory dues:

- In our opinion, the company has been generally regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues to the extent applicable to the Company, in arrears as at March 31, 2026 for a period of more than six months from the date they became payable;

- b) Details of statutory dues referred to in clause a) above which have not been deposited as on March 31, 2026 on account of any disputes are given below:

Sr. No.	Name of the Statute	Nature of the Dues	Amount (net of amount paid under protest)	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
1	Finance Act, 1994	Service Tax	2,811	249	2009 to 2014	CESTAT, Ahmedabad
2	Central Excise Act, 1944	Excise Duty	1,869	-	November 2014 to June 2017	Gujarat High Court
3	Goods & Service Tax, Act 2017	Goods & Service Tax	938	93	2017-18, 2018-19 and 2020-21	Additional Commissioner of GST & Central Excise
4	Goods & Service Tax, Act 2017	Goods & Service Tax	7	1	2018-19	Deputy Commissioner of GST & Central Excise
5	Sales Tax Act	Sales Tax / Value Added Tax	12	-	2017-18	Commissioner of Tax
6	Income Tax Act, 1961	Income Tax	3,004	1,028	A.Y.2009-10, A.Y.2014-15 to A.Y.2018-19, A.Y.2023-24	Commissioner of Income Tax (Appeals)
7	Income Tax Act, 1961	Income Tax	3	171	A.Y 2014-15	ITAT

- viii. As disclosed in note no.- 48(d) of the Standalone Financial Statements, there are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;
- ix. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;
- b) As disclosed in note no. 48(b) of the Standalone Financial Statements, the Company is not declared willful defaulter by any bank or financial institution or other lender;
- c) The Company does not have any term loans outstanding during the year. Hence, the requirements to report on clause 3(ix)(c) of the Order is not applicable;
- d) On an overall examination of the standalone financial statements of the Company, no funds raised on short term basis have been used for long term purposes;

- e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies. Hence, reporting under clause 3(ix)(f) of the Order is not applicable;
- x. a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (x) a) of the order is not applicable;
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence the reporting under clause 3 (x) b) of the order is not applicable;
- xi. a) No fraud by the Company and no material fraud on the company has been noticed or reported during the year;
- b) No report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year;
- xii. The Company is not a Nidhi Company as per the provision of the Act. Hence, the reporting under clause 3(xii) of the order is not applicable;
- xiii. 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 Standalone Financial Statements as required by the applicable accounting standards;
- xiv. a) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business;
- b) We have considered report of the internal auditors for the period under audit; issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures;
- xv. The Company has not entered into non-cash transactions with the directors or persons connected with its directors. Hence, the provisions of section 192 of the Act, are not applicable;
- xvi. 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) As informed to us by the Management, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and hence reporting under clause 3 (xvi) d) of the Order is not applicable;
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and during the immediately preceding financial year;
- xviii. There has been no resignation of the statutory auditors of the Company during the year;
- xix. On the basis of the financial ratios attached to the Standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date; We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due;
- xx. a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub-section (5) of section 135 of the Act. Hence reporting under clause 3 (xx) a) of the Order is not applicable;
- b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub-section (6) of section 135 of the Act. Hence reporting under clause 3 (xx) b) of the Order is not applicable.

For C N K & Associates LLP

Chartered Accountants

Firm Registration Number. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.037391

UDIN: 26037391VYVCMQ5331

Place: Vallabh Vidyanagar

Date: April 15, 2026



ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')

OPINION

We have audited the internal financial controls with reference to Standalone Financial Statements of Elecon Engineering Company Limited ('the Company') as of March 31, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2026, based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note').

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected

depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements include 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

For C N K & Associates LLP

Chartered Accountants

Firm Registration Number. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.037391

UDIN: 26037391VYVCMQ5331

Place: Vallabh Vidyanagar

Date: April 15, 2026

STANDALONE BALANCE SHEET

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	57,960	55,352
(b) Capital work-in-progress	3	2,264	659
(c) Right of Use Assets	3	26,803	18,013
(d) Investment properties	4	2,491	2,501
(e) Other Intangible assets	5	199	291
(f) Financial assets			
(i) Investments	6	26,457	12,909
(ii) Other financial assets	7	526	2
(g) Income tax assets (net)	8	1,278	1,253
(h) Other non-current assets	9	2,662	1,873
Total non-current assets		1,20,640	92,853
II. Current assets			
(a) Inventories	10	20,138	16,558
(b) Financial assets			
(i) Investments	11	58,963	41,455
(ii) Trade receivables	12	66,538	57,508
(iii) Cash and cash equivalents	13	8,995	9,312
(iv) Bank balances other than (iii) above	13	1,336	7,101
(v) Other financial assets	7	3,614	1,418
(c) Other current assets	14	5,925	3,468
Total current assets		1,65,509	1,36,820
Total assets		2,86,149	2,29,673
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	15	2,244	2,244
(b) Other equity	16	2,02,640	1,63,083
Total equity		2,04,884	1,65,327
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	-	-
(ii) Lease liabilities	21	19,728	12,424
(b) Non-current provisions	18	178	274
(c) Other Non-Current liabilities	19	258	2,144
(d) Deferred tax liabilities (net)	36	4,169	2,290
Total non-current liabilities		24,333	17,132
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	-	331
(ii) Lease liabilities	21	4,671	2,314
(iii) Trade payables	20		
(A) Total Outstanding dues of micro enterprises and small enterprises		9,833	5,573
(B) Total Outstanding dues of creditors other than micro enterprises and small enterprises		13,658	17,536
(iv) Other financial liabilities	22	9,596	4,859
(b) Other current liabilities	23	16,051	13,751
(c) Current provisions	24	2,425	2,304
(d) Current tax liabilities (net)	25	698	546
Total current liabilities		56,932	47,214
Total liabilities		81,265	64,346
Total equity and liabilities		2,86,149	2,29,673

The accompanying notes form an integral part of the Standalone Financial Statements. 2 - 49

As per our report of even date attached
For **C N K & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961 W/W - 100036

For and on behalf of the Board of Directors Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Himanshu Kishnadwala
Partner
Membership No: 037391

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Ashutosh Pednekar
Director
DIN : 00026049

Chintan Shah
Chief Financial Officer

Bharti Isarani
Company Secretary

Place : Vallabh Vidyanagar
Date : April 15, 2026

Place : Vallabh Vidyanagar
Date : April 15, 2026



STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Income			
Revenue from operations	26	2,01,604	1,87,112
Other income	27	7,560	4,763
Total income (I)		2,09,164	1,91,875
Expenses			
Cost of materials consumed	28	1,00,472	89,400
Change in inventories of finished goods and work-in-progress	29	(3,270)	25
Manufacturing expense and erection charges	30	17,220	15,537
Employee benefit expenses	31	14,429	12,970
Finance costs	32	2,335	993
Depreciation and amortisation expense	3,4 & 5	9,124	5,058
Other expenses	33	25,274	22,297
Total expenses (II)		1,65,584	1,46,280
Profit/ (loss) before exceptional items and tax (I-II)		43,580	45,595
Exceptional items (net of tax)- Gain/(Loss)	47	14,942	-
Profit before tax (I - II)		58,522	45,595
Tax expense			
Current tax	36	10,821	11,822
Deferred tax		31	(230)
Total tax expense		10,852	11,592
Profit for the year		47,670	34,003
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plans		(312)	(81)
Gain on financial assets measured at Fair value through Other comprehensive income		(3,958)	-
Income tax related to items that will not be reclassified to profit or loss		645	20
Other comprehensive income (net of tax) for the year		(3,625)	(61)
Total comprehensive income for the year		44,045	33,942
Earnings per equity share (INR in ₹)			
Equity share of face value ₹ 1 each	35		
Basic		21.24	15.15
Diluted		21.24	15.15

The accompanying notes form an integral part of the Standalone Financial Statements. 2 - 49

As per our report of even date attached
For **C N K & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961 W/W - 100036

For and on behalf of the Board of Directors Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Himanshu Kishnadwala
Partner
Membership No: 037391

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Ashutosh Pednekar
Director
DIN : 00026049

Chintan Shah
Chief Financial Officer

Bharti Isarani
Company Secretary

Place : Vallabh Vidyanagar
Date : April 15, 2026

Place : Vallabh Vidyanagar
Date : April 15, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

(₹ in Lakhs)

A. EQUITY SHARE CAPITAL

(1) Current reporting period

Balance as at April 1, 2025	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
2,244	-	2,244	-	2,244

(2) Previous reporting period

Balance as at April 1, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
2,244	-	2,244	-	2,244

B. OTHER EQUITY

(1) Current reporting period

Particulars	Reserves and Surplus				Item of Other Comprehensive Income (OCI)		Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurements of net defined benefits plan	Equity Instruments through OCI	
Balance as at April 1, 2025	4,942	2,878	44,133	1,11,711	(581)	-	1,63,083
Restated balance as at April 1, 2025	4,942	2,878	44,133	1,11,711	(581)	-	1,63,664
Profit for the year	-	-	-	47,670	-	-	47,670
Remeasurements of net defined benefits plan accounted through other comprehensive income	-	-	-	-	(233)	-	(233)
Equity Instruments through OCI	-	-	-	-	-	(3,392)	(3,392)
Total Comprehensive Income for the year	-	-	-	47,670	(233)	(3,392)	44,045
Dividends	-	-	-	(4,488)	-	-	(4,488)
Balance as at March 31, 2026	4,942	2,878	44,133	1,54,893	(813)	(3,392)	2,02,640

(2) Previous reporting period

Particulars	Reserves and Surplus				Item of Other Comprehensive Income (OCI)		Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurements of net defined benefits plan	Equity Instruments through OCI	
Balance as at April 1, 2024	4,942	2,878	44,133	81,074	(520)	-	1,32,507
Restated balance as at April 1, 2024	4,942	2,878	44,133	81,074	(520)	-	1,32,507
Profit for the year	-	-	-	34,003	-	-	34,003
Remeasurements of net defined benefits plan accounted through other comprehensive income	-	-	-	-	(61)	-	(61)



STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Reserves and Surplus				Item of Other Comprehensive Income (OCI)		Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurements of net defined benefits plan	Equity Instruments through OCI	
Equity Instruments through OCI	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	34,003	(61)	-	33,942
Dividends	-	-	-	(3,366)	-	-	(3,366)
Balance as at March 31, 2025	4,942	2,878	44,133	1,11,711	(581)	-	1,63,083

For description of Reserves refer Note 16.

The accompanying notes form an integral part of the Standalone Financial Statements. (2 - 49)

For C N K & Associates LLP
Chartered Accountants
Firm's Registration No : 101961 W/W - 100036

Himanshu Kishnadwala
Partner
Membership No: 037391

Place : Vallabh Vidyanagar
Date : April 15, 2026

For and on behalf of the Board of Directors Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Chintan Shah
Chief Financial Officer

Place : Vallabh Vidyanagar
Date : April 15, 2026

Ashutosh Pednekar
Director
DIN : 00026049

Bharti Isarani
Company Secretary

STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Cash flow from operating activities		
Profit before tax	58,522	45,595
Adjustments for:		
Depreciation and amortisation expense	9,124	5,058
Finance costs	2,335	993
(Gain)/Loss on fair valuation of investment	(1,183)	(1,003)
(Gain)/Loss on sale of/discarded property plant and equipment (net)	(27)	(81)
Interest income	(4,353)	(2,483)
Dividend income	(91)	(63)
(Gain)/Loss on sale of investments	(433)	(104)
Allowances for Expected Credit Loss (including Bad debts and advances written off)	693	974
Unrealised exchange (Gain)/Loss	(253)	(88)
Provision for other contractual liabilities, warranty and others	(82)	25
Allowances for Inventory	600	(3)
Liabilities written-back	(115)	(133)
Exceptional Income	(14,942)	-
Rent received	(438)	(385)
	49,357	48,302
Working Capital Adjustments:		
(Increase)/Decrease in trade receivables	(9,457)	(17,332)
(Increase)/Decrease in inventories	(4,180)	(1,142)
(Increase)/Decrease in financial assets	8	(52)
(Increase)/Decrease in other current and non-current assets	(2,346)	(2,301)
(Decrease)/Increase in trade payables	466	7,843
(Decrease)/Increase in provisions, current and non-current liabilities	211	4,250
(Decrease)/Increase in other financial liabilities	4,737	353
Cash generated from operations	38,796	39,921
Taxes paid (Net of Refund)	(10,694)	(12,006)
Net cash (used in)/generated from operating activities (A)	28,102	27,915
Cash flow from investing activities		
Payments for purchase of property, plant and equipment	(11,603)	(6,503)
Proceeds from sale of property, plant and equipment	2,300	197
Payments for purchase of investments	(82,546)	(58,251)
(Increase)/Decrease in Bank Balances other than Cash and Cash Equivalents	3,175	6,805
Proceeds from sale of investments	66,582	39,179
Rent received	438	385
Interest received	4,216	2,232
Dividend received	91	63
Net cash (used in)/generated from investing activities (B)	(17,347)	(15,893)
Cash flow from financing activities		
(Repayment)/Proceeds of current borrowings (net)	(331)	331
Finance cost paid	(352)	(993)
Dividend paid	(4,488)	(3,366)



STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Payment of lease liabilities	(5,901)	(1,452)
Net cash (used in)/generated from financing activities (C)	(11,072)	(5,480)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(317)	6,542
Cash and cash equivalents at beginning of the year	9,312	2,770
Cash and cash equivalents at the end of the year	8,995	9,312
Components of Cash and Cash equivalents :		
Cash on hand	-	-
Balances with banks		
- In current accounts	1,009	681
- Remittance in Transit	0	11
- Deposits with bank (with maturity up to 3 months)	7,986	8,620
	8,995	9,312

Notes:

- Cash and cash equivalents includes positive balances in Cash credit accounts with banks and forms an integral part of the Company's cash management.
- The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows
- In accordance with para 22 of Ind AS 7 - Statement of Cash Flows, cash flows from current borrowings have been reported on net basis since these being working capital facilities, the maturities are short.
- During the year non cash transaction from investing and financing activities with respect to acquisition of Right to Use Assets with corresponding adjustment to Lease liabilities ₹ 13,555 Lakhs (March 31, 2025: ₹ 16,022 Lakhs)
- Figures in brackets indicates cash outflow.
- Movement in liabilities arising from financing activities as at March 31, 2026:

Particulars	Borrowings	Lease liabilities	Dividends paid (including taxes)	Finance costs
Balance at the beginning of the year	331	14,738	-	-
Proceeds from borrowings and lease liabilities	-	13,555	-	-
Repayment of borrowings/liabilities	(331)	(5,901)	-	-
Dividends paid (including taxes)	-	-	(4,488)	-
Interest paid	-	-	-	(352)
Net cash outflows	-	22,392	(4,488)	(352)
Charge to statement of profit and loss	-	-	-	2,335
Interest Accrued during the year	-	2,007	-	-
Balance at the end of the year	-	24,399	-	1,983

As per our report of even date attached

For **C N K & Associates LLP**

Chartered Accountants

Firm's Registration No : 101961 W/W - 100036

Himanshu Kishnadwala

Partner

Membership No: 037391

For and on behalf of the Board of Directors Elecon Engineering Company Limited

CIN: L29100GJ1960PLC001082

Prayasvin Patel

Chairman & Managing Director

DIN : 00037394

Chintan Shah

Chief Financial Officer

Ashutosh Pednekar

Director

DIN : 00026049

Bharti Isarani

Company Secretary

Place : Vallabh Vidyanagar

Date : April 15, 2026

Place : Vallabh Vidyanagar

Date : April 15, 2026

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

1. REPORTING ENTITY

Elecon Engineering Company Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on the Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE') in India.

The registered office of the Company is located at Anand-Sojitra Road, Vallabh Vidyanagar, Gujarat. The Company is involved in the design and manufacturing of Industrial Gears and Material Handling Equipment and is also involved in providing erection and commissioning solutions for its products. The Company has manufacturing operations based out of India, Sweden, UK, USA and The Netherlands with Sales Offices at Dubai and Singapore.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These Standalone financial statements of the Company comprises, the standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information (herein referred to as 'Standalone financial statements'). These standalone financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of Companies Act, 2013, (the 'Act'), presentation requirements of Division II of Schedule III to the Act as amended from time to time and other relevant provision of the Act and accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India (SEBI).

These standalone financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2026.

Details of the Company's material accounting policies are included in Note 2.5.

2.2 Basis of measurement

The standalone financial statements have been prepared on historical cost convention on accrual basis except for the following items:

- financial assets and financial liabilities are measured either at fair value or at amortised cost depending on the classification based on accounting policy; and
- defined benefit plans – plan assets measured at fair value

2.3 Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses, the accompanying disclosures, and the disclosure of contingent assets and contingent liabilities.

The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- **Note 6** – identification of whether the Company has significant influence over an investee where the shareholding is below 20% of the issued share capital.
- **Note 4** – identification of the land and/ or building as an investment property.
- **Note 6** – determining the amount of Impairment loss.
- **Note 37** – determining the amount of expected credit loss on financial assets (including trade receivables)
- **Note 2.5 (m) and 26**– identification of performance obligation in revenue recognition

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustments is included in the following notes:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

- **Note 3-5** – estimate of useful life used for the purposes of depreciation and amortisation on property plant and equipment, investment properties and intangible assets.
- **Note 36** – recognition of tax expense;
- **Note 40** – measurement of defined benefit obligations: key actuarial assumptions;
- **Notes 18, 24 and 41** – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- **Note 37** – impairment of financial and non-financial assets.
- **Note 24 and 43** – Revenue recognition based on percentage of completion and provision for onerous contracts.
- **Note 3 and 21** - Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives.
- The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.
- The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.4 Measurement of fair values

Some of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- **Note 4** – investment property;
- **Note 37 and 38** – financial instruments.

2.5 Material accounting policies

(a) Operating cycle and classification of current and non-current:

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company considers the operating cycle for assets and liabilities as twelve months.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

All the assets and liabilities are 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 and Ind AS – 1 Presentation of Financial Statements. Deferred tax assets and liabilities are always disclosed as non-current.

(b) Foreign currency transactions

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

(c) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Asset

Initial Recognition and measurement

All financial assets excluding trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Trade receivables generally do not contain any significant financing component requiring separation and are therefore recognized initially at the transaction price determined as per Ind AS 115, 'Revenue from Contracts with Customers'.

Financial assets - classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- FVOCI – Equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement and gains and losses for financial assets held by the Company

Financial instruments which are measured at amortised cost are recognised using effective interest method. Effective interest rate is a rate that discounts future cash flows including discounts or premium on acquisition, fees or costs incurred on acquisition to a net carrying amount of financial instrument, on initial recognition. Interest income on effective interest rate amortisation and impairment losses, if any, are recognised in the statement of profit and loss.

Financial assets which are measured at FVTOCI, gains and losses arising from changes in fair value, including impairment loss if any are recognised in the other comprehensive income and accumulated in other equity.

Financial assets which are measured at FVTPL, gains and losses arising from changes in fair value including impairment loss if any are recognised in the statement of profit and loss.

Derecognition

A financial asset is de-recognised when

- the contractual rights to the cash flows from the asset expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loan and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All the financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Financial liabilities - classification and subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL method.

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Gain or losses on such financial liabilities are recognised in the Statement of Profit and loss.

The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. Presently all the financial liabilities are measured at amortised cost.

Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Subsequent measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Details of useful life considered for depreciation along with method of depreciation are provided below:

Particulars	Depreciation Method	Useful Life
Plant and Equipment	Straight Line Basis	5 to 25 years
Buildings	Written Down Value Basis	10 to 60 years
All other Property Plant and Equipment	Written Down Value Basis	As prescribed in Schedule II to the Companies Act, 2013

The Management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital Work in Progress (CWIP)

Cost of assets not ready for intended use, as on the balance sheet date, is shown as CWIP. CWIP is stated at cost, net of accumulated impairment loss, if any.

Advances given towards acquisition of assets (including CWIP) and outstanding at each balance sheet date are disclosed as 'Other Non-Current Assets'.

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of profit and loss.

(e) Intangible assets

Internally generated: Research and development activities and Enterprise resource planning software

Expenditure on research activities is recognised in statement of profit and loss as incurred.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the statement of profit and loss as incurred.

Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets

Other intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated to amortise the cost of intangible assets over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in Statement of profit and loss is provided below:

Particulars	Depreciation Method	Useful Life
Computer-Software Licenses	Straight Line Basis	3 years
	Straight Line Basis	6 years

Amortisation method, useful lives and residual values are reviewed at the end of each reporting date and adjusted if appropriate.

(f) Leases

As a lessee

The Company at inception of a contract, assesses whether a contract is, or contains, a lease. 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.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date 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 lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the company by the end of the lease term or the cost of the right-of-use asset reflects that the company will exercise a purchase option.

In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following: fixed payments, including in-substance fixed payments;

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a Purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

Lease income from operating leases, where the Company is a lessor, is recognised on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

(g) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model. Investment property includes freehold/leasehold land and building.

Depreciation

Based on technical evaluation, the Management believes a period of 25-60 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Company depreciates investment properties over this period on a straight-line basis. This is different from the indicative useful life of relevant type of assets mentioned in Schedule II to the Companies Act, 2013.

Any gain or loss on disposal of an investment property is recognised in statement of profit and loss. An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is calculated as the difference between the net disposal proceeds and the carrying amount of the asset and included in the statement of profit or loss in the period in which the property is derecognized.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. Inventory of scrap is valued at estimated realisable value. The cost of inventories is based on Weighted Average Cost basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average Cost basis.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs. Cost is determined on Weighted Average Cost basis.
- **Stores and spares (consisting of engineering spares, which are used in operating machines or consumed as indirect materials in the manufacturing process):** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average Cost basis.
- **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets.

(i) Impairment

Impairment of financial assets

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being significantly past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganization.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected credit losses ('ECL') together with appropriate Management's estimate of credit loss at each reporting date, from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the group of trade

receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfall (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

Assets (other than goodwill) for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Employee benefits

Short term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company makes specified monthly contributions towards government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future

benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense/ (income) on the net defined benefit liability/ (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/ (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in the statement of profit and loss in the period in which they arise.

Termination benefits

Termination benefits are expensed through statement of profit and loss at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(k) Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and all possible outcomes by their associated probabilities.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

(l) Contingent Liabilities and Contingent Assets

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(m) Revenue recognition

Sale of goods and services

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer, which generally coincides with the delivery of goods to customers, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.

Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

Revenue from services towards erection, commissioning and other services is recognised when services are rendered and there is certainty of the realisation.

Performance obligations with reference to contracts are satisfied over the period of time, and accordingly, revenue from such contracts is recognized based on progress of performance determined using input method with reference to the cost incurred on contract and their estimated total costs in certain contracts or for other contracts is determined using output method. Revenue is the transaction price that the Company is entitled to. Variable consideration such as liquidated damages and price variation are included in the transaction price, if it is highly probable that the significant reversal of revenue will not occur once associated uncertainty is resolved.

Variation in contract work and other claims are included to the extent that the amount can be measured reliably and it is agreed with customer.

Estimates of revenue and costs are reviewed periodically and revised, wherever circumstances change, resulting in increases or decreases in revenue determination, are recognized in the period in which estimates are revised.

Contract costs are recognised as expenses as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognised immediately in statement of profit and loss.

Transaction Price

The Company is required to determine the transaction price in respect of each of its contracts with customers. Contract with customers for sale of goods or services are either on a fixed price or on variable price basis. For allocating the transaction price, the Company measures the revenue in respect of each performance obligation of contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In making

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for the year ended March 31, 2026

judgment about the standalone selling price, the Company also assesses the impact of any variable consideration in the contract, due to discounts or rebates.

Performance Obligations

If a contract contains more than one distinct goods and service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e. unbilled revenue is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

Dividend and Interest income:

Dividend income from investments is recognised when the Company's right to receive payment is established.

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claim:

Insurance claims are recognised on the basis of claims admitted / expected to be admitted, to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Other Income:

Other income is comprised primarily of gain / loss on investments, exchange gain/loss on foreign currency transactions and commission for corporate guarantee.

(n) Government Grants

The export incentives received by the Company such as duty draw back, Remission of Duties or Taxes on Export Products Scheme (RoDTEP) and Export Promotions on Capital Goods (EPCG) scheme are treated as government grants.

(o) Income taxes

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent it may relate to a business combination, or items recognised directly in equity or in OCI.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits, if any.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

(p) Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. For the disclosure on reportable segments see Note 43.

(r) Cash and cash equivalents

Cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

(s) Investments in subsidiaries and associates

The Company has elected to recognise its investments in subsidiary and associate companies at cost in accordance with the option available in Ind AS 27, Separate Financial Statements.

(t) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period 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 the operating, investing and financing activities of the Company are segregated. In the cash-flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in liabilities on the balance sheet.

(u) Dividend Distribution to equity shareholders:

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(v) Earnings per share

Basic earnings per equity share are 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.

2.6 Recent pronouncements

Ministry of Corporate Affairs ('MCA') notifies new amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, Ind AS 1 - Presentation of Financial Statements, Ind AS 7 - Statement of Cash Flows, Ind AS 107 - Financial Instruments: Disclosures and Ind AS 12, International Tax Reform – Pillar Two Model Rules. The company has reviewed the new pronouncements and based on its evaluation given necessary impact (including additional disclosures) as applicable.

2.7 Rounding off

Amounts in these Financial Statements are rounded off to the nearest Lakhs except Earnings per share. The amount '0' (zero) represents value, which is less than ₹ 1 Lakh.

3(I) PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Buildings	Plant & Equipments	Furniture & Fixtures	Vehicles	Office and Other Equipments	Electrical Installations & fittings	Total	Capital work in progress (CWIP)
Cost									
As at April 1, 2024	27,770	8,627	44,628	172	538	655	933	83,323	69
Additions	14	4,721	1,028	-	1,360	131	110	7,364	7,954
Deductions Capitalised	-	-	(378)	-	(8)	-	-	(386)	-
As at March 31, 2025	27,784	13,348	45,278	172	1,890	786	1,043	90,301	(7,364)
Additions	156	2,572	2,716	371	181	34	845	6,875	10,669
Recoupment / Adjustment	-	-	-	-	-	-	-	-	-
Deductions Capitalised	-	-	(290)	-	(5)	(561)	-	(856)	(2,189)
As at March 31, 2026	27,940	15,920	47,704	543	2,066	259	1,888	96,320	(6,875)
Accumulated depreciation									
As at April 1, 2024	-	4,922	25,525	138	249	562	423	31,819	-
Depreciation for the year	-	354	2,524	9	296	71	182	3,436	-
Recoupment / Adjustment	-	-	-	-	-	-	(11)	(11)	-
Deductions	-	-	(294)	-	(1)	-	-	(295)	-
As at March 31, 2025	-	5,276	27,755	147	544	633	594	34,949	-
Depreciation for the year	-	821	2,536	48	458	66	254	4,183	-
Deductions	-	-	(233)	-	(5)	(534)	-	(772)	-
Recoupment/Adjustment	-	-	-	-	-	-	-	-	-
As at March 31, 2026	-	6,097	30,058	195	997	165	848	38,360	-
Carrying value (net)									
As at March 31, 2026	27,940	9,823	17,646	348	1,069	94	1,040	57,960	-
As at March 31, 2025	27,784	8,072	17,523	25	1,346	153	449	55,352	-

Notes :

1. Refer to Note 17.1 for information on property, plant and equipment pledged as security by the Company.
2. For commitments on capital account, Refer Note 41 (II).
3. The Company has not revalued any of its Property, plant and equipment during the year.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

(II) TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN THE NAME OF THE COMPANY

Relevant line item in the Balance Sheet	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Property, Plant & Equipment LAND	46	Veer Energy & Infrastructure Ltd.	No	August 29, 2008	Mutation Pending
Survey No.75/2, 76/1/P-1, 79/P/1, 82/P-1/P-1, 94/P-1/P-1, 100/P-1, 99/1/P-1, 108/P-4/P-1 Naransari, Bhachau, Kutch					

(III) THE FOLLOWING IS THE MOVEMENT IN RIGHT OF USE ASSETS (ROU) DURING THE YEAR ENDED MARCH 31, 2026

Particulars	Leasehold Land	Plant & Equipment	Electrical Installations & fittings	Furniture & Fixtures	Total
I. Cost					
As at April 1, 2024	5,624	2,939	-	-	8,563
Additions	981	15,231	-	-	16,212
Deduction	-	(5,010)	-	-	(5,010)
As at March 31, 2025	6,605	13,160	-	-	19,765
Addition during the year	-	13,223	71	261	13,555
Deductions	-	-	-	-	-
As at March 31, 2026	6,605	26,383	71	261	33,320
II. Accumulated Depreciation					
As at April 1, 2024	474	13	-	-	487
Depreciation during the year	152	1,328	-	-	1,480
Deduction	-	(215)	-	-	(215)
As at March 31, 2025	626	1,126	-	-	1,752
Depreciation during the year	174	4,510	17	64	4,765
Deductions	-	-	-	-	-
Recoupment/Adjustment	-	-	-	-	-
As at March 31, 2026	800	5,636	17	64	6,517
Carrying value (net) as at March 31, 2026	5,805	20,747	54	197	26,803
Carrying value (net) as at March 31, 2025	5,979	12,034	-	-	18,013

(IV) CAPITAL WORK IN PROGRESS (CWIP) AGEING SCHEDULE

Capital work in progress (CWIP)	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Projects in progress	659	-	-	-	659
As at March 31, 2026					
Projects in progress	2,264	-	-	-	2,264

Note: There are no projects whose completion is overdue or has exceeded its cost as at Balance Sheet date.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

4 INVESTMENT PROPERTY

Particulars	Land	Office Building	Total
Cost			
As at April 1, 2024	2,300	336	2,636
Addition	-	-	-
As at March 31, 2025	2,300	336	2,636
Addition	-	-	-
As at March 31, 2026	2,300	336	2,636
Accumulated depreciation			
As at April 1, 2024	-	124	124
Depreciation for the year	-	11	11
As at March 31, 2025	-	135	135
Depreciation for the year	-	10	10
As at March 31, 2026	-	145	145
Carrying value (net)			
As at March 31, 2026	2,300	191	2,491
As at March 31, 2025	2,300	201	2,501

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rental income derived from Investment property	17	16
Less: Direct operating expenses (including repairs and maintenance) generating rental income	0	4
Profit arising from Investment property before depreciation and indirect expenses	17	12
Less: Depreciation	10	11
Profit arising from Investment property before indirect expenses	7	1

Notes :

- The Company has no restrictions on the realisability of its Investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Fair value of the Investment property are as under

Fair value	Land	Office Building
Balance as at April 1, 2024	3,054	672
Fair value increase/(decrease) for the year	33	35
Purchases / (Sale)	-	-
Balance as at March 31, 2025	3,087	707
Fair value increase/(decrease) for the year	38	18
Purchases / (Sale)	-	-
Balance as at March 31, 2026	3,125	725

Estimation of fair value

As at March 31, 2026 and March 31, 2025 the fair values of the property are based on valuations performed by Registered Valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules 2017.

Valuation model used in determination of investment property fair values is in accordance with the recommended valuation techniques by the International Valuation Standards Committee.

The Company obtains independent valuations for its investment property at least annually. The best evidence of fair value is current prices in an active market for similar properties.

The valuation of investment property as at March 31, 2026 and March 31, 2025 is done based on market feedback on values of similar properties and hence considered under 'Level 2' of fair value measurement.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

5 OTHER INTANGIBLE ASSETS

Particulars	Computer Software	Licenses	Total
Cost			
As at April 1, 2024	767	148	915
Additions	219	-	219
Deductions	-	-	-
As at March 31, 2025	986	148	1,134
Additions	41	31	72
Deductions	(579)	(40)	(619)
As at March 31, 2026	448	139	587
Accumulated amortisation			
As at April 1, 2024	650	62	712
Amortisation for the year	92	39	131
Deductions	-	-	-
As at March 31, 2025	742	101	843
Amortisation for the year	123	41	164
Deductions	(579)	(40)	(619)
As at March 31, 2026	286	102	388
Carrying value (net)			
As at March 31, 2026	162	37	199
As at March 31, 2025	244	47	291

Note:

- There are no Intangible Assets under development as on March 31, 2026 and March 31, 2025.

The estimated amortisation for the years subsequent to March 31, 2026 is as follows:

Year ended March 31,	Total
2027	155
2028	44
	199

6 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	March 31, 2026	March 31, 2025
Investment in subsidiary companies (Fully paid-up) (at cost) - Unquoted (Refer note 2.5(s))		
(a) 12,486,287 equity shares (March 31, 2025 : 12,486,287 equity shares) of GBP 1 each of Radicon Transmission UK Limited - United Kingdom	11,297	11,297
(b) 897,844 equity shares (March 31, 2025 : 897,844 equity shares) of \$ 1 each of Elecon Singapore Pte. Limited	248	248
(c) 600 equity shares (March 31, 2025 : 600 equity shares) of AED 1000 each of Elecon Middle East FZE	73	73
(A)	11,618	11,618
Investment in associates (Fully paid-up) (at cost) (Refer note 2.5(s)) Quoted		
(a) NIL equity Shares (March 31, 2025 : 958,426 equity shares) of ₹ 10 each of Eimco Elecon (India) Limited###	-	217
(B)	-	217
Investments carried at fair value through profit and loss:		
Investment in equity shares		
(i) Unquoted		
(a) 30 equity shares (March 31, 2025: 30 equity shares) of ₹ 500 each of Charotar Gas Sahakari Mandali Limited#	0	0

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Investment in Mutual Fund		
(i) Quoted		
(a) 18,000 units (March 31, 2025 : 18,000 units) of SBI Magnum Ultra SD Fund##	1,145	1,074
(C)	1,145	1,074
Investments carried at fair value through other comprehensive income:		
Quoted		
(a) 958,426 equity Shares (March 31, 2025 : NIL equity shares) of ₹ 10 each of Eimco Elecon (India) Limited###	13,694	-
(D)	13,694	-
Total Investments (A+B+C+D)	26,457	12,909
Aggregate value of quoted investments (including investments in associates)	14,839	1,291
Aggregate market value of quoted investments (other than investments in associates)	14,839	1,074
Aggregate value of unquoted investments (including investments in subsidiaries and associates)	11,618	11,618

#The Company's investments on disposal will fetch only the principal amount invested and hence the company considers cost and fair value to be the same.

##Pledged with State Bank of India as margin for availing Non-Fund Based limits.

###Eimco Elecon (India) Limited has ceased to be an Associate effective April 23, 2025 and hence has been reclassified as financial asset which will be fair valued at each reporting date in accordance with Ind AS109.

7 FINANCIAL ASSET - OTHER FINANCIAL ASSETS

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Deposits with banks earmarked as margin money	-	441	-	1
Deposits with banks having original maturity of more than 12 months	2,506	-	355	1
Security Deposits#	179	-	271	-
Accrued Interest on Fixed Deposits	50	-	89	-
Accrued Interest on Investments	879	-	703	-
Others	-	84	-	-
Total other financial assets	3,614	526	1,418	2

#Security deposits are primarily in relation to public utility services, tender deposits and rental properties.

8 INCOME TAX ASSETS (NET)

Particulars	March 31, 2026	March 31, 2025
Income tax assets (net)	1,278	1,253
Total income tax assets (net)	1,278	1,253

9 OTHER NON-CURRENT ASSETS

Particulars	March 31, 2026	March 31, 2025
Unsecured, considered good		
Capital advances	2,173	1,311
Expenses paid in advance	41	47
Balances with government authorities (including amounts paid under protest)	448	515
Total other non-current assets	2,662	1,873



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

10 INVENTORIES

Particulars	March 31, 2026	March 31, 2025
(At lower of cost and net realisable value)#		
Raw materials	5,279	4,932
[[Includes Goods in transit ₹ 542 Lakhs (March 31, 2025: ₹ 631 Lakhs)]]		
Work-in-progress	10,293	7,329
Finished goods	2,534	2,572
Goods in transit	1,733	1,389
Stores and spares	299	336
Total inventories	20,138	16,558
Carrying amount of inventories pledged as security for liabilities	20,138	16,558

#Net of inventory allowance aggregating to ₹ 2,094 Lakhs (March 31, 2025: ₹ 1,494 Lakhs)

11 CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	March 31, 2026	March 31, 2025
Investments carried at fair value through profit and loss:		
Exchange Traded Funds : Quoted	1,313	955
Non Convertible Market Linked Debentures : Quoted	28,695	25,933
Mutual Funds : Quoted	30,100	-
Less: Amount pledged disclosed as Non current Investments	(1,145)	14,567
Total Current Financial assets - Investments	58,963	41,455

12 TRADE RECEIVABLES

Particulars	March 31, 2026	March 31, 2025
Considered good- Secured	-	-
Considered good- Unsecured	68,425	58,868
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables- Credit impaired	229	1,062
	68,654	59,930
Less : Allowance for expected credit loss#	(2,116)	(2,422)
Total Trade receivables	66,538	57,508
Receivables from related parties (Refer note 39)	4,421	3,186
Receivables from others	62,117	54,322
Total	66,538	57,508

Allowance for expected credit loss (ECL)

#Allowance for Expected Credit Loss is calculated based on the ECL model as described under Ind AS 109. Refer Note 2.5 (i) and Note 37(b) for the Company's accounting policy and basis of calculating ECL allowance.

Movement in allowance for expected credit loss :

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	2,422	1,802
Add : Allowance for the year	968	1,259
Less : Reversal of allowance	(1,274)	(639)
Balance at the end of the year	2,116	2,422
Total charge to Statement of Profit and Loss	(306)	620

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

12A TRADE RECEIVABLES (CURRENT)

(1) For the year ending March 31, 2026.

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	45,924	19,701	1,772	799	192	37	68,425
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	76	153	-	229
Less: Allowance for expected credit loss							(2,116)
Total	45,924	19,701	1,772	875	345	37	66,538

Above includes retention money receivable amounting to ₹ 8,011 Lakhs.

(2) For the year ending March 31, 2025.

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	34,219	22,380	1,303	263	177	120	58,462
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	2	-	5	163	17	220	407
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	154	-	908	1,062
Less: Allowance for expected credit loss							(2,422)
Total	34,221	22,380	1,308	580	194	1,248	57,508

Above includes retention money receivable amounting to ₹ 4,536 Lakhs.

13 CASH AND BANK BALANCES

Particulars	March 31, 2026	March 31, 2025
(a) Cash and cash equivalents		
Balance with banks		
Current accounts and debit balance in cash credit accounts	1,009	681
Remittance in transit	-	11
Deposits with banks (with maturity up to 3 months)	7,986	8,620
Cash on hand	-	-
Total cash and cash equivalents	8,995	9,312



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
(b) Other bank balances		
Deposits with banks earmarked as margin money	0	5,283
Deposits with banks having original maturity of more than 3 months but less than 12 months	1,237	1,744
Unpaid dividend accounts	99	74
Total other bank balances	1,336	7,101

14 OTHER CURRENT ASSETS

Particulars	March 31, 2026	March 31, 2025
Unsecured, considered good		
Advance to suppliers	947	2,173
Receivable from government authorities	335	105
Expenses paid in advance	1,263	602
Other receivables	-	5
Gratuity paid in advance	16	14
Contract assets	3,238	434
Export Incentive receivable	126	135
Total other current assets	5,925	3,468

15 EQUITY SHARE CAPITAL

Particulars	March 31, 2026		March 31, 2025	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Authorised share capital				
Equity shares of ₹ 1 each (previous year ₹ 1 each)	45,50,00,000	4,550	45,50,00,000	4,550
Cumulative Redeemable Preference Shares of ₹ 2 each	2,50,00,000	500	2,50,00,000	500
Non-cumulative non-convertible Redeemable Preference Shares of ₹ 100 each	1,27,50,000	12,750	1,27,50,000	12,750
	49,27,50,000	17,800	49,27,50,000	17,800
Issued, subscribed and fully paid up				
Equity shares of ₹ 1 each (previous year ₹ 1 each)	22,43,99,930	2,244	22,43,99,930	2,244
Total equity share capital	22,43,99,930	2,244	22,43,99,930	2,244

15.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	March 31, 2026		March 31, 2025	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the year	22,43,99,930	2,244	11,21,99,965	2,244
Increase in the number of shares on account of sub-division of equity shares (Refer note below)	-	-	11,21,99,965	-
At the end of the year	22,43,99,930	2,244	22,43,99,930	2,244

Note : The Board of Directors at their Meeting held on April 19, 2024 approved the sub-division of each equity share of face value of ₹ 2 each fully paid-up into 2 equity shares of face value of ₹ 1 each fully paid-up. The same has been approved by the Members at their Annual General Meeting held on June 25, 2024. The effective date for the sub-division was July 19, 2024 ('Record Date').

15.2 Rights, preferences and restrictions attached to the equity shares

The Company has only one class of Equity Shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend, which is approved by Board of Directors. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

15.3 Number of shares held by each shareholder holding more than 5% shares in the Company

Name of the shareholders	March 31, 2026		March 31, 2025	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity shares of ₹ 1 each fully paid held by (previous year ₹ 1 each):				
Aakaish Investments Private Limited	10,46,04,474	46.62	10,46,04,474	46.62
K. B. Investments Private Limited	1,94,47,548	8.67	1,94,47,548	8.67

15.4 Number of Shares held by Promoters/Promoter Group

Sr. No.	Name of the Promoters/Promoter Group	March 31, 2026		March 31, 2025		% Change during the year
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
1	Prayasvin Bhanubhai Patel	39,25,864	1.75%	39,25,864	1.75%	0.00%
2	Trupti Pradip Patel	28,62,116	1.28%	28,62,116	1.28%	0.00%
3	B I Patel-HUF (Bhanubhai Patel-Karta)	4,54,980	0.20%	4,54,980	0.20%	0.00%
4	Taruna Patel	4,37,834	0.20%	4,37,834	0.20%	0.00%
5	Aishwarya P. Patel	10,440	0.00%	10,440	0.00%	0.00%
6	Akansha P. Patel	12,36,940	0.55%	12,36,940	0.55%	0.00%
7	Aakaish Investments Private Limited	10,46,04,474	46.62%	10,46,04,474	46.62%	0.00%
8	K B Investments Private Limited	1,94,47,548	8.67%	1,94,47,548	8.67%	0.00%
9	Power Build Private Limited	31,920	0.01%	31,920	0.01%	0.00%
10	Emtici Engineering Limited	-	0.00%	-	0.00%	0.00%
11	Prayas Engineering Limited	-	0.00%	-	0.00%	0.00%
12	Elecon Information Technology Limited	-	0.00%	-	0.00%	0.00%
13	Akaaish Mechatronics Limited	-	0.00%	-	0.00%	0.00%
14	Akaaish Printing Press Private Limited (formerly known as Speciality Woodpack Private Limited)	-	0.00%	-	0.00%	0.00%
15	Aisho Tours and Travels Limited (Formerly known as Wizard Fincap Limited)#	-	0.00%	-	0.00%	0.00%
16	Lotus Trust§	-	0.00%	-	0.00%	0.00%
Total holding of Promoters and Promoter Group		13,30,12,116	59.27%	13,30,12,116	59.27%	-

Note : The Board of Directors at their Meeting held on April 19, 2024 approved the sub-division of each equity share of face value of ₹ 2 each fully paid-up into 2 equity shares of face value of ₹ 1 each fully paid-up. The same has been approved by the Members at their Annual General Meeting held on June 25, 2024. The effective date for the sub-division was July 19, 2024 ('Record Date').

#Reclassified under Public category of shareholders w.e.f. October 23, 2024.

§Ultimate beneficiary.

16 OTHER EQUITY

16.1 Other reserves

Balance	Reserves and Surplus				Item of Other Comprehensive Income (OCI)		Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurements of net defined benefits plan	Equity Instruments through OCI	
As at April 1, 2024	4,942	2,878	44,133	81,074	(520)	-	1,32,507
Total comprehensive income for the period							
Profit for the year	-	-	-	34,003	-	-	34,003



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Balance	Reserves and Surplus				Item of Other Comprehensive Income (OCI)		Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurements of net defined benefits plan	Equity Instruments through OCI	
Remeasurements of net defined benefits plan accounted through other comprehensive income	-	-	-	-	(61)	-	(61)
Equity Instruments through OCI	-	-	-	-	-	-	-
Balance available for appropriation	4,942	2,878	44,133	1,15,077	(581)	-	1,66,449
Appropriations							
Dividend paid	-	-	-	(3,366)	-	-	(3,366)
As at March 31, 2025	4,942	2,878	44,133	1,11,711	(581)	-	1,63,083
Profit for the year	-	-	-	47,670	-	-	47,670
Remeasurements of net defined benefits plan accounted through other comprehensive income	-	-	-	-	(233)	-	(233)
Equity Instruments through OCI	-	-	-	-	-	(3,392)	(3,392)
Balance available for appropriation	4,942	2,878	44,133	1,59,381	(814)	(3,392)	2,07,128
Appropriations							
Dividend paid	-	-	-	(4,488)	-	-	(4,488)
As at March 31, 2026	4,942	2,878	44,133	1,54,893	(814)	(3,392)	2,02,640

16.2 Dividend distribution made and proposed

Particulars	March 31, 2026	March 31, 2025
Dividends on equity shares declared and paid		
Final dividend for year ended March 31, 2025: ₹ 1.5 per share (March 31, 2024: ₹ 2 per share)	3,366	2,244
Interim dividend for FY 2025-26: ₹ 0.5 per share	1,122	1,122
	4,488	3,366
Proposed dividend on Equity shares		
Final dividend proposed for the year ended March 31, 2026: ₹ 1.50 per share (March 31, 2025: ₹ 1.50 per share)	3,366	3,366
	3,366	3,366

Proposed dividend on equity shares is subject to approval at the ensuing Annual General Meeting and is not recognised as a liability as at March 31, 2026.

16.3 Description of Reserves

Capital Reserve

- Capital reserve amounting to ₹ 4,259 Lakhs is recorded in bargain purchase transaction of business combination in which the fair value of acquired net assets exceeded the purchase consideration. Capital reserve is not available for dividend distribution.
- Capital Reserve amounting to ₹ 683 Lakhs represent difference between book value of the net assets and reserves of Elecon Transmission International Limited ('ETIL') and investment in equity shares of Elecon Transmission International Limited.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Retained Earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

17 BORROWINGS

Particulars	March 31, 2026	March 31, 2025
Working capital loans (at amortised cost)		
From banks (Refer note 17.1)	-	331
Less : Accrued interest	-	-
Total current borrowings	-	331
Total borrowings	-	331

17.1 Nature of Securities {Loans repayable on demand}

Working Capital Loans from banks granted by Consortium of Banks consisting of State Bank of India (As Lead Bank), Axis Bank Limited, IDBI Bank Limited and HDFC Bank Limited (Including guarantees issued by them in favour of various clients of the Company) are secured by:-

- First pari passu hypothecation charge over all the current assets of the Company, present and future.
- Omnibus Counter Guarantee of the Company for consortium BG limits
- Extension of first pari passu hypothecation charge over property, plant and equipment (movable and immovable) present and future, excluding certain assets specifically / exclusively charged to other banks/ financial institutions.
- Undertaking for non disposal of various land parcels of the company as per loan sanction letter.
- Rate of Interest for Loan from banks during the year ended:

Name of the Bank	Interest Rate %	
	March 31, 2026	March 31, 2025
State Bank of India	8.80% to 9.05%	8.70% to 9.05%
IDBI Bank Ltd.	8.75% to 9.30%	8.90% to 9.30%
Axis Bank Ltd.	7.50% to 8.25%	8.75% to 9.10%
HDFC Bank Ltd.	8.40% to 9.45%	9.20% to 9.45%

- Borrowings secured against Current Assets

Quarter ended	Name of Bank	Details of security provided	Amount as per Books	Amount reported in quarterly returns	Amount of Difference	Reasons for material discrepancies#
June 2025		Inventory	21,809	21,809	-	NA
		Receivables	45,412	45,412	-	
September 2025	Consortium of Banks led by	Inventory	17,913	17,913	-	
	State Bank of India	Receivables	47,073	47,073	-	
December 2025	State Bank of India	Inventory	21,603	21,603	-	
		Receivables	49,173	49,173	-	
March 2026		Inventory	20,138	20,138	-	
		Receivables	66,538	66,538	-	

#Considered upto 5% of amount reported in quarterly returns.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

18 NON-CURRENT PROVISIONS

Particulars	March 31, 2026	March 31, 2025
Provision for employee benefits		
Provision for compensated absences (Refer note - 40)	8	8
Other long term employee benefit	71	-
Other Provision		
Provision for warranty	99	266
Total non-current provisions	178	274

19 OTHER NON CURRENT LIABILITY

Particulars	March 31, 2026	March 31, 2025
Deferred government grant (Refer Note 19.1):		
EPCG Obligation	258	299
Amount received under protest#	-	1,845
Total non-current provisions	258	2,144

#Amount received against arbitration award from customer pending disposal of the litigation with higher court.

19.1 Deferred government grant

Particulars	March 31, 2026	March 31, 2025
Opening balance at the beginning of the year	299	0
Received during the year	148	299
Released to the Statement of Profit and Loss	(189)	-
Closing balance at the end of the year	258	299

Government assistance in the form of duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant. These grants will be recognised in statement of profit and loss on the basis of fulfillment of export obligation.

20 TRADE PAYABLES

Particulars	March 31, 2026	March 31, 2025
Total Outstanding dues of micro and small enterprises	9,833	5,573
Total Outstanding dues of creditors other than micro and small enterprises	13,658	17,536
Total trade payables	23,491	23,109
Dues to related parties (Refer note - 39)	1,695	1,541
Dues to third parties	21,796	21,568
	23,491	23,109

Includes retention money payable to creditors amounting to ₹ 180 Lakhs (March 31, 2025 - ₹ 43 Lakhs)

Details of Dues to Micro, Small & Medium Enterprises (MSME) as defined under MSMED Act, 2006

Particulars	March 31, 2026	March 31, 2025
Principal amount remaining unpaid to any supplier as at the period end	9,833	5,573
Interest due thereon	-	-
The amount of payment made to supplier beyond appointed date	68,140	26,503
Interest paid thereon	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company's management, dues to MSME have been determined to the extent such parties have been identified on the basis of information collected till the reporting date and has been relied upon by the Statutory Auditors. The Management has not provided for interest due (if any) to these MSME parties basis, no claim being made for the same and management representation that the same is not material and would be waived. The disclosures as required by Section 22 of the MSMED Act are given above.

20A Trade payables

(1) For the year ending March 31, 2026

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	9,512	314	6	1	-	9,833
(ii) Others	10,322	3,335	1	-	-	13,658
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	19,834	3,649	7	1	-	23,491

(2) For the year ending March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	4,573	997	3	-	-	5,573
(ii) Others	12,697	4,839	-	-	-	17,536
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	17,270	5,836	3	-	-	23,109

21 LEASE LIABILITIES

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Lease Liabilities	4,671	19,728	2,314	12,424
Total lease liabilities	4,671	19,728	2,314	12,424

22 OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	March 31, 2026	March 31, 2025
Security deposits	221	204
Unpaid dividend#	99	74
Managerial Remuneration payable	1,500	1,725
Other Employee payables	2,457	2,534
Payables against capital goods	820	322
Supplier Finance Arrangement##	4,499	-
Total other financial liabilities - Current	9,596	4,859

#There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

##The Company has entered into supplier financing arrangements with certain financial institutions whereby the suppliers are offered the option to receive early payment of their invoices from the financial institutions. Under the arrangement, suppliers receive payments before due dates/extended due dates and the company settles the amounts with the financial institutions at due dates/extended due dates as per agreed terms with supplier. The due dates/extended due dates are as per normal operating cycle of the Company.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Carrying amount of liabilities that are part of supplier financing arrangements		
Presented under Other financial liabilities - Current	4,499	-
of which suppliers have received payment from finance provider	4,499	-
Range of payment due dates		
Liabilities that are part of the arrangements	30-120 days	-
Comparable trade payables that are not part of the arrangements	30-120 days	-

23 OTHER CURRENT LIABILITIES

Particulars	March 31, 2026	March 31, 2025
Advance from customers	11,295	7,674
Statutory dues	3,485	3,783
Billing in excess of revenue - Contract liability	1,271	2,294
Total other current liabilities	16,051	13,751

24 CURRENT PROVISIONS

Particulars	March 31, 2026	March 31, 2025
Provision for employee benefits (Refer note - 40)		
Provision for compensated absences	1	5
Other long term employee benefit	0	-
Other Provisions		
Provision for contract liabilities	-	226
Provision for warranties	2,424	2,073
Total provisions	2,425	2,304

Movement in Provisions

Particulars	March 31, 2026	March 31, 2025
Carrying amount as at March 31, 2024		
Provision made / increase in provision	-	2,241
Provision amount used during the year	-	2,339
Carrying amount as at March 31, 2025	226	2,339
Provision made / increase in provision	-	2,523
Provision amount used during the year	(226)	(2,339)
Carrying amount as at March 31, 2026	-	2,523

Refer 2.5 (k) of material accounting policies.

Provision for contract liabilities - It includes provision for possible levy of liquidated damages and other estimated costs expected to be incurred by the Company on account of potential delays in meeting the contractual obligations of the Company with regard to agreed deliveries/commissioning.

Provision for warranties - A provision for warranties relates mainly to standard warranty on sale of the products manufactured by the Company. The provision is based on technical evaluation, historical warranty data and a weighing of all possible outcomes by their associated probabilities. The timing of the outflows is expected to be within a period of one year from the date of balance sheet.

25 CURRENT TAX LIABILITIES (NET)

Particulars	March 31, 2026	March 31, 2025
Provision for tax (net of taxes paid in advance)	698	546
Total current tax liabilities (net)	698	546

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

26 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sale of products (Refer note 43)		
Transmission equipment sales		
Local	1,04,244	1,02,644
Export sales	14,651	15,780
Material handling equipment		
Local	68,063	45,895
Export sales	1,507	307
	1,88,465	1,64,626
Sale of services		
Service charges	4,469	4,173
	4,469	4,173
Sale- Others	5,775	15,324
	5,775	15,324
Other operating revenue		
Sale of scrap	1,237	1,450
Income from generation of electricity from renewable sources	1,133	1,165
Export incentives	525	374
	2,895	2,989
Total revenue from operations	2,01,604	1,87,112

27 OTHER INCOME

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income (measured at amortised cost):		
- on deposits	588	784
- on income tax	151	-
- on investments	2,638	1,697
- others	976	2
Dividend income:		
- From Associates	-	48
- From Others	91	15
Gain on sale of property, plant and equipment (net)	27	81
Gain arising on financial assets at FVTPL (net)	1,183	1,003
Gain on sale of Investments at FVTPL (net)	433	104
Foreign exchange gain (net)	538	402
Rent income	438	385
Liabilities no longer payable written-back	115	133
Insurance claims	373	-
Commission on Corporate Guarantee	-	12
Miscellaneous income	9	97
Total other income	7,560	4,763



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

28 COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Inventory at the beginning of the year	4,300	3,926
Add : Purchases during the year (See Note)	1,00,909	89,774
	1,05,209	93,700
Less : Inventory at the end of the year	4,737	4,300
Total cost of material consumed	1,00,472	89,400

Note:

(i) 'Includes' ₹ 5,775 Lakhs of items traded during the current year (March 31, 2025: ₹ 15,324 Lakhs)

29 CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(Increase) / decrease in inventories		
Opening work-in-progress	7,329	5,754
Closing work-in-progress	(10,293)	(7,329)
	(2,964)	(1,575)
Opening finished goods	3,961	5,561
Closing finished goods	(4,267)	(3,961)
	(306)	1,600
Total change in inventories of finished goods and work-in-progress	(3,270)	25

30 MANUFACTURING EXPENSES AND ERECTION CHARGES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Stores, tools and spares consumed	5,157	4,493
Sub-contracting charges	5,397	5,210
Power and fuel	2,802	2,715
Erection and other charges	1,447	741
Other manufacturing expenses	2,417	2,378
Total manufacturing expense and erection charges	17,220	15,537

31 EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	13,171	11,970
Contribution to provident fund and other funds (Refer note - 40)	461	385
Employee welfare expenses	797	615
Total employee benefit expenses	14,429	12,970

32 FINANCE COSTS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expenses:#		
- Interest on working capital	25	108
- Interest on lease	2,007	662
- Interest - others	105	8
Other borrowing costs (including guarantee charges)	198	215
Total finance costs	2,335	993

#Interest expenses are calculated under the Effective Interest Method and measured at amortized cost.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

33 OTHER EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rent (Refer note 44.2)	1,046	1,037
Rates and taxes	186	174
Duties and Fees	273	110
Insurance expense	276	198
Repairs and maintenance:		
- Building	683	1,918
- Machinery	3,182	2,963
- Others	105	91
Computer software maintenance charges	2,059	1,652
Payment to auditors:		
- Statutory Audit Fee	28	20
- Limited review and Certifications	34	21
- Audit and Certification under Income Tax Act	8	4
- Assurance for Business Responsibility and Sustainability Reporting	5	6
- Out of pocket expenses	3	2
Legal and professional fees	845	892
Directors sitting fees	17	15
Commission to non-executive directors	135	88
Travelling, communication and conveyance expenses	1,388	1,190
Bank charges	22	29
Packing, forwarding and distribution expenses (net of recoveries)	4,354	3,383
Commission and brokerage	6,553	5,131
Advertisements and sales promotion expenses	493	492
Warranty claims (Refer note 24)	631	406
Business Support Services	-	166
Trade receivables/advances not recoverable written off (net of recovery)	999	(170)
Allowance for Expected Credit loss recognised / (reversed) (Refer note 12)	(306)	620
Donations	14	-
Expenditure on corporate social responsibility (Refer note - 34)	734	524
Miscellaneous expenses	1,507	1,335
Total other expenses	25,274	22,297

(i) Research and development expenditure accounted through statement of profit and loss aggregates ₹ 371 Lakhs (March 31, 2025: ₹ 601 Lakhs).

34 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Amount of CSR required to be spent as per the limits of Section 135 of companies Act, 2013	729	519
(b) Amount spent during the year	734	524
(c) Shortfall at the end of the year	-	-
(d) Total of Previous Year Shortfall	-	-
(e) Reason for shortfall	Not Applicable	Not Applicable
(f) Nature of CSR activity	#	#
(g) Details of Related party transaction##	734	522
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year	Not Applicable	Not Applicable

#Promoting Education Healthcare and Eradicating hunger poverty and malnutrition.

##Contribution made to B.I. Patel Charitable Trust, a related party.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

35 EARNINGS PER SHARE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Basic & Diluted Earning Per Share (EPS)		
a) Profit attributable to equity shareholders of the Company (₹ in Lakhs)	47,670	34,003
b) Weighted average number of equity shares outstanding during the year#	22,43,99,930	22,43,99,930
c) Earning per share (Basic and Diluted) (INR in ₹)	21.24	15.15
d) Face value per share (INR in ₹)	1	1

#The Company has sub-divided its 11,21,99,965 Equity Shares having face value of ₹ 2 (Two) per share into 22,43,99,930 Equity Shares having face value of ₹ 1 (One) per share effective from July 19, 2024 ('Record Date'). Accordingly, earnings per share of comparative periods presented is calculated based on number of shares outstanding in respective periods, as increased due to sub-division of its equity shares.

36 TAX EXPENSES

The major component of income tax expense for the years ended March 31, 2026 and March 31, 2025 are:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current Tax:		
Current tax expense for current year	10,685	11,838
Current tax expense/(income) pertaining to prior years	136	(16)
	(A) 10,821	11,822
Deferred Tax:		
Deferred tax expense/(income) for current year	480	(245)
Deferred tax benefit pertaining to prior years	(449)	15
	(B) 31	(230)
Income tax expense reported in the Statement of Profit and Loss	(A+B) 10,852	11,592
Other comprehensive income:		
Deferred tax charge / (credit) on remeasurements losses of defined benefit plans#	(79)	(20)
	(C) (79)	(20)
Total tax expense	(A+B+C) 10,773	11,572

#Considered in tax reconciliation in A) below

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2026 and March 31, 2025:

A) Current tax

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax	43,580	45,595
Statutory income tax rate	25.17%	25.17%
Tax using the Company's statutory tax rate	10,969	11,476
Tax effects of :		
Income exempt from tax	(51)	(37)
Tax at special rate	(83)	(10)
Disallowable expenses	223	214
Reversal of deferred liability on indexation of land (Refer note (i) below)	-	(74)
Tax pertaining to Prior years	(313)	(1)
Others	28	5
	(196)	96
Tax expense	10,773	11,572

Notes:

(i) At the time of transition to Indian Accounting Standards (Ind AS) with effect from April 1, 2015, the Company had recognised the fair value of its land parcels in the books of account and had also recognised corresponding deferred tax liability considering the future tax obligation that would arise upon sale of land in the expected manner in future (sale of land parcels on a piecemeal basis, delinked from the business).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

₹ in Lakhs)

B) Deferred tax

Particulars	Balance as at March 31, 2024	Accounted through Statement of Profit and loss and OCI	Balance as at March 31, 2025	Accounted through Statement of Profit and loss and OCI	Balance as at March 31, 2026
Deferred tax assets:					
On allowances for expected credit loss	515	95	610	(77)	533
Expenditure allowable on realised basis	1	(1)	-	-	-
On long term capital loss	9	(9)	-	-	-
On other financing arrangement	2	131	133	144	277
Expenditure allowable on payment basis	(141)	53	(88)	(56)	(144)
Deferred tax expense / (income) accounted through OCI	171	20	191	78	269
On fair value of investments accounted through FVTOCI	-	-	-	566	566
Total Deferred tax assets	557		846		1,501
Deferred tax liabilities:					
Depreciation for tax purposes	(2,360)	114	(2,246)	175	(2,071)
Impact of fair valuation of assets	(721)	91	(630)	-	(630)
On exceptional item	-	-	-	(2,493)	(2,493)
On fair value of investments/ Derivatives	(16)	(244)	(260)	(216)	(476)
Total Deferred tax liabilities	(3,097)		(3,136)		(5,670)
Net deferred tax assets/ (liabilities)	(2,540)	250	(2,290)	(1,879)	(4,169)

Reconciliation of deferred tax (liabilities) / assets (net):

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	(2,290)	(2,540)
Tax income/(expense) during the period recognised in profit or loss (including on exceptional items)	(2,523)	230
Tax income/(expense) during the period recognised in OCI	644	20
Balance at the end of the year	(4,169)	(2,290)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

37 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial liabilities comprise mainly of borrowings, lease liabilities, trade and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The said committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. It also covers policies on specific risk areas such as currency risk, interest rate risk, credit risk and investment of surplus funds.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

₹ in Lakhs)

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company seeks to mitigate such risk by maintaining an adequate proportion of floating and fixed interest rate borrowings. As at March 31, 2026, the company has no borrowing (March 31, 2025 approximately 100% of the Company's borrowings which consist of cash credits for working capital are at variable rate). Summary of financial assets and financial liabilities has been provided below:

Exposure to interest rate risk

The interest rate profile of the Company's interest - bearing financial instrument as reported to management is as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Fixed-rate instruments		
Financial Assets	40,865	41,937
Financial Liabilities	4,499	-
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	-	331

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Impact on Profit / (loss) after tax
March 31, 2026	
Increase in 100 basis points	-
Decrease in 100 basis points	-
March 31, 2025	
Increase in 100 basis points	2
Decrease in 100 basis points	(2)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in foreign currencies (primarily USD, EUR and GBP). Consequently, the Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Company manages its foreign currency risk by following policies approved by board as per established risk management policy. The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Exposure to Currency Risk

The summary quantitative data about the company's exposure to currency risk (based on notional amounts) is as follows:

Particulars	Year ended March 31, 2026				Year ended March 31, 2025			
	USD	GBP	EUR	Total	USD	GBP	EUR	Total
Financial Assets								
Trade receivables	4,915	82	434	5,431	3,379	114	278	3,771
Cash and cash equivalents	5	-	48	53	14	-	8	22
Other financial assets	-	-	-	-	-	-	-	-
Loans	-	-	-	-	0	-	-	0
Total (A)	4,920	82	482	5,484	3,393	114	286	3,793
Financial Liabilities								
Trade payables	64	-	418	482	68	-	1,539	1,607
Borrowings	-	-	-	-	-	-	-	-
Total (B)	64	-	418	482	68	-	1,539	1,607
Net exposure to foreign currency (A-B)	4,856	82	64	5,002	3,325	114	(1,253)	2,186

The Company is exposed to foreign currency risk on account of its receivables and payables. The functional currency of the Company is Indian Rupee. The Company has exposure to GBP, USD, EUR and other currencies. The Company has not hedged this foreign currency exposure as the company has natural hedge for payables against receivables.

The following significant exchange rates have been applied during the year.

Rupees	Average rate		Year-end spot rate	
	As at Year ended March 31, 2026	As at Year ended March 31, 2025	As at Year ended March 31, 2026	As at Year ended March 31, 2025
USD 1	90.12	84.48	94.65	85.58
GBP 1	118.19	108.02	125.63	110.74
EUR 1	100.67	91.27	109.01	92.32

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD, EUR and GBP rates to the functional currency of respective entity, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	USD			GBP			EUR		
	Change in exchange rate	Profit / (loss) before tax	Equity net of tax	Change in exchange rate	Profit / (loss) before tax	Equity net of tax	Change in exchange rate	Profit / (loss) before tax	Equity net of tax
Year ended March 31, 2026									
Strengthening	1.00%	49	36	2.00%	2	1	1.00%	1	0
Weakening		(49)	(36)		(2)	(1)		(1)	(0)
Year ended March 31, 2025									
Strengthening	1.00%	33	25	2.00%	2	2	1.00%	(13)	(9)
Weakening		(33)	(25)		(2)	(2)		13	9



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables and other financial assets including deposits with banks. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. Security deposits mainly includes rental deposits, earnest money deposits which are given as per contractual agreement. Contract assets mainly pertains to contracts where there has been no delay or default in the past periods.

Other financial assets

This comprises mainly of deposits with banks, investments in mutual funds, market linked debentures, other quoted instruments and other group receivables. Credit risk arising from these financial assets is limited because the counterparties are group companies, banks and recognised financial institutions and other corporates with high ratings, assigned by recognised credit rating agencies. In case of mutual fund investments, since majority of the investments are in short duration or liquid funds, having limited risk.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy and procedures. Trade receivables are non-interest bearing and generally have a credit period not exceeding 90 days. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the receivables are categorised into groups based on types of receivables. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - Financial instruments. The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Receivables from group companies and secured receivables are excluded for the purposes of this analysis since no credit risk is perceived on them. Proportion of expected credit loss provided for across the ageing buckets is summarised below:

Bucket	Year ended March 31, 2026	Year ended March 31, 2025
Not due [#]	0.22%	2.92%
0-1 year	0.99%	1.09%
1-3 years	24.81%	26.73%
Greater than 3 years	12.04%	76.76%
Expected Credit Losses rate	0.91%	4.04%
Amount of expected credit loss provided (₹ in Lakhs)	(2,116)	(2,422)

[#]Includes provision made for outstanding retention money.

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the receivables.

The following significant change in the carrying amounts of trade receivables contributed to change in the impairment loss allowance during year ended March 31, 2026:

- Aging profile of the receivables has improved and certain provisions made in the earlier periods have been reversed, resulting in lower provision requirement under the expected credit loss model.

Movement in provision of expected credit loss has been provided in Note no. 12.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from both banks and financial institutions at an optimised cost. The company invests its surplus funds in bank deposits and schemes of mutual fund which carries no/low mark to market risks.

The Company also participates in a supply chain financing arrangement (SCF) with the principal purpose of facilitating efficient payment processing of supplier invoices. While the SCF does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating, the programme assists in making cash outflows more predictable as a part of liquidity management.

The table below analysis non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

Particulars	Carrying amount	Less than 12 months	1-2 years	2-5 years	more than 5 years	Total
Year ended March 31, 2026						
Financial liabilities						
Borrowings	-	-	-	-	-	-
Lease liabilities	24,399	4,671	4,963	12,196	2,569	24,399
Trade payables	23,491	23,491	-	-	-	23,491
Other financial liabilities	9,596	9,596	-	-	-	9,596
Total	57,486	37,758	4,963	12,196	2,569	57,486
Year ended March 31, 2025						
Financial liabilities						
Borrowings	331	331	-	-	-	331
Lease liabilities	14,738	2,314	2,475	6,326	3,623	14,738
Trade payables	23,109	23,109	-	-	-	23,109
Other financial liabilities	4,859	4,859	-	-	-	4,859
Total	43,037	30,613	2,475	6,326	3,623	43,037

(d) Commodity price risk

Commodity price risk arises due to fluctuation in prices of steel. The Company has a risk management framework aimed at prudently managing the risk arising from the volatility in the commodity prices and freight costs. The Company's commodity risk is managed through well-established control processes.

(e) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

The Company has adequate cash and bank balances and no interest bearing liabilities. The Company monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any interest bearing debt, the maintenance of debt equity ratio etc. is not of relevance to the Company.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest-bearing loans and borrowings (note 17)	-	331
Less: Cash and cash equivalents (note 13)	(8,995)	(9,312)
Adjusted net debt	(8,995)	(8,981)
Equity share capital (note 15)	2,244	2,244
Other equity (note 16)	2,02,640	1,63,083
Total equity	2,04,884	1,65,327
Adjusted net debt to total equity ratio	(0.04)	(0.05)

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

38 FAIR VALUE MEASUREMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at March 31, 2026:

Particulars					Fair Value			Total
	FVTPL	FVTOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Investments (Note 1 below)	60,108	13,694	0	73,802	73,802	-	0	73,803
Trade receivables	-	-	66,538	66,538	-	-	-	-
Cash and cash equivalents	-	-	8,995	8,995	-	-	-	-
Other bank balance	-	-	1,336	1,336	-	-	-	-
Other financial assets	-	-	4,140	4,140	-	-	-	-
Total Financial assets	60,108	-	81,009	1,54,811	73,802	-	0	73,803
Borrowings	-	-	-	-	-	-	-	-
Lease liabilities	-	-	24,399	24,399	-	-	-	-
Trade payable	-	-	23,491	23,491	-	-	-	-
Other financial liabilities	-	-	9,596	9,596	-	-	-	-
Total Financial liabilities	-	-	57,486	57,486	-	-	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

As at March 31, 2025:

Particulars					Fair Value			Total
	FVTPL	FVTOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Investments (Note 1 below)	42,529	-	0	42,529	42,529	-	0	42,529
Trade receivables	-	-	57,508	57,508	-	-	-	-
Cash and cash equivalents	-	-	9,312	9,312	-	-	-	-
Other bank balance	-	-	7,101	7,101	-	-	-	-
Other financial assets	-	-	1,420	1,420	-	-	-	-
Total Financial assets	42,529	-	75,341	1,17,871	42,529	-	0	42,529
Borrowings	-	-	331	331	-	-	-	-
Lease liabilities	-	-	14,738	14,738	-	-	-	-
Trade payables	-	-	23,109	23,109	-	-	-	-
Other financial liabilities	-	-	4,859	4,859	-	-	-	-
Total Financial liabilities	-	-	43,037	43,037	-	-	-	-

Note 1 Investments in associates and subsidiaries have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above. Investments in unquoted equity shares of entities other than subsidiaries and associates have been designated as FVTPL. However, investments in equity shares on disposal will fetch only the principal amount invested and hence the company considers cost and fair value to be the same.

The investments include certain quoted equity instruments which are held for long term strategic purpose and not held for trading. Upon the application of Ind AS 109, the company has selected one time irrevocable option to designate the investments in equity instruments as at FVTOCI as the management believe that this provides a more meaningful presentation for long term strategic investments, than reflecting changes in fair value in profit and loss.

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial assets and liabilities classified as current. Accordingly, the fair value has not been disclosed separately.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The carrying amounts of financial assets and liabilities other than those valued at Level 1 and Level 2 are considered to be the same as their fair values due to the current and short term nature of such balances and no material differences in the values.

Fair value of borrowing is computed using the market comparison technique where information for the interest rate at which a borrowing can be availed by company is used to arrive at fair value of borrowing. Further management measurement of fair value is not materially different from the amortised cost in these case significant unobservable inputs and inter relationship between significant unobservable inputs and fair value measurement is not applicable.

The Company's investments on disposal will fetch only the principal amount invested and hence the company considers cost and fair value to be the same for investments in equity shares of ₹ 0.15 Lakhs (March 31, 2025: ₹ 0.15 Lakhs).

ii) Levels 1, 2 and 3

Level 1 : It includes Investment in equity shares and mutual funds that have a quoted price and which are actively traded on the stock exchanges. It is been valued using the closing price as at the reporting period on the stock exchanges.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

There has been no transfers between Level 1, Level 2 and Level 3 during the reporting period.



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

C. Fair value through profit and loss - in unquoted equity shares:

No movements in the values of unquoted equity instruments during the reporting period.

39 RELATED PARTY DISCLOSURES

As per the Ind AS - 24 Related Party Disclosures, the details are as under

A) Name of the related parties and nature of relationships :

- Ultimate Holding Company** : Aakaaish Investments Private Limited
- Entity with control over the Ultimate Holding Company** : Lotus Trust
- Wholly owned Subsidiary Companies:**

- Radicon Transmission UK Limited, U.K.
- Elecon Singapore Pte. Limited, Singapore
- Elecon Middle East FZCO, Dubai

d) Wholly owned Step-down Subsidiaries:

- Benzlers Systems AB, Sweden
- AB Benzlers, Sweden
- Radicon Drive Systems, Inc., USA
- Benzlers Transmission A.S., Denmark
- Benzlers Antriebstechnik GmbH, Germany
- Benzlers TBA B.V., Netherlands
- OY Benzlers AB, Finland
- Benzlers Italia s.r.l. Italy
- Elecon Radicon Africa (Pty) Ltd., South Africa
- Groupo Radicon SA De CV (w.e.f. January 8, 2026)

e) Associates:

- Eimco Elecon (India) Limited (upto April 23, 2025)
- Elecon Australia Pty. Limited, Australia
- Elecon Africa Pty. Limited, Africa
- Elecon Engineering (Suzhou) Co. Limited, China

Note:

The Company is in process of seeking RBI approval for liquidating its 3 associates namely Elecon Australia Pty. Limited, Elecon Africa Pty. Limited and Elecon Engineering (Suzhou) Co. Limited, China. There are no transactions in these 3 associate companies and there are no assets or liabilities pertaining to these associates.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

f) Key managerial personnel:

- (i) Mr. Prayasvin B. Patel - Chairman and Managing Director
- (ii) Mr. Prashant C. Amin - Non-Executive Director
- (iii) Mr. Aayush A. Shah - Non-Executive Director
- (iv) Mr. Pradip M. Patel - Director
- (v) Dr. Sonal V Ambani - Independent Director (upto August 13, 2025)
- (vi) Mrs. Natasha K. Treasurywala (w.e.f. April 24, 2025)
- (vii) Mr. Pranav C. Amin - Independent Director
- (viii) Mr. Ashutosh A. Pednekar - Independent Director
- (ix) Mr. Nirmal P. Bhogilal - Independent Director
- (x) Mr. Narasimhan Raghunathan- Chief Financial Officer (upto January 31, 2026)
- (xi) Mr. Chintan J. Shah- Chief Financial Officer (w.e.f. April 15, 2026)
- (xii) Mrs. Bharti L Isarani- Company Secretary

g) Relatives of Key managerial personnel:

- (i) Taruna Patel
- (ii) Akanksha Patel
- (iii) Aishwarya Patel
- (iv) B. I. Patel HUF (Karta)
- (v) Trupti Pradip Patel

h) Entities forming part of the same group (with whom transaction undertaken during the year or previous year):

- (i) Radicon Transmission FZE, Dubai
- (ii) Radicon Transmission (Thailand) Limited, Thailand
- (iii) Radicon Transmission (Australia) Pty Limited, Australia
- (iv) Prayas Engineering Limited
- (v) K. B. Investments Private Limited
- (vi) Elecon Information Technology Limited
- (vii) Tech Elecon Private Limited
- (viii) Emtici Engineering Limited
- (ix) Akaish Printing Press Private Limited (formerly known as Speciality Woodpack Private Limited)
- (x) Power Build Private Limited
- (xi) Elecon Hydraulics Private Limited
- (xii) Akaish Mechatronics Limited
- (xiii) Aisho Tours and Travels Limited (Formerly known as Wizard Fincap Limited) (upto October 22, 2024)



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

- (xiv) Eimco Elecon Electricals Limited
- (xv) Elecon Peripherals Limited
- (xvi) Emtici Marketing LLP
- (xvii) Modsonic Instruments Manufacturing Company Private Limited
- (xviii) Bipra Investments And Trusts Private Limited
- (xix) Vijay M. Mistry Construction Private Limited
- (xx) Naman Integrated Management Services Pvt. Ltd.
- (xxi) B.I. Patel Charitable Trust
- (xxii) Jamko Consultants Private Limited (upto September 24, 2024)
- (xxiii) Eimco Elecon (India) Limited (w.e.f. April 24, 2025)

i) Other related parties:

(a) Post employment benefit plan:

- (i) Elecon Engineering Company Limited Employees Group Gratuity Fund
- (ii) Elecon Engineering Company Limited Employees Superannuation Scheme

(b) Directors and/or their relatives are interested:

- (i) Packme Industries Private Limited
- (ii) Darshan Chemicals
- (iii) United Marketing Company
- (iv) Desmin Agencies
- (v) Desai & Diwanji

B) Terms and conditions of transactions with related parties

Transactions with key management personnel

Compensation of key management personnel of the Company

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Remuneration		
- Mr. Prayasvin B. Patel	2,131	2,261
- Mr. Narasimhan Raghunathan	72	67
- Mrs. Bharti L Isarani	31	28
Commission and sitting fees to Independent directors and non-executive directors	152	102
Total compensation paid to key management personnel	2,386	2,458

Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19- Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Holding Company		Associate		Subsidiaries		Key Managerial Personnel		Relatives of Key managerial personnel		Entities forming part of the same group		Other related parties		Total		
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2024-25
Income:																	
Sale of goods and rendering of services	-	-	9	564	9,917	10,901	-	-	-	-	2,229	1,507	602	549	12,757	13,521	
Sale of scrap	-	-	-	-	-	-	-	-	-	-	9	44	-	-	9	44	
Sales of plant and equipment	-	-	-	-	-	-	-	-	-	-	3	12	-	-	3	12	
Interest Income	-	-	-	-	-	12	-	-	-	-	-	-	-	-	-	-	
Corporate Guarantee Commission	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12	
Dividend income	-	-	-	48	-	-	-	-	-	-	48	-	-	-	48	48	
Reimbursement of Expense	-	-	-	7	468	421	-	-	-	-	59	90	0	-	527	518	
Rent Income	-	-	3	35	-	-	-	-	-	-	297	234	-	-	300	269	
Expense:																	
Purchase of goods and availment of services	-	-	1	86	6	141	-	-	-	-	12,130	11,741	35	72	12,172	12,040	
Purchase of plant and equipment	-	-	-	8	-	-	-	-	-	-	612	542	-	-	612	550	
Remuneration expense	-	-	-	-	-	-	2,386	2,458	-	-	-	-	-	-	2,386	2,458	
Repairs & Maintenance Charges	-	-	-	-	-	-	-	-	-	-	2,362	1,928	-	-	2,362	1,928	
Software Service Charges	-	-	-	-	-	-	-	-	-	-	2,101	1,711	-	-	2,101	1,711	
Other Expenses	-	-	-	-	277	201	-	-	-	-	935	894	3	-	1,215	1,095	
Rent Expense	-	-	0	5	-	-	128	100	-	-	766	931	-	-	894	1,036	
Commission expense on Sales	-	-	-	-	265	72	-	-	-	-	-	-	8	-	273	72	
Dividend paid	2,092	1,569	-	-	-	-	83	62	100	75	390	291	-	-	2,665	1,997	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Holding Company		Associate		Subsidiaries		Key Managerial Personnel		Relatives of Key managerial personnel		Entities forming part of the same group		Other related parties		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Contribution made to post employment defined plans trust	-	-	-	-	-	-	-	-	-	-	-	-	601	172	601	172
Contribution made towards CSR activities	-	-	-	-	-	-	-	-	-	-	734	522	-	-	734	522
Other Transactions:																
Loans repaid by Related party	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Donation Paid	-	-	-	-	-	-	-	-	-	-	14.00	-	-	-	14	-
Deposit Refund Received	-	-	-	-	-	-	-	-	-	-	30	8	-	-	30	8
Rent Deposit Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balances:																
Assets:																
Trade receivables	-	-	-	322	3,868	2,736	-	-	-	-	553	128	-	-	4,421	3,186
Advance given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities:																
Trade payables	-	-	-	28	42	73	-	-	-	-	1,653	1,440	-	-	1,695	1,541
Advance received	-	-	-	-	-	-	-	-	-	224	-	-	-	-	224	-

Notes:

- All the above expenses reported here are net of GST.
- The Company had written off investments and loans outstanding from the 3 associates namely Elecon Australia Pty. Limited, Elecon Africa Pty. Limited and Elecon Engineering (Suzhou) Co. Limited in the financial year 2011-2012 amounting to ₹ 1,071 Lakhs.

40 DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

A. Defined contribution plans:

Amount of ₹ 461 Lakhs (March 31, 2025: ₹ 385 Lakhs) is recognised as expenses and included in Note No. 31 'Employee benefits expense'

Particulars	Year ended	
	March 31, 2026	March 31, 2025
Provident fund and Pension Scheme	458	381
Superannuation fund	3	4
	461	385

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

March 31, 2026 : Changes in defined benefit obligation and plan assets

Particulars	Gratuity cost charged to statement of profit and loss				Remeasurement (gains)/losses in other comprehensive income				March 31, 2026					
	April 1, 2025	Service cost	Past service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 31)	Transfer in/ Out liability/ asset	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)		Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in other comprehensive income	Contributions by employer
Defined benefit obligation	1,762	160	312	133	605	5	(189)	-	3	269	-	272	-	2,455
Fair value of plan assets	(1,777)	-	-	(138)	(138)	-	4	39	-	-	-	39	(600)	(2,472)
Total benefit liability	(15)	160	312	(5)	467	5	(185)	39	3	269	(600)	311	(600)	(16)
Total benefit liability	(15)	160	312	(5)	467	5	(185)	39	3	269	(600)	311	(600)	(16)

March 31, 2025 : Changes in defined benefit obligation and plan assets

Particulars	Gratuity cost charged to statement of profit and loss				Remeasurement (gains)/losses in other comprehensive income				March 31, 2025					
	April 1, 2024	Service cost	Past service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 31)	Transfer in/ Out liability/ asset	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)		Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in other comprehensive income	Contributions by employer
Defined benefit obligation	1,517	120	-	109	229	(3)	(52)	-	45	26	-	71	-	1,762
Fair value of plan assets	(1,517)	-	-	(109)	(109)	-	52	9	-	-	-	9	(212)	(1,777)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Gratuity cost charged to statement of profit and loss

Particulars	Gratuity cost charged to statement of profit and loss				Remeasurement (gains)/losses in other comprehensive income				March 31, 2025					
	April 1, 2024	Service cost	Past service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 31)	Transfer in/ Out liability/ asset	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)		Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in other comprehensive income	Contributions by employer
Benefit liability	-	120	-	(0)	120	(3)	-	9	45	26	-	81	(212)	(15)
Total benefit liability	-	120	-	(0)	120	(3)	-	9	45	26	(212)	81	(212)	(15)

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Insurance Fund (%) of total plan assets	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	6.83%	6.84%
Future salary increase		
For 1 st year	9.00%	9.00%
For 2 nd to 3 rd year	9.00%	9.00%
Starting from 3 rd year	9.00%	9.00%
Expected rate of return on plan assets	6.83%	6.84%
Employee turnover rate	6.00%	6.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Sensitivity level	(Increase) / Decrease in defined benefit obligation (Impact)	
		Year ended	Year ended
		March 31, 2026	March 31, 2025
Discount rate	1% increase	(170)	(121)
	1% decrease	194	139
Salary Increase	1% increase	126	117
	1% decrease	(126)	(111)
Employee Turnover	1% increase	(16)	(18)
	1% decrease	17	20

(b) Leave obligations -Unfunded

The actuarial liability towards leave obligations as at March 31, 2026 is ₹ 9 Lakhs (March 31, 2025 is ₹ 13 Lakhs). Current year charge is included in Employee benefit expense (Refer note 31)

(c) Effect of Plan on Entity's Future Cash Flows

(i) Funding arrangements and Funding Policy:

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(ii) Expected Contribution during the next annual reporting period:

The Company's best estimate of contribution during the next year is ₹ 195 Lakhs (As at March 31, 2025 is ₹ 131 Lakhs)

(iii) Expected cash flows over the next years (valued on undiscounted basis):

Weighted average duration (based on discounted cash flows)

Particulars	Year ended	Year ended
	March 31, 2026	March 31, 2025
1 year	261	232
2 to 5 year	779	563
6 to 10 year	1,058	670
More than 10 year	2,476	1,835

41 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	Year ended	Year ended
	March 31, 2026	March 31, 2025
I Contingent liabilities:		
Claims against the Company not acknowledged as debt #:		
(i) Disputed with Excise and Service tax authority:	4,930	4,930
[FY 2025-26 : Amount deposited : ₹ 429 Lakhs , Net ₹ 4,501 Lakhs]		
[FY 2024-25 : Amount deposited : ₹ 249 Lakhs , Net ₹ 4,681 Lakhs]		



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2026	March 31, 2025
(ii) Disputed with Sales tax authority:	12	12
[FY 2025-26 : Amount deposited : ₹ NIL Lakhs , Net ₹ 12 Lakhs]		
[FY 2024-25 : Amount deposited : ₹ NIL Lakhs , Net ₹ 12 Lakhs]		
(iii) Disputed with GST tax Authority:	1,040	1,041
[FY 2025-26 : Amount deposited : ₹ 03 Lakhs , Net ₹ 1,037 Lakhs]		
[FY 2024-25 : Amount deposited : ₹ 94 Lakhs , Net ₹ 947 Lakhs]		
(iv) Disputed with Income tax authority:	3,741	3,692
[FY 2025-26 : Amount deposited : ₹ 1,199 Lakhs , Net ₹ 2,542 Lakhs]		
[FY 2024-25 : Amount deposited : ₹ 1,174 Lakhs , Net ₹ 2,518 Lakhs]		
(v) Dispute raised by Income Tax Department against the company with the higher authorities	961	1,021
II Commitments:		
Estimated amount of contracts remaining to be executed on account of capital goods and not provided for (net of capital advance)	16,677	7,315

#Future cash outflows are determinable only on receipt of judgements/ decisions pending with various forums/ authorities. It is not practical to disclose possibility of any reimbursement.

42 SEGMENT REPORTING

The Company publishes these Standalone financial statements along with the Consolidated Financial Statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the Consolidated Financial Statements.

43 DISCLOSURES PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 115, REVENUE FROM CONTRACTS WITH CUSTOMERS:

a Disaggregation of revenue

Particulars	Year ended	Year ended
	March 31, 2026	March 31, 2025
(i) Revenue from long-term construction contracts (revenue recognised over time)	35,523	23,753
(ii) Revenue other than considered in (i) above (revenue recognised at point in time)	1,63,186	1,60,370
Revenue from operations (excluding Other operating Revenues) (Refer note 26)	1,98,709	1,84,123

The Company believes that the information provided under Note 26 and Note 43, is sufficient to meet the disclosure requirements with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

b Reconciliation of the amount of revenue recognised in the standalone statement of profit and loss with the contracted price

Particulars	Year ended	Year ended
	March 31, 2026	March 31, 2025
Revenue as per contracted price	1,95,945	1,83,275
Adjustments		
Variable consideration (deducted)/recovered on account of liquidated damages	2,764	848
Revenue from contract with customers (excluding Other operating Revenues) (Refer note 26)	1,98,709	1,84,123

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

c Contract balances

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Trade receivables	66,538	57,508
Contract assets	3,238	434
Contract liabilities		
Billing in excess of revenue	1,271	2,294
Advance from customers	11,295	7,674
Revenue recognised from opening balance of contract liability (net)	2,184	-
Revenue recognised in the reporting year from performance obligations satisfied (or partially satisfied) in previous years	-	-

Note: Number of customers individually accounted for more than 10% of the revenue in the year ended March 31, 2026: NIL (March 31, 2025: NIL)

d Unsatisfied performance obligations

The Company applies the practical expedient in Paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations where the Company has a right to consideration from the customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date. Accordingly, the Company recognises revenue by an amount to which the Company has a right to invoice.

44 LEASE TRANSACTIONS

The Company has elected below practical expedients while applying Ind AS 116:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of right of use asset at the date of initial application. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term. The incremental borrowing rate applied to lease liabilities as at April 1, 2025 is 14.50%, 8.00%, 8.5% and 6.18% for Lease Arrangements of current year.

44.1 As a Lessee - Movement in Lease liabilities

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance as at April 1, 2025	14,738	4,348
New lease contracts entered during the year	13,555	16,022
Finance costs incurred during the year	2,007	662
Lease contracts terminated during the year	-	(4,842)



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Payments of lease liabilities	(5,901)	(1,452)
Balance as at March 31, 2026 (Refer note 21)	24,399	14,738
Maturity analysis - Undiscounted cash flows		
Less than one year	6,383	3,335
1-2 years	6,280	3,341
2-5 years	13,943	7,786
More than five years	6,435	7,687

44.2 Amounts recognised in Statement of Profit and Loss

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on lease liabilities	2,007	662
Expenses relating to short-term leases	803	910
Expenses relating to leases of low value assets	243	127

44.3 As a Lessor

Lease income from lease contracts in which the Company acts as a lessor is as below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Operating Lease	438	385
Maturity analysis - Undiscounted cash flows		
Less than one year	143	159
1-2 years	139	119
2-5 years	448	398
More than five years	327	256

The Company has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

45 DISCLOSURE AS PER SEC 186(4) OF THE COMPANIES ACT, 2013

The details of loans, guarantees and investments under Section 186(4) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- There are no Loans or Corporate Guarantees given by the company. The details of Investments made are disclosed in Note No. 6 and 11

46 IMPACT OF INTRODUCTION OF NEW LABOUR CODES

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed the impact of the changes, consistent with the Labour Codes, draft rules and FAQs. Considering the regulatory-driven nature of this impact, the Company has presented such incremental impact of ₹ 312 Lakhs in the standalone Statement of profit and loss for the year ended on March 31, 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect as appropriate.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

47 EXCEPTIONAL ITEMS

Eimco Elecon (India) Ltd. has ceased to be an Associate effective April 23, 2025 and hence has been reclassified as financial asset which will be fair valued at each reporting date in accordance with Ind AS109. Accordingly, unrealised mark to market gain of ₹ 14,942 Lakhs (net of tax) till the date of termination has been credited to Statement of Profit and Loss and considered as an exceptional item. Unrealised loss of ₹ 3,392 Lakhs (net of tax) from the date of termination till the year ended on March 31, 2026 has been included in Other Comprehensive Income in accordance with one time irrevocable option available under Ind AS.

48 OTHER DISCLOSURES WITH RESPECT TO SCHEDULE III

- The company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- The company is not declared as wilful defaulter by any bank or financial Institution or other lender.
- There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013
- The company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- The company have not traded or invested in Crypto currency or Virtual Currency during the year.
- The company does not have any transactions with companies struck off except as mentioned below:

Sr. No	Name of the Struck off company	Nature of Transaction	Balance Outstanding	Relationship with the struck off company, if any, to be disclosed
(i)	Vaishak Shares Limited	Dividend payment	NIL	Shareholder
(ii)	Dreams Broking Private Limited	Dividend payment	NIL	Shareholder

- The company does not have any charges or satisfaction which is yet to be registered with Registrars of Companies beyond the statutory period.
- The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:



NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

- 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 to or on behalf of the Ultimate Beneficiaries.
- (i) The company have 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:
- 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,

49 THE STANDALONE FINANCIAL STATEMENTS WERE AUTHORISED BY THE BOARD OF DIRECTORS AT ITS BOARD MEETING HELD ON APRIL 15, 2026.

As per our report of even date attached

For **C N K & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961 W/W - 100036

Himanshu Kishnadwala
Partner
Membership No: 037391

Place : Vallabh Vidyanagar
Date : April 15, 2026

For and on behalf of the Board of Directors Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Chintan Shah
Chief Financial Officer

Place : Vallabh Vidyanagar
Date : April 15, 2026

Ashutosh Pednekar
Director
DIN : 00026049

Bharti Isarani
Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

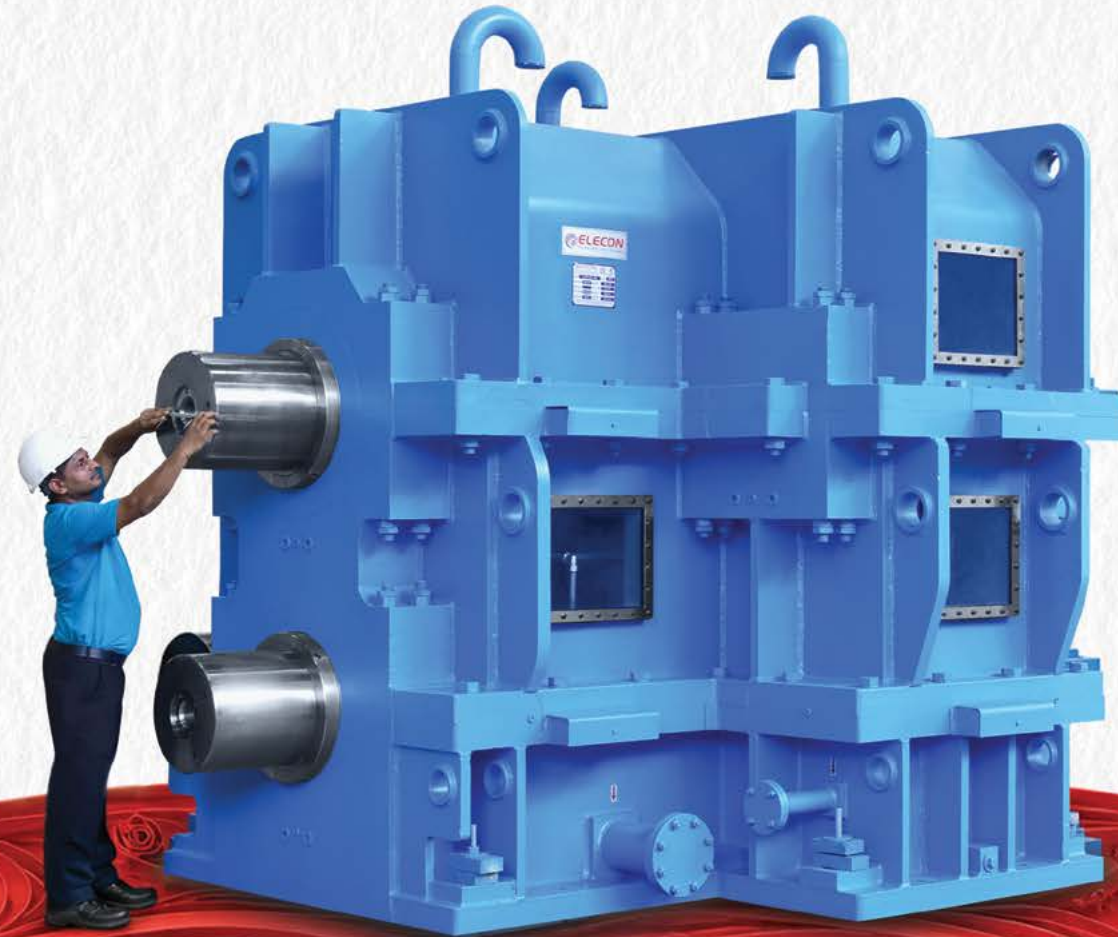
Ratios	Numerator	Denominator	FY 2025-26	FY 2024-25	% Variance	Reason for variance
Current Ratio	Current Asset	Current Liabilities	2.91	2.90	0.3%	
Debt equity ratio	Total Debt (1)	Shareholders Equity	0.12	0.09	(30.7)%	Increased mainly on account of new lease agreement entered into by the company.
Debt Service Coverage Ratio for debt service (2)	Earnings available for debt service (3)	Debt Service (3)	7.86	14.20	(44.7)%	Reduced due to increased finance cost, Scheduled principal repayment of non-current borrowings and Current maturity of lease liabilities
Return on Equity Ratio	Net profit after Taxes-PREFERENCE dividend (if any)	Average Shareholders Equity	17.7%	22.7%	(22.0)%	
Inventory turnover ratio	Sales	Average Inventory	10.99	11.71	(6.1)%	
Trade Receivables turnover ratio	Net Credit Sales	Average account Receivable	3.25	3.81	(14.7)%	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	4.33	4.65	(6.9)%	
Net capital turnover ratio	Net Sales	Working Capital	1.86	2.09	(11.1)%	
Net profit ratio	Net Profit	Net Sales	16.23%	18.17%	(10.7)%	
Return on Capital employed	Earning before interest and taxes	Capital Employed (4)	21.96%	27.74%	(20.8)%	
Return on investment	Income generated from invested funds(5)	Average Invested funds in Treasury investments(6)	7.79%	7.04%	10.7%	

Note: Above ratios are calculated without considering Exceptional Item.

- (1) Total Debt represents Current Borrowings + Non Current Borrowings + Lease liabilities.
- (2) Earnings available for debt service represents Profit Before Tax + Interest on Debt + Depreciation
- (3) Debt Service represents Interest on Debt + Scheduled principal repayment of non-current borrowings + Current maturity of lease liabilities
- (4) Capital Employed represents Total Equity + Borrowings + Deferred Tax liabilities
- (5) Income generated from invested funds represents Interest Income
- (6) Average Invested funds in Treasury investments represents Average Fixed deposits of two years



Consolidated Financial Statements



INDEPENDENT AUDITOR'S REPORT

To The Members Of Elecon Engineering Company Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Consolidated Financial Statements of Elecon Engineering Company Limited ('the Holding Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associate comprising of the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss, including Other Comprehensive Income, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended (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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2026, their consolidated profit and other comprehensive income, consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its associate 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 Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the 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 Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the Consolidated 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 Matters	Auditor's Response
1.	<p>Related party transactions</p> <p>The Company has undertaken several transactions with its related parties. These include sale of goods, purchase of goods and availing /rendering of services from / to related parties. We identified related party transactions as a key audit matter due to significance of related party transactions, increased regulatory compliances and risk of such transactions remaining undisclosed in the financial statements.</p>	<p>We applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence:</p> <ul style="list-style-type: none"> • Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, determining whether the same are at Arm's Length basis, recording and disclosure of related party transactions; • Read minutes of shareholder meetings, board meetings, audit committee meetings and reports of Internal Auditors regarding Company's assessment of related party transactions being in the ordinary course of business and at arm's length; • Tested, on a sample basis, related party transactions with the underlying contracts, obtaining confirmations and other supporting documents as per the policies and procedures of the Company; • Verified the related party information disclosed in the financial statements as per the relevant Indian accounting standards with the underlying supporting documents, on a sample basis.



Sr. no.	Key Audit Matters	Auditor's Response
2.	<p>Allowance for Expected credit loss on trade receivables.</p> <p>Evaluation of trade receivables for impairment or Expected Credit loss (ECL) requires exercise of judgement and involves consideration of various factors. These factors include customer's ability and willingness to pay the outstanding amounts, past due receivables, financial and economic difficulties of customers;</p> <p>This assessment is done for each group of customers resulting from possible defaults over the expected life of the receivables. Based on this assessment, credit loss rate is determined in provision matrix. The credit loss rate is based on the experience of actual credit losses over past years adjusted to reflect the current economic conditions and forecasts of future economic conditions. Based on such credit loss rate, the Company records ECL allowance for trade receivables.</p> <p>In view of the above, we have considered measurement of ECL on trade receivables (including retention monies) as a key audit matter.</p>	<p>We applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence:</p> <ul style="list-style-type: none"> • Evaluating the accounting policy for impairment of trade receivables in terms of the relevant Indian accounting standard; • Testing the design, implementation and operating effectiveness of the Company's key internal financial controls. These controls relate to measurement of ECL on trade receivables. • Evaluated monitoring mechanism by the company related to credit control, collection of trade receivables, follow up for past due amounts and for identification and recognition of corresponding impairment losses; • For past due receivables, we examined the ageing of receivables, impairment losses provided/ reversed during the year and compared them to historical experience; • Evaluating the Company's assessment regarding credit worthiness of such customers and identification of the credit impaired customers; • Balance confirmation requests were circulated to some of the customers, selected basis random sampling; • We evaluated the historical credit loss experience, current observable data and forward-looking outlook including subsequent realisation; • Assessing the adequacy of the related disclosures in the Financial Statements with reference to the relevant Indian accounting standards.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to that Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include Financial Statements, and our auditor's report thereon.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated 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. When we read the other information,

if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group and of its associate 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 the 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Board of Directors of the Holding Company's, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

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

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

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

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

Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statement and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Consolidated 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 Consolidated Financial Statements for the financial year ended March 31, 2026, 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.

Other Matters

- The Consolidated Financial Statements include the Group's share of net profit after tax upto April 23, 2025 of ₹ 61 Lakhs, total comprehensive income upto April 23, 2025 of ₹ 61 Lakhs for the year ended March 31, 2026, as considered in the Consolidated Financial Statements, in respect of an associate, whose financial statements, other financial information have been audited by other auditors and whose report has been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to associate, is based solely on the report of such other auditors;
- We did not audit the financial statements and other financial information, in respect of Seven subsidiaries (including four step down subsidiaries) whose Financial Statements and other financial information as applicable, include before consolidation adjustments, total assets of ₹ 72,298 Lakhs as at March 31, 2026 and total revenues of ₹ 32,130 Lakhs, total net profit after tax of ₹ 2,539 Lakhs, total comprehensive income of ₹ 2,600 Lakhs for the year ended March 31, 2026 and net cash inflow of ₹ 1,815 Lakhs for the year ended March 31, 2026. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

These Subsidiaries and Step-down Subsidiaries are located outside India whose financial statement and financial information have been prepared in accordance with accounting principles generally accepted in the respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of these subsidiaries and Step-down Subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of these subsidiaries is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company

- The accompanying Consolidated Financial Statements include unaudited financial statements and other unaudited financial information in respect of Six step down subsidiaries which have not been audited by us, whose Consolidated Financial Statements and other financial information before consolidation adjustments reflect total assets of ₹ 11,425 Lakhs as at March 31, 2026, total revenues of ₹ 17,882 Lakhs, total net profit after tax of ₹ 1,434 Lakhs, total comprehensive income of ₹ 1,534 Lakhs for the year ended March 31, 2026 and net cash outflow of ₹ 272 Lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been approved and furnished to us by the management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements and other unaudited financial information.

These Step-down Subsidiaries are located outside India whose financial statement and financial information have been prepared in accordance with accounting principles generally accepted in the respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of these subsidiaries and Step-down Subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of these subsidiaries is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company

d) The statement also includes the Group's share of net profit after tax of ₹Nil and total comprehensive income of ₹Nil for the year ended March 31, 2026, as considered in the Consolidated Financial Statements, in respect of three associates for which based on information and explanation given to us by Holding Company's management there are no transactions and the same are under Liquidation.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the matters covered in paragraph a) and b) above with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management as referred in c) and d) above;

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'Other Matters' paragraph we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors (Also refer our comments in para 1(h)(vi));
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and based on the considerations of the report of the statutory auditors of its associates, incorporated in India, none of the directors of the Holding Company and its associate

incorporated in India are 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 the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its associate incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A' which is based on the auditors' reports of the Holding Company and its associate incorporated in India;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) read with Schedule V of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of auditors' reports of the Holding Company and its associate incorporated in India, the remuneration paid by the Holding Company and its associate incorporated in India to their directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act, as amended;

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other Matters' paragraph:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its Consolidated Financial Statements – Refer note no. 42 to the Consolidated Financial Statements;
 - ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts to the extent entered by the Group and its associate;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate incorporated in India;
 - iv. a) The respective managements of the Holding Company and its associate which are the companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associate

respectively 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 Holding Company or its associate to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or its associate ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company and its associate which are the companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associate respectively 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 respective Holding Company or its associate from any persons or entities, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its associate shall, whether, directly or indirectly, lend or invest in other person(s) or entity(ies) 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; and
- c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the associate which is the company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause a) and b) contain any material mis-statement;
- v. The interim dividend declared and paid by the Holding Company during the year is in accordance with section 123 of the Act.

The final dividend paid, by the Holding Company and its associate incorporated in India, during

the year in respect of dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note no. 17.2 to the Consolidated Financial Statements, the respective Board of Directors of the Holding Company and its associate incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination, which included test checks, that performed by us on the Holding Company and the respective auditors of the Associate which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and its Associate have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit, we and respective auditors of the above referred Associate did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company and its Associate as per the statutory requirements for record retention.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the 'Order') 'CARO') issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditors' Report, according to the information and explanations given to us and based on the CARO report issued by us for the Holding Company whose financial information has been considered in the Consolidated Financial Statements and to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **C N K & As11W/W-100036**

Himanshu Kishnadwala
Partner

Membership No.037391

UDIN: 26037391DWEYLG2513

Place: Vallabh Vidyanagar

Date: April 15, 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (the 'Act')

OPINION

We have audited the internal financial controls over financial reporting of Elecon Engineering Company Limited ('the Holding Company') and its associate company wherein such audit of internal financial controls over financial reporting was carried out by other Auditors whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as on March 31, 2026 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its associate company has, in all material respects, an internal financial controls with reference to financial statements of the Holding Company 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 company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note').

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Management and Board of Directors of the Holding Company and its associate company, which is company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of internal financial controls with reference to financial statements of the Company that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, prescribed under section 143(10) of the Act, 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 internal financial controls with reference to financial statements of the Company were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to financial statements of the company 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 Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS 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.

OTHER MATTER

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and the operating effectiveness of the internal financial controls over financial reporting in so far as it relates to associate company, which is incorporated in India, are based on the corresponding reports of the auditors of such company incorporated in India.

Our Opinion is not modified in respect of above matter.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration Number. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.037391

UDIN: 26037391DWEYLG2513

Place: Vallabh Vidyanagar

Date: April 15, 2026

CONSOLIDATED BALANCE SHEET

as at March 31, 2026

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	58,293	55,479
(b) Capital work-in-progress	3	2,311	670
(c) Right of Use Assets	3	29,463	20,875
(d) Investment properties	4	2,491	2,501
(e) Goodwill	5	-	10,177
(f) Other intangible assets	5	2,717	2,360
(g) Investments accounted for using the equity method	6	-	7,051
(h) Financial assets			
(i) Investments	7	14,839	1,074
(ii) Other financial assets	8	13,832	7
(i) Income tax assets (net)	9	1,286	1,253
(j) Other non-current assets	10	2,667	1,873
Total non-current assets		1,27,899	1,03,320
II. Current assets			
(a) Inventories	11	30,115	24,296
(b) Financial assets			
(i) Investments	12	59,436	41,455
(ii) Trade receivables	13	72,051	61,387
(iii) Cash and cash equivalents	14	16,923	15,885
(iv) Bank balances other than (iii) above	14	4,341	19,959
(v) Other financial assets	8	4,636	1,429
(c) Other current assets	15	7,967	5,216
Total current assets		1,95,469	1,69,627
Total assets		3,23,368	2,72,947
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	16	2,244	2,244
(b) Other equity	17	2,28,341	1,97,625
Total equity		2,30,585	1,99,869
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	-	-
(ii) Lease liabilities	19	21,563	14,654
(b) Non-current provisions	20	178	274
(c) Other Non-current liabilities	21	258	2,144
(d) Deferred tax liabilities (net)	37	4,200	2,294
Total non-current liabilities		26,199	19,366
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	-	331
(ii) Lease liabilities	19	5,702	3,138
(iii) Trade payables	22		
(A) Total outstanding dues of micro and small enterprises		9,833	5,573
(B) Total outstanding dues of creditors other than micro and small enterprises		19,004	22,441
(iv) Other financial liabilities	23	9,595	4,859
(b) Other current liabilities	24	19,028	14,292
(c) Current provisions	25	2,437	2,347
(d) Current tax liabilities (net)	26	985	731
Total current liabilities		66,584	53,712
Total liabilities		92,783	73,078
Total equity and liabilities		3,23,368	2,72,947

The accompanying notes form an integral part of the Consolidated Financial Statements.

2-52

As per our report of even date attached
For **C N K & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961 W/W - 100036

For and on behalf of the Board of Directors Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Himanshu Kishnadwala
Partner
Membership No: 037391

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Ashutosh Pednekar
Director
DIN : 00026049

Chintan Shah
Chief Financial Officer

Bharti Isarani
Company Secretary

Place : Vallabh Vidyanagar
Date : April 15, 2026

Place : Vallabh Vidyanagar
Date : April 15, 2026



CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
Income			
Revenue from operations	27	2,36,605	2,22,696
Other income	28	8,117	5,481
Total income (I)		2,44,722	2,28,177
Expenses			
Cost of materials consumed	29	1,17,377	1,01,346
Changes in inventories of finished goods and work-in-progress	30	(4,865)	1,285
Manufacturing expenses and erection charges	31	17,795	15,863
Employee benefit expenses	32	24,130	20,872
Finance costs	33	2,491	1,304
Depreciation and amortisation expense	3,4 & 5	10,424	6,076
Other expenses	34	29,854	28,547
Total expenses (II)		1,97,206	1,75,293
Profit before share of equity accounted investee, tax and exceptional item (III=I-II)		47,516	52,884
Share of profit from associate (net of tax) (IV)		61	813
Profit before share of tax and exceptional item (V=III+IV)		47,577	53,697
Exceptional items (net of tax)- Gain/(Loss) (VI)	50	(2,130)	-
Profit before tax (V+VI)		45,447	53,697
Tax expense			
Current tax	37	11,301	12,417
Deferred tax		31	(230)
Total tax expense		11,332	12,187
Profit for the year		34,115	41,510
Other comprehensive income			
A. Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences in translating the financial statements of foreign operations	17	4,894	1,127
Net other comprehensive income to be reclassified to profit or loss in subsequent periods (A)		4,894	1,127
B. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans	17	(492)	172
Gain on financial assets measured at fair value through Other comprehensive income		(3,958)	-
Income tax related to items that will not be reclassified to profit or loss		645	22
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (B)		(3,805)	194
Total other comprehensive income for the year (net of tax) [A+B]		1,089	1,321
Total comprehensive income for the year		35,204	42,831
Profit attributable to:			
Owners of the Company		34,115	41,510
Non-controlling interest		-	-
Profit for the year		34,115	41,510
Other comprehensive income attributable to:			
Owners of the Company		1,089	1,321
Non-controlling interest		-	-
Other comprehensive income for the year		1,089	1,321
Total comprehensive income attributable to:			
Owners of the Company		35,204	42,831
Non-controlling interest		-	-
Total comprehensive income for the year		35,204	42,831
Earnings per equity share (₹ in ₹)			
Equity share of face value ₹ 1 each	36		
Basic		15.20	18.50
Diluted		15.20	18.50

The accompanying notes form an integral part of the Consolidated Financial Statements.

2-52

As per our report of even date attached
For **C N K & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961 W/W - 100036

For and on behalf of the Board of Directors Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Himanshu Kishnadwala
Partner
Membership No: 037391

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Ashutosh Pednekar
Director
DIN : 00026049

Chintan Shah
Chief Financial Officer

Bharti Isarani
Company Secretary

Place : Vallabh Vidyanagar
Date : April 15, 2026

Place : Vallabh Vidyanagar
Date : April 15, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

(₹ in Lakhs)

A. EQUITY SHARE CAPITAL

(1) Current Reporting Period

Particulars	Balance as at April 1, 2025	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
Equity share capital	2,244	-	2,244	-	2,244

(2) Previous reporting period

Particulars	Balance as at April 1, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
Equity share capital	2,244	-	2,244	-	2,244

B. OTHER EQUITY

Particulars	Other equity							Total equity attributable to the owners of the company
	Reserves & Surplus				Other Comprehensive Income			
	Capital reserve	Securities premium	General reserve	Retained earnings	Remeasurements of net defined benefits plan	Equity Instruments through OCI	Exchange difference on translating the financial statement	
Balance as at April 1, 2024	247	2,878	44,324	1,10,141	(1,238)	-	1,806	1,58,159
Total comprehensive income for the period								
Profit for the year	-	-	-	41,510	-	-	-	41,510
Remeasurements of post-employment benefit obligation, (net of tax) accounted through Other comprehensive income	-	-	-	-	194	-	-	194
Equity instruments through OCI	-	-	-	-	-	-	-	-
Foreign currency translation	-	-	-	-	-	-	1,127	1,127
Dividend paid	-	-	-	(3,366)	-	-	-	(3,366)
Total comprehensive income for the period	-	-	-	38,144	194	-	1,127	39,466
Balance as at March 31, 2025	247	2,878	44,324	1,48,285	(1,044)	-	2,933	1,97,625
Balance as at April 1, 2025	247	2,878	44,324	1,48,285	(1,044)	-	2,933	1,97,625
Total comprehensive income for the period								



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Other equity							Total equity attributable to the owners of the company
	Reserves & Surplus				Other Comprehensive Income			
	Capital reserve	Securities premium	General reserve	Retained earnings	Remeasurements of net defined benefits plan	Equity Instruments through OCI	Exchange difference on translating the financial statement	
Profit for the year	-	-	-	34,115	-	-	-	34,115
Remeasurements of post-employment benefit obligation, (net of tax) accounted through Other comprehensive income	-	-	-	-	(413)	-	-	(413)
Equity instruments through OCI	-	-	-	-	-	(3,392)	-	(3,392)
Foreign currency translation	-	-	-	-	-	-	4,894	4,894
Dividend paid	-	-	-	(4,488)	-	-	-	(4,488)
Total comprehensive income for the period	-	-	-	29,627	(413)	(3,392)	4,894	30,716
Balance as at March 31, 2026	247	2,878	44,324	1,77,912	(1,457)	(3,392)	7,827	2,28,341

For description of reserves refer note 17

The accompanying notes form an integral part of the Consolidated Financial Statements. (2-52)

As per our report of even date attached
For **C N K & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961 W/W - 100036

For and on behalf of the Board of Directors Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Himanshu Kishnadwala
Partner
Membership No: 037391

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Ashutosh Pednekar
Director
DIN : 00026049

Chintan Shah
Chief Financial Officer

Bharti Isarani
Company Secretary

Place : Vallabh Vidyanagar
Date : April 15, 2026

Place : Vallabh Vidyanagar
Date : April 15, 2026

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Cash flow from operating activities		
Profit before tax	45,447	53,697
Adjustments for:		
Share of profit of associates	(61)	(813)
Depreciation and amortisation expense	10,424	6,076
Finance costs	2,491	1,304
(Gain)/loss on sale of investment	(433)	(104)
(Gain)/loss on fair valuation of investment	(1,184)	(1,002)
(Gain)/loss on sale of/discarded property, plant and equipment (net)	(27)	(81)
Interest income	(5,011)	(2,814)
Dividend income	(91)	(15)
Allowances for Expected Credit Loss (including Bad debts and advanced written off)	706	457
Exceptional income	2,130	-
Provision for other contractual liabilities, warranty and others	(73)	942
Liabilities written back	(123)	(178)
Rent Income	(447)	(393)
Allowances for Inventory	431	(217)
	54,179	56,859
Working Capital Adjustments		
(Increase)/Decrease in trade receivables	(10,954)	(17,093)
(Increase)/Decrease in inventories	(6,250)	(1,105)
(Increase)/Decrease in financial assets	28	9,510
(Increase)/Decrease in other current and non-current assets	(2,683)	(2,882)
(Decrease)/Increase in trade payables	980	9,291
(Decrease)/Increase in provisions, current and non-current liabilities	2,466	289
(Decrease)/Increase in other financial liabilities	4,736	353
Cash generated from operations	42,502	55,222
Taxes paid (Net of Refund)	(11,080)	(12,681)
Net cash (used in)/generated from operating activities (A)	31,422	42,541
Cash flow from investing activities		
Payments for purchase of property, plant and equipment	(11,951)	(6,600)
Proceeds from sale of property, plant and equipment	2,298	198
Payments for purchase of investments	(83,017)	(58,251)
(Increase)/Decrease in Bank balances other than cash and cash equivalents	(1,221)	(9,634)
Proceeds from sale of Investments	66,521	39,179
Interest received	4,874	3,071
Dividend received	91	15
Dividend received from associate	-	52
Rent received	447	393
Net cash (used in)/generated from investing activities (B)	(21,958)	(31,577)
Cash flow from financing activities		
(Repayment)/proceeds of current borrowings (net)	(331)	331
Finance cost paid	(347)	(515)
Dividend paid	(4,488)	(3,366)
Payment of lease liabilities	(7,016)	(3,187)
Net cash (used in)/generated from financing activities (C)	(12,182)	(6,737)
Unrealised exchange gain/(loss) in cash and cash equivalents	3,757	689
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(2,719)	4,227



CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Cash and cash equivalents at the beginning of the year (Refer note 14)	15,885	10,969
Cash and cash equivalents at the end of the period (Refer note 14)	16,923	15,885
Components of cash and cash equivalents :-		
Balances with banks		
- In current accounts	8,739	7,038
- Remittance in Transit	-	11
Deposits with bank (with maturity up to 3 months)	8,184	8,836
	16,923	15,885

Notes:

- Cash and cash equivalents includes positive balances in cash credit accounts with banks and form an integral part of the Group's cash management.
- The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.
- In accordance with para 22 of Ind AS 7 - Statement of Cash Flows, cash flows from current borrowings have been reported on net basis since these being working capital facilities, the maturities are short.
- During the year non cash transaction from investing and financing activities with respect to acquisition of Right to Use Assets with corresponding adjustment to Lease liabilities ₹ 13,954 Lakhs (March 31, 2025: ₹ 17,017 Lakhs)
- Figures in brackets indicates cash outflow.
- Movement in liabilities arising from financing activities as at March 31, 2026:

Particulars	Borrowings	Lease Liabilities	Dividends paid (including taxes)	Finance costs
Balance at the beginning of the year	331	17,792	-	-
Proceeds from non-current borrowings	(331)	13,954	-	-
Repayment of borrowings/liabilities	-	(7,016)	-	-
Dividend paid (including taxes)	-	-	(4,488)	-
Interest paid	-	-	-	(347)
Net cash outflows	-	24,730	(4,488)	(347)
Interest accrued during the year	-	2,144	-	-
Charge to statement of profit and loss	-	-	-	2,491
Foreign exchange fluctuation	-	391	-	-
Balance at the end of the year	-	27,265	-	2,144

The accompanying notes form an integral part of the Consolidated Financial Statements. (2-52)

As per our report of even date attached

For **C N K & Associates LLP**

Chartered Accountants

Firm's Registration No : 101961 W/W - 100036

Himanshu Kishnadwala

Partner

Membership No: 037391

For and on behalf of the Board of Directors Elecon Engineering Company Limited

CIN: L29100GJ1960PLC001082

Prayasvin Patel

Chairman & Managing Director

DIN : 00037394

Chintan Shah

Chief Financial Officer

Ashutosh Pednekar

Director

DIN : 00026049

Bharti Isarani

Company Secretary

Place : Vallabh Vidyanagar

Date : April 15, 2026

Place : Vallabh Vidyanagar

Date : April 15, 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

1. REPORTING ENTITY

Elecon Engineering Limited ('the Holding Company or Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on the Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE') in India. The registered office of the Company is located at Anand-Sojitra Road, Vallabh Vidyanagar, Gujarat.

These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in associates. The Group is involved in the design and manufacturing of Industrial Gears and Material Handling Equipment and also involved in providing erection and commissioning solutions for its products. The Group has manufacturing operations based out of India, Sweden, UK, USA and The Netherlands with sales offices at Dubai and Singapore.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These Consolidated financial statements of the Group comprises, the consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the material accounting policies and other explanatory information (herein referred to as 'Consolidated financial statements'). These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of Companies Act, 2013, (the 'Act') presentation requirements of Division II of Schedule III to the Act as amended from time to time and other relevant provision of the Act and accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India (SEBI).

These consolidated financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2026.

Details of the Group's material accounting policies are included in Note 2.6.

2.2 Functional currency and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also the Holding Company's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise indicated. The amount '0' (zero) represents value, which is less than ₹ 1 Lakh.

2.3 Basis of measurement

The consolidated financial statements have been prepared on historical cost convention on accrual basis except for the following items:

- financial assets and financial liabilities are measured either at fair value or at amortised cost depending on the classification based on accounting policy; and
- defined benefit plans – plan assets measured at fair value

2.4 Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses, the accompanying disclosures, and the disclosure of contingent assets and contingent liabilities. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- **Note 6** – identification of whether the Group has significant influence over an investee where the shareholding is below 20% of the issued share capital.
- **Note 4** – identification of the land and/or building as an investment property.
- **Note 6** – determining the amount of Impairment loss.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

- **Note 38** – determining the amount of expected credit loss on financial assets (including trade receivables)
- **Note 43** – identification of reportable operating segments; and
- **Note 2.5(m) and 27** – identification of performance obligation in revenue recognition

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- **Note 3-5** – estimate of useful life used for the purposes of depreciation and amortisation on property plant and equipment, investment properties and intangible assets.
- **Note 37** – recognition of tax expense;
- **Note 41** – measurement of defined benefit obligations: key actuarial assumptions;
- **Notes 20, 25 and 41** – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- **Note 38** – impairment of financial and non-financial assets.
- **Note 27 and 44** – Revenue recognition based on percentage of completion and provision for onerous contracts.
- **Note 3 and 19** - Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Group's operations taking into account the location of the underlying asset and the availability of the suitable alternatives.
- The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.5 Measurement of fair values

Some of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- **Note 4** – investment property;
- **Note 38 and 39** – financial instruments.

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for the year ended March 31, 2026

2.6 Material accounting policies

a) Business combinations

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b) Operating cycle and classification of current and non-current:

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Group has considered the operating cycle for assets and liabilities as twelve months.

All the assets and liabilities are classified as current and non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS – 1 Presentation of Financial Statements. Deferred tax assets and liabilities are always disclosed as non-current.

c) Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the statement of profit and loss.

d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Asset

Initial Recognition and measurement

All financial assets excluding trade receivables are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Trade receivables generally do not contain any significant financing component requiring separation and are therefore recognized initially at the transaction price determined as per Ind AS 115, 'Revenue from Contracts with Customers'.

Financial assets - classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- FVOCI – Equity investment; or
- FVTPL



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement and gains and losses for financial assets held by the Group

Financial instruments which are measured at amortised cost are recognised using effective interest method. Effective interest rate is a rate that discounts future cash flows including discounts or premium on acquisition, fees or costs incurred on acquisition to a net carrying amount of

financial instrument, on initial recognition. Interest income on effective interest rate amortisation and impairment losses, if any, are recognised in the statement of profit and loss.

Financial assets which are measured at FVTOCI, gains and losses arising from changes in fair value, including impairment loss if any are recognised in the other comprehensive income and accumulated in other equity.

Financial assets which are measured at FVTPL, gains and losses arising from changes in fair value including impairment loss if any are recognised in the statement of profit and loss.

Derecognition

A financial asset is de-recognised when

- the contractual rights to the cash flows from the asset expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loan and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All the financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Financial liabilities - classification and subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL method.

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Gain or losses on such financial liabilities are recognised in the Statement of Profit and loss.

The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. Presently all the financial liabilities are measured at amortised cost.

Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Subsequent measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

The estimate of the useful life of the assets for Holding Company has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Details of useful life considered for depreciation along with method of depreciation are provided below:

(i) For Holding Company

Particulars	Depreciation Method	Useful life
Plant and Equipments	Straight line Basis	5 to 35 years
Buildings	Written Down Value Basis	10 to 60 years
All other Property, Plant and Equipment	Written Down Value Basis	As prescribed in Schedule II to the Companies Act, 2013



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(ii) For Overseas Subsidiaries

Particulars	Depreciation Method	Useful life
Plant and Machineries	Straight line Basis	7 years
Buildings	Straight line Basis	20 years
All other Property, Plant and Equipment	Straight line Basis	4 to 5 years

The management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital Work in Progress (CWIP)

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as CWIP. CWIP is stated at cost, net of accumulated impairment loss, if any.

Advances given towards acquisition of assets (including CWIP) and outstanding at each balance sheet date are disclosed as 'Other Non-Current Assets.'

Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the statement of profit and loss.

f) Leases

The Group at inception of a contract, assesses whether a contract is, or contains, a lease. 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.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date 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 lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option.

In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

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- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

Lease income from operating leases, where the Company is a lessor, is recognised on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

g) Goodwill and other Intangible assets

Goodwill

For measurement of goodwill that arises on a business combination (see Note 2.6 (a) (i)). Subsequent measurement is at cost less any accumulated impairment losses.

In respect of business combinations that occurred prior to April 1, 2014, goodwill is included on the basis of its deemed cost, which represents the amount recorded under Previous GAAP, adjusted for the reclassification of certain intangibles.

Internally generated: Research and development activities and software development

Expenditure on research activities is recognised in the statement of profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the statement of profit and loss as incurred.

Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets

Other intangible assets that are acquired by the Group and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated to amortise the cost of intangible assets over their estimated useful lives (using the straight-line method and is included in depreciation and Amortisation in the statement of profit and loss.

Particulars	Depreciation Method	Useful life
Computer	Straight Line Basis	3 years
Software		
Licenses	Straight Line Basis	6 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

h) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model. Investment property includes freehold/leasehold land and building.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Depreciation

Based on technical evaluation and consequent advice, the management believes a period of 25-60 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Group depreciates investment properties over this period on a straight-line basis. This is different from the indicative useful life of relevant type of assets mentioned in Schedule II to the Companies Act, 2013.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is calculated as the difference between the net disposal proceeds and the carrying amount of the asset and included in the statement of profit or loss in the period in which the property is derecognized.

i) Inventories

Inventories are measured at the lower of cost and net realisable value. Inventory of scrap is valued at estimated realisable value. The cost of inventories is based on weighted average cost basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average Cost basis.
- Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on Weighted Average Cost basis.
- Stores and spares:** (consisting of engineering spares, which are used in operating machines or consumed as indirect materials in the manufacturing process): cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average Cost basis.
- Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets.

j) Impairment

Impairment of financial assets

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being significantly past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Group is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Losses ('ECL') together with appropriate management estimates for credit loss at each reporting date, right from its initial recognition.

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The Group uses a provision matrix to determine impairment loss allowance on the group of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Impairment of non-financial assets

The Group's non-financial assets, other than inventories, deferred tax assets, investment properties and contract assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. Assets (other than goodwill) for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

k) Employee benefits

Short term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group makes specified monthly contributions towards government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.



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Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation

using the projected unit credit method. Re-measurements gains or losses are recognised in the statement of profit and loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

l) Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighing of all possible outcomes by their associated probabilities.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

Contingent assets are not recognised in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

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m) Revenue recognition

Sale of goods and services

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer, which generally coincides with the delivery of goods to customers, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.

Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

Revenue from services towards erection, commissioning and other services is recognised when services are rendered and there is certainty of the realisation.

Performance obligations with reference to contracts are satisfied over the period of time, and accordingly, revenue from such contracts is recognized based on progress of performance determined using input method with reference to the cost incurred on contract and their estimated total costs in certain contracts or for other contracts is determined using output method. Revenue is the transaction price that the Group is entitled to. Variable consideration such as liquidated damages and price variation are included in the transaction price, if it is highly probable that the significant reversal of revenue will not occur once associated uncertainty is resolved.

Variation in contract work and other claims are included to the extent that the amount can be measured reliably and it is agreed with customer.

Estimates of revenue and costs are reviewed periodically and revised, wherever circumstances change, resulting in increases or decreases in revenue determination, are recognized in the period in which estimates are revised.

Contract costs are recognised as expenses as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognised immediately in statement of profit and loss.

Transaction Price

The Group is required to determine the transaction price in respect of each of its contracts with customers. Contract with customers for sale of goods or services are either on a fixed price or on variable price basis. For allocating the transaction price, the Group measures the revenue in respect of each performance obligation of contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In making judgment about the standalone selling price, the Group also assesses the impact of any variable consideration in the contract, due to discounts or rebates.

If a contract contains more than one distinct goods and service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Holding Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e. unbilled revenue is recognised for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Holding Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Holding Company performs under the contract.

Dividend and Interest income

Dividend income from investments is recognised when the Group's right to receive payment is established.

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

Insurance claim

Insurance claims are recognised on the basis of claims admitted / expected to be admitted, to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Other Income

Other income is comprised primarily of gain / loss on investments, exchange gain/loss on foreign currency transactions.

n) Government Grants

The export incentives received by the Group such as duty draw back, Remission of Duties or Taxes on Export Products Scheme (RoDTEP) and Export Promotions on Capital Goods (EPCG) scheme are treated as government grants.

o) Income taxes

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits, if any.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

p) Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense basis the Effective Interest Rate (EIR) method for non-current borrowings and for current borrowings the same are charged to the statement of profit and loss as and when incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group. For the disclosure on reportable segments see Note 43.

r) Cash and cash equivalents

Cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

s) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period 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 the operating, investing and financing activities of the Company are segregated. In the cash-flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in liabilities on the balance sheet.

t) Dividend Distribution to equity shareholders:

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

u) Earnings per share

Basic earnings per equity share are 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 Holding 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.

2.7 Recent pronouncements

Ministry of Corporate Affairs ('MCA') notifies new amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, Ind AS 1, Presentation of Financial Statements, Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures and Ind AS 12, International Tax Reform – Pillar Two Model Rules. The Holding Company has reviewed the new pronouncements and based on its evaluation given necessary impact (including additional disclosures) as applicable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

3 (I) PROPERTY, PLANT AND EQUIPMENTS

Particulars	Freehold land	Buildings	Plant & equipments	Furniture & fixture	Vehicles	Office equipment	Electrical installations & fittings	Other equipments	Jigs	Total	Capital work in progress (CWIP)
Cost											
As at April 1, 2024	27,770	8,937	46,413	647	674	1,024	932	1,506	-	87,903	91
Additions	14	4,721	1,057	20	1,373	133	110	44	-	7,472	8,051
Deductions	-	-	(378)	-	(35)	-	-	-	-	(413)	-
Exchange difference	-	62	200	36	6	35	-	155	-	494	-
Capitalised	-	-	-	-	-	-	-	-	-	-	(7,472)
As at March 31, 2025	27,784	13,720	47,292	703	2,018	1,192	1,042	1,705	-	95,456	670
Additions	156	2,572	2,740	513	181	68	845	18	34	7,127	10,956
Deductions	-	-	(311)	-	(5)	(561)	-	(4)	-	(881)	(2,189)
Recoupment/Adjustment	-	-	-	-	-	-	-	(68)	68	-	-
Exchange difference	-	128	328	67	13	68	-	281	-	885	-
Capitalised	-	-	-	-	-	-	-	-	-	-	(7,127)
As at March 31, 2026	27,940	16,420	50,049	1,283	2,207	767	1,887	1,932	102	1,02,587	2,310
Accumulated depreciation											
As at April 1, 2024	-	5,408	27,213	584	333	916	425	1,424	-	36,302	-
Depreciation for the year	-	355	2,551	19	310	76	182	26	-	3,519	-
Deductions	-	-	(294)	-	(27)	-	-	-	-	(321)	-
Recoupment/Adjustment	-	-	-	-	-	-	(11)	-	-	(11)	-
Exchange difference	-	53	192	37	15	36	-	156	-	489	-
As at March 31, 2025	-	5,816	29,662	640	631	1,028	596	1,606	-	39,979	-
Depreciation for the year	-	823	2,566	68	472	74	254	26	6	4,289	-
Deductions	-	-	(256)	-	(5)	(534)	-	(4)	-	(799)	-
Recoupment/Adjustment	-	-	-	-	-	-	-	(28)	28	-	-
Exchange difference	-	99	316	64	9	66	-	266	4	824	-
As at March 31, 2026	-	6,738	32,288	772	1,107	634	850	1,866	38	44,294	-
Carrying value (net)											
As at March 31, 2026	27,940	9,682	17,761	511	1,100	133	1,037	66	64	58,293	-
As at March 31, 2025	27,784	7,904	17,630	63	1,387	164	446	99	-	55,479	-

Notes:-

- 1) Refer to Note 18.1 for information on property, plant and equipment pledged as security by the Group.
- 2) For commitments on capital account refer note 42 (b).
- 3) The Group has not revalued any of its Property, plant & equipments during the years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

₹ in Lakhs)

3 (II) THE FOLLOWING IS THE MOVEMENT IN RIGHT OF USE ASSETS (ROU) DURING THE YEAR ENDED MARCH 31, 2026

Particulars	Leasehold land	Building	Vehicles	Plant & Equipments	Air-Condition	Furniture & Fixtures	Total
Cost							
As at April 1, 2024	5,624	4,664	400	2,982	-	-	13,670
Additions	981	862	165	15,231	-	-	17,239
Remeasurement due to lease modification	-	(38)	12	(2)	-	-	(28)
Deductions	-	(1,311)	(4)	(5,010)	-	-	(6,325)
Recoupment/Adjustment	-	-	36	-	-	-	36
Exchange difference	-	283	(50)	2	-	-	235
As at March 31, 2025	6,605	4,460	559	13,203	-	-	24,827
Additions	-	37	339	13,224	71	260	13,931
Remeasurement due to lease modification	-	23	-	-	-	-	23
Deductions	-	-	(145)	-	-	-	(145)
Exchange difference	-	574	93	8	(0)	0	675
As at March 31, 2026	6,605	5,094	846	26,435	71	260	39,311
Accumulated Depreciation							
As at April 1, 2024	474	2,464	127	35	-	-	3,100
Depreciation for the year	152	650	121	1,336	-	-	2,259
Deductions	-	(1,311)	(4)	(215)	-	-	(1,530)
Recoupment/Adjustment	-	-	-	(1)	-	-	(1)
Exchange difference	0	111	9	3	-	-	124
As at March 31, 2025	626	1,914	253	1,158	-	-	3,952
Depreciation for the year	174	771	178	4,520	17	63	5,723
Deductions	-	-	(137)	-	-	-	(137)
Exchange difference	(0)	269	34	7	(0)	1	310
As at March 31, 2026	800	2,954	328	5,685	17	64	9,848
Carrying value (net) as at March 31, 2026	5,805	2,140	518	20,750	54	196	29,463
Carrying value (net) as at March 31, 2025	5,979	2,546	306	12,045	-	-	20,875

3 (III) CAPITAL WORK IN PROGRESS (CWIP) AGEING SCHEDULE

CWIP	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Projects in progress		670	-	-	670
As at March 31, 2026					
Projects in progress		2,311	-	-	2,311

Note: There are no projects whose completion is overdue or has exceeded its cost as at Balance Sheet date.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

₹ in Lakhs)

4 INVESTMENT PROPERTY

Particulars	Land	Office Building	Total
Cost			
As at April 1, 2024	2,300	336	2,636
Additions	-	-	-
As at March 31, 2025	2,300	336	2,636
Additions	-	-	-
As at March 31, 2026	2,300	336	2,636
Depreciation and Impairment			
As at April 1, 2024	-	124	124
Depreciation for the year	-	11	11
As at March 31, 2025	-	135	135
Depreciation for the year	-	10	10
As at March 31, 2026	-	145	145
Carrying value (net)			
As at March 31, 2026	2,300	191	2,491
As at March 31, 2025	2,300	201	2,501

Information regarding income and expenditure of Investment property:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rental income derived from Investment property	17	16
Less : Direct operating expenses (including repairs and maintenance) generating rental income	0	4
Profit arising from Investment property before depreciation and indirect expenses	17	12
Less : Depreciation	10	11
Profit arising from Investment property before indirect expenses	7	1

Notes :

- The Group has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Fair value of the Investment property is as under:

Fair value	Land	Office Building
Balance as at April 1, 2024	3,054	672
Fair value Increase/(Decrease) for the year	33	35
Balance as at March 31, 2025	3,087	707
Fair value Increase/(Decrease) for the year	38	18
Purchases / (Sale)	-	-
Balance as at March 31, 2026	3,125	725

Estimation of fair value

As at March 31, 2026 and March 31, 2025 the fair values of the property are based on valuations performed by Registered Valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules 2017.

Valuation model used in determination of investment property' fair values is in accordance with the recommended valuation techniques by the International Valuation Standards Committee.

The Group obtains independent valuations for its investment property at least annually. The best evidence of fair value is current prices in an active market for similar properties.

The valuation of investment property as at March 31, 2026 and March 31, 2025 is done based on market feedback on values of similar properties and hence considered under 'Level 2' of fair value measurement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

5 OTHER INTANGIBLE ASSETS

Particulars	Intangible assets			Total	Goodwill
	Computer Software	Technical Knowhow -Acquired	Licenses		
Cost					
As at April 1, 2024	767	2,917	148	3,831	10,177
Additions	219	-	-	219	-
Recoupment / Adjustment	-	-	-	-	-
Deductions	-	-	-	-	-
Exchange rate movement	-	278	-	278	-
As at March 31, 2025	986	3,195	148	4,329	10,177
Additions	41	-	31	72	-
Deductions	(579)	-	(40)	(619)	(10,177)
Exchange rate movement	-	429	-	429	-
As at March 31, 2026	448	3,624	139	4,211	-
Accumulated amortisation					
As at April 1, 2024	650	1,124	62	1,836	-
Amortisation for the year	92	156	39	287	-
Recoupment / Adjustment	-	-	-	-	-
Deductions	-	-	-	-	-
Exchange rate movement	-	(154)	-	(154)	-
As at March 31, 2025	742	1,126	101	1,969	-
Amortisation for the year	124	235	41	400	-
Deductions	(579)	-	(40)	(619)	-
Exchange rate movement	-	(257)	-	(257)	-
As at March 31, 2026	287	1,104	102	1,493	-
Carrying value (net)					
As at March 31, 2026	161	2,520	37	2,717	-
As at March 31, 2025	244	2,069	47	2,360	10,177

Also refer note 50 (b) and (c) for impairment of Goodwill

- There are no Intangible Assets under development as on March 31, 2026 and March 31, 2025

The estimated amortisation for the years subsequent to March 31, 2026 is as follows :

Year ended March 31,	Total
2027	408
2028	297
2029	253
2030	253
2031	253
2032	253
2033	253
2034	253
2035	253
2036	241
	2,717



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

6 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Particulars	March 31, 2026	March 31, 2025
(i) Investment in associates (Fully paid-up) (equity method - note 48)		
Investment in Eimco Elecon (India) Limited		
Cost of investments (958,426 equity shares (March 31, 2025 : 958,426 equity shares) of ₹ 10 each of Eimco Elecon (India) Limited) *	217	217
Add : Share of post acquisition profit (net of accumulated losses and dividends received)	6,895	6,834
Less : reclassification of equity to financial instrument	(7,112)	-
Total Investment in associate (equity method)	-	7,051

*Eimco Elecon (India) Limited has ceased to be an Associate effective April 23, 2025 and hence has been reclassified as financial asset which will be fair valued at each reporting date in accordance with Ind AS109.

7 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	March 31, 2026	March 31, 2025
Investments carried at fair value through profit and loss:		
Investment in equity shares		
(i) Unquoted		
(a) 30 equity shares (March 31, 2025: 30 equity shares) of ₹ 500 each of Charotar Gas Sahakari Mandali Limited#	0	0
(A)	0	0
Investment in Mutual Fund		
(i) Quoted		
18,000 units (March 31, 2025 : 18,000 units) of SBI Magnum Ultra SD Fund##	1,145	1,074
(B)	1,145	1,074
Investment in equity shares		
Quoted		
(i) Investments in Equity shares (fully paid up) (Fair Value through OCI)###		
- 958,426 equity shares (March 31, 2025 : Nil equity shares) of ₹ 10 each of Eimco Elecon (India) Limited)		
Cost	7,112	-
Add : Exceptional gain	10,540	-
Add : Fair value through OCI	(3,958)	-
(C)	13,694	-
Total Investments (A + B + C)	14,839	1,074

#The Company's investments on disposal will fetch only the principal amount invested and hence the company considers cost and fair value to be the same.

##Pledged with State Bank of India as margin for availing Non-Fund Based limits.

###Eimco Elecon (India) Limited has ceased to be an Associate effective April 23, 2025 and hence has been reclassified as financial asset which will be fair valued at each reporting date in accordance with Ind AS 109.

8 FINANCIAL ASSET - OTHER FINANCIAL ASSETS

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Deposits with banks earmarked as margin money	-	948	-	6
Deposits with banks having original maturity of more than 12 months	3,452	12,800	354	1
Accrued Interest on fixed deposits	50	-	89	-
Accrued Interest on investments	879	-	703	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Security deposit#	255	-	283	-
Others	-	84	-	-
Total other financial assets	4,636	13,832	1,429	7

#Security deposits are primarily in relation to public utility services, tender deposits and rental properties.

9 INCOME TAX ASSETS (NET)

Particulars	March 31, 2026	March 31, 2025
Income tax assets (net)	1,286	1,253
Total income tax assets (net)	1,286	1,253

10 OTHER NON-CURRENT ASSETS

Particulars	March 31, 2026	March 31, 2025
Unsecured, considered good		
Capital advances	2,173	1,311
Expenses paid in advance	46	47
Balances with government authorities (including amount paid under protest)	448	515
Total other non-current assets	2,667	1,873

11 INVENTORIES

Particulars	March 31, 2026	March 31, 2025
(At lower of cost and net realisable value)#		
Raw materials [(includes goods in transit ₹ 542 Lakhs (March 31, 2025: ₹ 631 Lakhs)]	11,242	10,499
Work-in-progress	10,405	7,402
Finished goods	6,436	4,670
Goods in transit	1,733	1,389
Stores and spares	299	336
Total inventories	30,115	24,296
Carrying amount of inventories pledged as security for liabilities	20,139	16,557

#Net of inventory allowance aggregating to ₹ 3,351 Lakhs (March 31, 2025: ₹ 2,920 Lakhs)

12 CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	March 31, 2026	March 31, 2025
Investment at FVTPL		
Exchange Traded Funds : Quoted	1,313	955
Infrastructure Investment Trust (InvITs): Quoted	-	-
Non Convertible Market Linked Debentures : Quoted	28,695	25,933
Mutual Funds : Quoted	30,573	15,641
Less: Amount pledged disclosed as Non current Investments	(1,145)	(1,074)
Total Current Financial assets - Investments	59,436	41,455

13 TRADE RECEIVABLES

Particulars	March 31, 2026	March 31, 2025
Trade receivables		
Considered good- Secured	-	-
Considered good- Unsecured	73,963	62,765
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables- Credit impaired	229	1,062
	74,192	63,827



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	March 31, 2026	March 31, 2025
Less : Allowance for expected credit loss#	(2,141)	(2,440)
Total Trade receivables	72,051	61,387
Receivable from third parties (net of allowance)	71,360	60,832
Receivables from related parties (Refer note 40)	691	555
Total	72,051	61,387

Allowance for Expected Credit Loss (ECL)

#Allowance for expected credit loss is calculated based on the ECL model as described under Ind AS 109. Refer Note 2.6 and Note 38(b) for the Group's accounting policy and basis of calculating ECL allowance.

Movement in allowance for expected credit loss :

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	2,440	1,841
Add : Allowance for the year	977	1,278
Less : Reversal of allowance	(1,276)	(679)
Balance at the end of the year	2,141	2,440
Total charges to Statement of Profit and Loss	(299)	599

(i) For the year ending March 31, 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	48,236	22,653	1,960	864	192	37	73,942
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	0	21	-	-	21
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	76	153	-	229
Less: Allowance for expected credit loss	-	-	-	-	-	-	(2,141)
Total	48,236	22,653	1,960	961	345	37	72,051

Includes retention money receivable amounting to ₹ 8,011 Lakhs

(ii) For the year ending March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	35,866	24,441	1,419	279	226	121	62,352
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	7	7
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months - 6 months	1 year	1-2 years	2-3 years	More than 3 years	
(v) Disputed Trade Receivables – which have significant increase in credit risk	2	-	5	163	17	220	407
(vi) Disputed Trade Receivables – credit impaired	-	-	-	154	-	908	1,062
Less: Allowance for expected credit loss	-	-	-	-	-	-	(2,440)
Total	35,868	24,441	1,424	596	243	1,255	61,387

Includes retention money receivable amounting to ₹ 4,536 Lakhs

14 CASH AND BANK BALANCES

Particulars	March 31, 2026	March 31, 2025
(a) Cash and cash equivalents		
Balances with bank		
Current accounts and debit balance in cash credit accounts	8,739	7,038
Remittance in transit	-	11
Deposits with bank earmarked as margin money (with maturity up to 3 months)	0	-
Deposits with bank (with maturity up to 3 months)	8,184	8,836
Total cash and cash equivalents	16,923	15,885
(b) Bank balances other than above		
Deposits with bank earmarked as margin money	49	5,109
Deposits with original maturity of more than 3 months but less than 12 months	4,193	14,776
Unpaid dividend accounts	99	74
Total other bank balances	4,341	19,959
Total cash and bank balances	21,264	35,844

15 OTHER CURRENT ASSETS

Particulars	March 31, 2026	March 31, 2025
Unsecured, considered good		
Advance to suppliers	1,608	2,173
Receivable from government authorities	458	526
Expenses paid in advance	2,416	1,831
Other receivables	105	103
Gratuity paid in advance	16	14
Contract assets	3,238	434
Export Incentive receivable	126	135
Total other current assets	7,967	5,216

16 EQUITY SHARE CAPITAL

Particulars	March 31, 2026		March 31, 2025	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Authorised share capital				
Equity shares of ₹ 1 each	45,50,00,000	4,550	45,50,00,000	4,550
Cumulative Redeemable Preference Shares of ₹ 2 each	2,50,00,000	500	2,50,00,000	500
Non-cumulative non-convertible Redeemable Preference Shares of ₹ 100 each	1,27,50,000	12,750	1,27,50,000	12,750
	49,27,50,000	17,800	49,27,50,000	17,800
Issued, subscribed and fully paid up				
Equity shares of ₹ 1 each	22,43,99,930	2,244	22,43,99,930	2,244
Total equity share capital	22,43,99,930	2,244	22,43,99,930	2,244



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

16.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	March 31, 2026		March 31, 2025	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the year	22,43,99,930	2,244	11,21,99,965	2,244
Increase in the number of shares on account of sub-division of equity shares (refer note below)	-	-	11,21,99,965	-
At the end of the year	22,43,99,930	2,244	22,43,99,930	2,244

Note: The Board of Directors at their Meeting held on April 19, 2024 approved the sub-division of each equity share of face value of ₹ 2 each fully paid up into 2 equity shares of face value of ₹ 1 each fully paid up. The same was approved by the Members at its Annual General Meeting held on June 25, 2024. The effective date for the sub-division was July 19, 2024 ("Record Date").

16.2 Rights, preferences and restrictions attached to the equity shares

The Holding Company has only one class of Equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is approved by the Board of Directors. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

16.3 Number of shares held by each shareholder holding more than 5% Shares in the Holding Company

Name of the shareholder	March 31, 2026		March 31, 2025	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity shares of ₹ 1 each fully paid held by:				
Aakaish Investments Private Limited	10,46,04,474	46.62	10,46,04,474	46.62
K. B. Investments Private. Limited	1,94,47,548	8.67	1,94,47,548	8.67

16.4 Number of shares held by Promoters/Promoter Group

Sr. No.	Name of the Promoters/ Promoter Group	No. of Shares held at the end of the year [As on March 31 2026]		No. of Shares held at the end of the year [As on March 31 2025]		% Change during the year
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
1	Prayasvin Bhanubhai Patel	39,25,864	1.75%	39,25,864	1.75%	0.00%
2	Trupti Pradip Patel	28,62,116	1.28%	28,62,116	1.28%	0.00%
3	B I Patel-HUF (Bhanubhai Patel-Karta)	4,54,980	0.20%	4,54,980	0.20%	0.00%
4	Taruna Patel	4,37,834	0.20%	4,37,834	0.20%	0.00%
5	Aishwarya P. Patel	10,440	0.00%	10,440	0.00%	0.00%
6	Akansha P. Patel	12,36,940	0.55%	12,36,940	0.55%	0.00%
7	Aakaish Investments Private Limited	10,46,04,474	46.62%	10,46,04,474	46.62%	0.00%
8	K B Investments Private Limited	1,94,47,548	8.67%	1,94,47,548	8.67%	0.00%
9	Power Build Private Limited	31,920	0.01%	31,920	0.01%	0.00%
10	Emtici Engineering Limited	-	0.00%	-	0.00%	0.00%
11	Prayas Engineering Limited	-	0.00%	-	0.00%	0.00%
12	Elecon Information Technology Limited	-	0.00%	-	0.00%	0.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Sr. No.	Name of the Promoters/ Promoter Group	No. of Shares held at the end of the year [As on March 31 2026]		No. of Shares held at the end of the year [As on March 31 2025]		% Change during the year
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
13	Akaaish Mechatronics Limited	-	0.00%	-	0.00%	0.00%
14	Akaaish Printing Press Private Limited (formerly known as Speciality Woodpack Private Limited)	-	0.00%	-	0.00%	0.00%
15	Aisho Tours and Travels Limited (Formerly known as Wizard Fincap Limited)#	-	0.00%	-	0.00%	0.00%
16	Lotus Trust§	-	0.00%	-	0.00%	0.00%
	Total holding of Promoters and Promoter Group	13,30,12,116	59.27%	13,30,12,116	59.27%	0.00%

Note : The Board of Directors at their Meeting held on April 19, 2024 approved the sub-division of each equity share of face value of ₹ 2 each fully paid up into 2 equity shares of face value of ₹ 1 each fully paid up. The same was approved by the Members at its Annual General Meeting held on June 25, 2024. The effective date for the sub-division was July 19, 2024 ("Record Date").

#Reclassified under Public category of shareholders w.e.f. October 23, 2024.

§Ultimate beneficiary.

17 OTHER EQUITY

17.1 Other reserves

Balance	Other reserves				Component of other comprehensive income			Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Remeasurements of net defined benefits plan	Equity Instruments through OCI	Exchange difference on translating the financial statement	
As at April 1, 2024	247	2,878	44,324	1,10,141	(1,238)	-	1,807	1,58,159
Profit for the year	-	-	-	41,510	-	-	-	41,510
Add: Set aside this year	-	-	-	-	-	-	-	-
Remeasurements of post-employment benefit obligation, (net of tax) accounted through other comprehensive income	-	-	-	-	194	-	-	194
Equity Instruments through OCI	-	-	-	-	-	-	-	-
Foreign currency translation	-	-	-	-	-	-	1,127	1,127
Balance available for appropriation	247	2,878	44,324	1,51,651	(1,044)	-	2,934	2,00,991
Appropriations								
Dividend paid	-	-	-	(3,366)	-	-	-	(3,366)
As at March 31, 2025	247	2,878	44,324	1,48,285	(1,044)	-	2,934	1,97,625
Profit for the year	-	-	-	34,115	-	-	-	34,115
Remeasurements of post-employment benefit obligation, (net of tax) accounted through other comprehensive income	-	-	-	-	(413)	-	-	(413)
Equity Instruments through OCI	-	-	-	-	-	(3,392)	-	(3,392)



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Balance	Other reserves				Component of other comprehensive income			Total
	Capital reserve	Securities premium	General reserve	Retained earnings	Remeasurements of net defined benefits plan	Equity Instruments through OCI	Exchange difference on translating the financial statement	
Foreign currency translation	-	-	-	-	-	-	4,894	4,894
Balance available for appropriation	247	2,878	44,324	1,82,400	(1,457)	(3,392)	7,828	2,32,829
Appropriations								
Dividend paid	-	-	-	(4,488)	-	-	-	(4,488)
As at March 31, 2026	247	2,878	44,324	1,77,912	(1,457)	(3,392)	7,828	2,28,341

17.2 Dividend distribution made and proposed

Particulars	March 31, 2026	March 31, 2025
Dividend on equity shares declared and paid		
Final dividend for year ended March 31, 2025: ₹ 1.50 per share (March 31, 2024: ₹ 2 per share)	3,366	2,244
Interim dividend for the FY 2025-26: ₹ 0.50 per share (FY 2024-25 : ₹ 0.50 per share)	1,122	1,122
	4,488	3,366
Proposed dividend on Equity shares		
Final dividend proposed for the year ended March 31, 2026: ₹ 1.50 per share (March 31, 2025: ₹ 1.50 per share)	3,366	3,366
	3,366	3,366

Proposed dividend on equity shares is subject to approval at the ensuing Annual General Meeting and is not recognised as a liability as at March 31, 2026.

17.3 Description of Reserves

Capital Reserve

Capital reserve is recorded in bargain purchase transaction of business combination in which the fair value of acquired net assets exceeded the purchase consideration. Capital reserve is not available for dividend distribution.

Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

General Reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Retained Earnings

Retained earnings represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.

Exchange difference on translation

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries and associates are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries and associates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

18 BORROWINGS

Particulars	March 31, 2026	March 31, 2025
Working capital loans (at amortised cost)		
From bank (Refer note 18.1)	-	331
Less : Accrued interest	-	-
Total current borrowings	-	331
Total borrowings	-	331

18.1 Nature of Securities (Loans repayable on demand)

(i) Working Capital Loans from banks granted by Consortium of Banks consisting of State Bank of India (As Lead Bank), Axis Bank Limited, IDBI Bank Limited and HDFC Bank Limited (including guarantees issued by them in favour of various clients of the Company) are secured by:-

- First pari passu hypothecation charge over all the current assets of the Company, present and future.
- Omnibus Counter Guarantee of the Company for consortium BG limits
- Extension of first pari passu hypothecation charge over property, plant and equipment (movable and immovable) present and future, excluding certain assets.
- Undertaking for non disposal of various land parcels of the company as per loan sanction letter.
- Rate of Interest for Loan from banks during the year ended:

Name of the Bank	Interest Rate %	
	March 31, 2026	March 31, 2025
State Bank of India	8.80% to 9.05%	8.70% to 9.05%
IDBI Bank Limited	8.75% to 9.30%	8.90% to 9.30%
Axis Bank Limited	7.50% to 8.25%	8.75% to 9.10%
HDFC Bank Limited	8.40% to 9.45%	9.20% to 9.45%

19 LEASE LIABILITIES

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-current	Current	Non-current
Lease Liabilities (Refer note 45)	5,702	21,563	3,138	14,654
Total lease liabilities	5,702	21,563	3,138	14,654

20 NON-CURRENT PROVISIONS

Particulars	March 31, 2026	March 31, 2025
Provision for employee benefits (Refer note 41)		
- Other long term employee benefits	71	-
- Provision for compensated absences	8	8
Other Provisions		
- Provision for warranties (Refer note 25)	99	266
Total non-current provisions	178	274

21 OTHER NON-CURRENT LIABILITIES

Particulars	March 31, 2026	March 31, 2025
Deferred government grant (refer note 21.1):		
- EPCG Obligation	258	299
Amount received under protest [#]	-	1,845
Total non-current provisions	258	2,144

[#]Amount received against arbitration award from customer pending disposal of the litigation with higher court.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

21.1 Deferred government grant

Particulars	March 31, 2026	March 31, 2025
Opening balance at the beginning of the year	299	-
Received during the year	148	299
Released to the Statement of Profit and Loss	(189)	-
Closing balance at the end of the year	258	299

Government assistance in the form of duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant. These grants will be recognised in statement of profit and loss on the basis of fulfilment of export obligation.

22 TRADE PAYABLES

Particulars	March 31, 2026	March 31, 2025
Total outstanding dues of micro and small enterprises	9,833	5,573
Total outstanding dues of creditors other than micro and small enterprises	19,004	22,441
Total trade payables	28,837	28,014
Dues to related parties (Refer note 40)	3,039	2,318
Dues to third parties	25,798	25,696
	28,837	28,014

Includes retention money payable to creditors amounting to ₹ 180 Lakhs (March 31, 2025 - ₹ 43 Lakhs)

(i) For the year ending March 31, 2026.

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	9,512	314	6	1	-	9,833
(ii) Others	15,088	3,915	1	-	-	19,004
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	24,600	4,229	7	1	-	28,837

(ii) For the year ending March 31, 2025.

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	4,579	997	3	-	-	5,579
(ii) Others	17,379	5,056	-	-	-	22,435
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	21,958	6,053	3	-	-	28,014

23 OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	March 31, 2026	March 31, 2025
Security deposits	221	204
Unpaid dividend [#]	99	74
Managerial Remuneration payable	1,500	1,725
Other Employee payables	2,456	2,534
Payable against capital goods	820	322
Supplier Finance Arrangement ^{##}	4,499	-
Total other financial liabilities - Current	9,595	4,859

[#]There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

##The Holding Company has entered into supplier financing arrangements with certain financial institutions whereby the suppliers are offered the option to receive early payment of their invoices from the financial institutions. Under the arrangement, suppliers receive payments before due dates/extended due date and the company settles the amounts with the financial institutions at due dates/extended due date as per agreed terms with supplier. The due dates/extended due date are as per normal operating cycle of the Holding Company.

Particulars	March 31, 2026	March 31, 2025
Carrying amount of liabilities that are part of supplier financing arrangements		
Presented under Other financial liabilities - Current	4,499	-
of which suppliers have received payment from finance provider	4,499	-
Range of payment due dates		
Liabilities that are part of the arrangements	30-120 days	-
Comparable trade payables that are not part of the arrangements	30-120 days	-

24 OTHER CURRENT LIABILITIES

Particulars	March 31, 2026	March 31, 2025
Advance from customers	14,266	8,215
Statutory dues	3,491	3,783
Billing in excess of revenue - Contract liability	1,271	2,294
Total other current liabilities	19,028	14,292

25 CURRENT PROVISIONS

Particulars	March 31, 2026	March 31, 2025
Provision for employee benefits (Refer note 41)		
- Provision for compensated absences	1	5
Other Provisions		
- Provision for contract liabilities	-	226
- Provision for warranties	2,436	2,116
Total provisions	2,437	2,347

Movement in Provisions

Particulars	Provision for contract liabilities	Provision for warranties
Carrying amount as at April 1, 2024	-	2,282
Provision made / increase in provision	226	2,382
Provision amount used during the year	-	(2,282)
Carrying amount as at March 31, 2025	226	2,382
Provision made / increase in provision	-	2,535
Provision amount used during the year	(226)	(2,382)
Carrying amount as at March 31, 2026	-	2,535

Refer 2.6 of material accounting policies.

Provision for contract liabilities - It includes provision for possible levy of liquidated damages and other estimated costs expected to be incurred by the Group on account of potential delays in meeting the contractual obligations of the Group with regard to agreed deliveries/commissioning.

Provision for warranties - A provision for warranties relates mainly to standard warranty on sale of the products manufactured by the Company. The provision is based on technical evaluation, historical warranty data and a weighting of all possible outcomes by their associated probabilities. The timing of the outflows is expected to be within a period of one year from the date of balance sheet.

Provision for onerous contracts - The Group has entered into various contracts primarily into material handling. Provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. The movement of provision for onerous contracts is recognised in cost of material consumed (Refer note 29)

26 CURRENT TAX LIABILITIES (NET)

Particulars	March 31, 2026	March 31, 2025
Provision for tax (net of taxes paid in advance)	985	731
Total current tax liabilities (net)	985	731



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

27 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sale of products (Refer note 43)		
Transmission equipment sales		
Local	1,21,780	1,26,382
Export sales	33,576	27,864
Material handling equipment		
Local	66,556	45,588
Export sales	1,507	307
	2,23,419	2,00,141
Sale of services		
Erection, commissioning and service charges	4,515	4,235
	4,515	4,235
Sale - others	5,775	15,324
Other operating revenue		
Sale of scrap	1,237	1,450
Income from generation of electricity from renewable sources	1,133	1,165
Export incentives	525	374
Others	1	7
	2,896	2,996
Total revenue from operations	2,36,605	2,22,696

28 OTHER INCOME

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income (measured at amortised cost) :		
- on deposits	588	784
- on income tax	151	-
- on investments	2,638	1,697
- on others	1,634	841
Dividend income	91	15
Gain on sale of Property, plant and equipment (net)	27	81
Foreign exchange gain (net)	415	288
Gain on sale of Investments (net)	433	104
Gain arising on financial assets at FVTPL (net)	1,184	1,002
Rent income	447	393
Liabilities no longer payable written-back	123	178
Insurance claims	373	-
Miscellaneous income	13	98
Total other income	8,117	5,481

29 COST OF MATERIALS CONSUMED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Inventory at the beginning of the year	10,499	8,141
Add : Purchases during the year (See Note)	1,18,120	1,03,704
	1,28,619	1,11,845
Less : Inventory at the end of the year	11,242	10,499
Total cost of material consumed	1,17,377	1,01,346

Note :

(i) includes ₹ 5,775 Lakhs of items Traded during the current year (March 31, 2025: ₹ 15,324 Lakhs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

30 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(Increase) / decrease in inventories		
Opening work-in-progress	7,402	5,812
Closing work-in-progress	(10,405)	(7,402)
Exchange difference	5	1
	(2,998)	(1,589)
Opening finished goods (including goods in transit)	6,059	8,864
Closing finished goods (including goods in transit)	(8,169)	(6,059)
Exchange difference	243	69
	(1,867)	2,874
Total changes in inventories of finished goods and work-in-progress	(4,865)	1,285

31 MANUFACTURING EXPENSE AND ERECTION CHARGES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Stores, tools and spares consumed	5,271	4,536
Sub-contracting charges	5,427	5,210
Power and fuel	2,802	2,715
Erection and other charges	1,517	772
Other manufacturing expenses	2,778	2,630
Total manufacturing expense and erection charges	17,795	15,863

32 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages and bonus	20,061	17,657
Contribution to provident fund and other funds (Refer note 41)	887	684
Employee welfare expenses	3,182	2,531
Total employee benefits expense	24,130	20,872

33 FINANCE COSTS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest expenses [#]		
Interest on working capital	44	292
Interest on lease	2,144	789
Interest - others	105	8
Other borrowing costs (including guarantee charges)	198	215
Total finance costs	2,491	1,304

[#]Interest expenses are calculated under the Effective Interest Method and measured at amortized cost.

34 OTHER EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Rent (Refer note 45)	1,562	1,560
Rates and taxes	436	396
Duties & Fees	273	110
Insurance expense	495	381



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Repairs and maintenance :		
- Building	696	1,920
- Machinery	3,372	3,066
- Others	105	91
Computer software maintenance charges	2,609	2,173
Payment to auditors (Refer note 35)	164	138
Legal and professional fees	1,448	1,215
Directors sitting fees	17	15
Commission to non-executive directors	135	88
Travelling, conveyance and communication expenses	1,814	1,613
Bank charges	22	29
Packing, forwarding and distribution expenses (net of recoveries)	5,066	4,208
Commission and brokerage	7,210	7,542
Advertisements and business promotion expenses	604	692
Warranty claims (Refer note 25)	582	587
Business support services	-	166
Trade receivables/advances not recoverable written off (net of recovery)	1,005	(142)
Allowance for Expected Credit loss recognised/(reversed) (Refer note 13)	(299)	599
Donations	14	-
Expenditure on corporate social responsibility	734	524
Miscellaneous expenses	1,790	1,576
Total	29,854	28,547

Note :

- (i) Research and development expenditure accounted through Consolidated Statement of Profit and Loss aggregates ₹ 371 Lakhs (March 31, 2025: ₹ 601 Lakhs).

35 PAYMENT TO AUDITORS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Statutory audit fee	115	104
(b) Limited review and certifications	33	21
(c) Audit and certification under Income Tax Act	8	4
(d) Assurance for Business Responsibility and Sustainability Reporting	5	6
(e) Out of pocket expenses	3	2
Total payment to auditors	164	138

36 EARNINGS PER SHARE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Basic and Diluted Earning Per Share (EPS)		
a) Profit attributable to equity shareholders of the Group (₹ in Lakhs)	34,115	41,510
b) Weighted average number of equity shares outstanding during the year [#]	22,43,99,930	22,43,99,930
c) Earning per share (Basic and Diluted) (INR in ₹)	15.20	18.50
d) Face value per share (INR in ₹)	1	1

[#]The Company has sub-divided its 11,21,99,965 Equity Shares having face value of ₹ 2 (Two) per share into 22,43,99,930 Equity Shares having face value of ₹ 1 (One) per share effective from July 19, 2024 ('Record Date'). Accordingly, earnings per share of comparative periods presented is calculated based on number of shares outstanding in respective periods, as increased due to sub-division of its equity shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

37 TAX EXPENSES

The major components of income tax expense for the year ended March 31, 2026 and March 31, 2025 are :

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Statement of Profit and Loss		
Current tax		
Current tax expense for current year	11,165	12,433
Current tax expense/(income) pertaining to prior years	136	(16)
(A)	11,301	12,417
Deferred tax		
Deferred tax expense/(income) for current year	480	(245)
Deferred tax benefits pertaining to prior years	(449)	15
(B)	31	(230)
Income tax expense reported in the Statement of Profit and Loss (A+B)	11,332	12,187
Other comprehensive income		
Deferred tax charge / (credit) on remeasurements losses of defined benefit plans# (C)	(79)	(22)
Total tax expense (A+B+C)	11,253	12,165

#Considered in tax reconciliation A) below

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2026 and March 31, 2025

A) Current tax

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit before tax	47,577	53,697
Statutory income tax rate	25.168%	25.168%
Tax using the Company's statutory tax rate	11,974	13,514
Tax effects of :		
Income exempt from tax	(404)	(736)
Deferred tax not recognised	(184)	(17)
Tax at special rate	(83)	(10)
Share of profit from associate	(15)	(205)
Disallowable expenses	223	214
Adjustment of tax expense relating to earlier periods	-	(36)
Different tax rates of foreign subsidiaries	-	298
Tax pertaining to prior years	(316)	(1)
Reversal of deferred liability on indexation of land (Refer note (i) below)	-	(74)
Rate change adjustments on account of Taxation Laws (Amendment) Ordinance 2019	27	-
Past losses utilised	(59)	(403)
Goodwill amortization allowable under UK GAAP. GBP 222,639 @ 25%	(66)	(62)
Group intercompany eliminations (profit in inventory)	129	(323)
Others	27	5
	(721)	(1,349)
Income tax expense	11,253	12,165

(i) At the time of transition to Indian Accounting Standards (Ind AS) with effect from April 1, 2015, the Holding Company had recognised the fair value of its land parcels in the books of account and had also recognised corresponding deferred tax liability considering the future tax obligation that would arise upon sale of land in the expected manner in future (sale of land parcels on a piecemeal basis, delinked from the business).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

B) Deferred tax

Particulars	Balance as at April 1, 2024	Accounted through Statement of Profit and loss and OCI	Balance as at March 31, 2025	Accounted through Statement of Profit and loss and OCI	Balance as on March 31, 2026
Depreciation for tax purposes	(2,376)	131	(2,245)	144	(2,101)
Impact of fair valuation of financial assets	(721)	91	(630)	-	(630)
Impact of fair value of investments/derivatives	-	-	-	(2,493)	(2,493)
Deferred tax on fair value of investments/derivatives	(16)	(244)	(260)	(215)	(475)
Provision for Impairment loss recognised	515	95	610	(77)	533
Provision for pension liability	92	-	92	(92)	-
Expenditure allowable on payment basis	(141)	244	103	(250)	(147)
Expenditure allowable on realised basis	1	(1)	-	-	-
Deferred tax on long term capital loss	9	(9)	-	-	-
Deferred tax on other financing arrangement	3	131	134	144	278
Deferred tax expense/(income) accounted through OCI	353	(171)	182	87	269
Deferred tax on fair value of investments accounted through FVTOCI	-	-	-	566	566
Exchange difference directly recognised in equity	(182)	(98)	(280)	280	-
Total deferred tax (expense) / income	-	169	-	(1,906)	-
Net deferred tax assets/(liabilities) Reflected in the balance sheet are as follows:	(2,463)	-	(2,294)	-	(4,200)
Deferred tax assets	92	-	-	-	-
Deferred tax liabilities	(2,555)	-	(2,294)	-	(4,200)
Deferred tax liabilities (net)	(2,463)	-	(2,294)	-	(4,200)

Reconciliation of deferred tax assets / (liabilities), net	March 31, 2026	March 31, 2025
Balance at the beginning of the year	(2,294)	(2,463)
Tax income/(expense) during the period recognised in profit or loss (including on exceptional items)	(2,524)	245
Tax income/(expense) during the period recognised in OCI	645	22
Exchange difference directly recognised in equity	(27)	(98)
Balance at the end of the year	(4,200)	(2,294)

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Unused tax losses on which no deferred tax asset is recognised

The subsidiaries have the following unused tax losses which arose on incurrance of business losses under the Income tax for which no deferred tax asset have been recognized in the balance sheet. The losses can be carried forward for a period of 20 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Financial year	March 31, 2026
2010-11	185
2011-12	432
2012-13	1,596
2013-14	1,549
2014-15	-
2015-16	-
2016-17	-
2017-18	-
2018-19	-
2019-20	-
2020-21	69
2021-22	-
2022-23	-
2023-24	-
2024-25	30

38 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial liabilities comprise mainly of borrowings, lease liabilities, trade and other payables. The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Group is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Group has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Group. The said Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. It also covers policies on specific risk areas such as currency risk, interest rate risk, credit risk and investment of surplus funds.

The following disclosures summarize the Group's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Group.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group seeks to mitigate such risk by maintaining an adequate proportion of floating and fixed interest rate borrowings. As at March 31, 2026, the company has no borrowing (March 31, 2025 approximately 100% of the Company's borrowings which consist of cash credits for working capital are at variable rate). Summary of financial assets and financial liabilities has been provided below:



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Exposure to interest rate risk

The interest rate profile of the Group's interest - bearing financial instrument as reported to management is as follows:

Particulars	March 31, 2026	March 31, 2025
Fixed-rate instruments		
Financial Assets	58,321	55,015
Financial Liabilities	4,499	-
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	-	331

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Particulars	Impact on Profit / (loss) after tax
March 31, 2026	
Increase in 100 basis points	-
Decrease in 100 basis points	-
March 31, 2025	
Increase in 100 basis points	2
Decrease in 100 basis points	(2)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group transacts business in foreign currencies (primarily USD, EUR and GBP). Consequently, the Group has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Group manages its foreign currency risk by following policies approved by board as per established risk management policy. The carrying amounts of the Group's foreign currency denominated monetary items are as follows:

Exposure to Currency Risk:-

The summary quantitative data about the Group's exposure to currency risk (based on notional amounts) is as follows:

Particulars	March 31, 2026			March 31, 2025		
	USD	GBP	EUR	USD	GBP	EUR
Financial Assets						
Trade receivables	6,752	2,886	3,123	4,571	2,329	1,695
Cash and cash equivalents	869	178	2,901	928	394	2,506
Other financial assets	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total A	7,621	3,064	6,024	5,499	2,723	4,201
Financial Liabilities						
Trade payables	1,686	467	2,014	884	543	2,621
Other financial Liabilities	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-
Total B	1,686	467	2,014	884	543	2,621
Net exposure to foreign currency (A-B)	5,935	2,597	4,010	4,615	2,180	1,580

The Group is exposed to foreign currency risk on account of its receivables and payables. The functional currency of the Group is Indian Rupee. The Group has exposure to GBP, USD, EUR and other currencies. The Group has not hedged this foreign currency exposure as the Group has natural hedge for payables against receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

The following significant exchange rates have been applied during the year.

Rupees	Average rate		Year-end spot rate	
	As at	As at	As at	As at
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
USD 1	90.12	84.48	94.65	85.58
GBP 1	118.19	108.02	125.63	110.74

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and GBP rates to the functional currency of respective entity, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	USD			GBP		
	Change in exchange rate	Profit / (loss) before tax	Equity net of tax	Change in exchange rate	Profit / (loss) before tax	Equity net of tax
	March 31, 2026					
Strengthening	1.00%	59	44	2.00%	52	39
Weakening		(59)	(44)		(52)	(39)
March 31, 2025						
Strengthening	1.00%	46	35	2.00%	44	33
Weakening		(46)	(35)		(44)	(33)

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables and other financial assets including deposits with banks. The Group's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. Security deposits mainly includes rental deposits, earnest money deposits which are given as per contractual agreement. Contract asset mainly pertains to contracts where there has been no delay or default in the past periods.

Other financial assets

This comprises mainly of deposits with banks, investments in mutual funds, market linked debentures, other quoted instruments and other group receivables. Credit risk arising from these financial assets is limited because the counterparties are group companies, banks and recognised financial institutions and other corporates with high ratings, assigned by recognised credit rating agencies. In case of mutual fund investments, since majority of the investments are in short duration or liquid funds, having limited risk.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy and procedures. Trade receivables are non-interest bearing and generally have a credit period not exceeding 90 days. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Group has no concentration of credit risk as the customer base is widely distributed both economically and geographically.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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(₹ in Lakhs)

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the receivables are categorised into groups based on types of receivables. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - Financial instruments. The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Receivables from group companies and secured receivables are excluded for the purposes of this analysis since no credit risk is perceived on them. Proportion of expected credit loss provided for across the ageing buckets is summarised below:

Bucket	March 31, 2026	March 31, 2025
Not due [#]	0.22%	2.92%
0-1 year	0.99%	1.09%
1-3 years	24.81%	26.73%
Greater than 3 years	12.04%	76.76%
Expected Credit Losses rate	0.91%	4.04%
Amount of Expected credit loss provided (₹ in Lakhs)	(2,141)	(2,440)

[#]Includes provision made for long outstanding retention money.

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Group's view of economic conditions over the expected lives of the receivables.

The following significant change in the carrying amounts of trade receivables contributed to change in the impairment loss allowance during year ended March 31, 2026:

Ageing profile of the receivables has improved and certain provisions made in the earlier periods have been reversed, resulting in lower provision requirement under the expected credit loss model.

Movement in provision of expected credit loss has been provided in note no. 13.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from both domestic and international banks at an optimised cost. The Group invests its surplus funds in bank deposits and schemes of mutual fund which carries no/ low mark to market risks.

The Holding Company also participates in a supply chain financing arrangement (SCF) with the principal purpose of facilitating efficient payment processing of supplier invoices. While the SCF does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating, the programme assists in making cash outflows more predictable as a part of liquidity management.

The table below analyses non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

Particulars	Carrying amount	Less than 12 months	1-2 years	2-5 years	more than 5 years	Total
Year ended March 31, 2026						
Financial liabilities						
Borrowings	-	-	-	-	-	-
Lease liabilities	27,265	5,702	5,824	13,015	2,725	27,266
Trade payables	28,837	28,837	-	-	-	28,837
Other financial liabilities	9,595	9,595	-	-	-	9,595
Total	65,697	44,134	5,824	13,015	2,725	65,698

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 months	1-2 years	2-5 years	more than 5 years	Total
Year ended March 31, 2025						
Financial liabilities						
Borrowings	331	331	-	-	-	331
Lease liabilities	17,792	3,138	3,282	7,406	3,966	17,792
Trade payables	28,014	28,014	-	-	-	28,014
Other financial liabilities	4,859	4,859	-	-	-	4,859
Total	50,996	36,342	3,282	7,406	3,966	50,996

(d) Commodity price risk

Commodity price risk arises due to fluctuation in prices of steel. The Group has a risk management framework aimed at prudently managing the risk arising from the volatility in the commodity prices and freight costs. The Group's commodity risk is managed through well-established control processes.

(e) Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group has adequate cash and bank balances and no interest bearing liabilities. The Group monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any interest bearing debt, the maintenance of debt equity ratio etc. is not of any relevance to the Group.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest-bearing loans and borrowings (Note 18 and 19)	-	331
Less: cash and cash equivalents (Note 14)	(16,923)	(15,885)
Adjusted net debt	(16,923)	(15,554)
Equity share capital (Note 16)	2,244	2,244
Other equity (Note 17)	2,28,341	1,97,625
Total equity	2,30,585	1,99,869
Adjusted net debt to total equity ratio	(0.07)	(0.08)

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

39 FAIR VALUE MEASUREMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at March 31, 2026

Particulars	Carrying amount					Fair Value			Total
	Cost	FVTPL	FVTOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Investments (Note 1 below)	-	60,581	13,694	-	74,275	60,581	-	0	60,581
Trade receivables	-	-	-	72,051	72,051	-	-	-	-



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Carrying amount					Fair Value			Total
	Cost	FVTPL	FVTOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Cash and cash equivalents	-	-	-	16,923	16,923	-	-	-	-
Other bank balance	-	-	-	4,341	4,341	-	-	-	-
Other financial assets	-	-	-	18,468	18,468	-	-	-	-
Total Financial assets	-	60,581	13,694	1,11,783	1,86,058	60,581	-	0	60,581
Borrowings	-	-	-	-	-	-	-	-	-
Lease liabilities	-	-	-	27,265	27,265	-	-	-	-
Trade payables	-	-	-	28,837	28,837	-	-	-	-
Other financial liabilities	-	-	-	9,595	9,595	-	-	-	-
Total Financial liabilities	-	-	-	65,697	65,697	-	-	-	-

As at March 31, 2025

Particulars	Carrying amount					Fair Value			Total
	Cost	FVTPL	FVTOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Investments (Note 1 below)	-	42,529	-	-	42,529	42,529	-	0	42,529
Trade receivables	-	-	-	61,387	61,387	-	-	-	-
Cash and cash equivalents	-	-	-	15,885	15,885	-	-	-	-
Other bank balance	-	-	-	19,959	19,959	-	-	-	-
Other financial assets	-	-	-	1,436	1,436	-	-	-	-
Total Financial assets	-	42,529	-	98,667	1,41,196	42,529	-	0	42,529
Borrowings	-	-	-	331	331	-	-	-	-
Lease liabilities	-	-	-	17,792	17,792	-	-	-	-
Trade payables	-	-	-	28,014	28,014	-	-	-	-
Other financial liabilities	-	-	-	4,859	4,859	-	-	-	-
Total Financial liabilities	-	-	-	50,996	50,996	-	-	-	-

Note-1: Investments in associate have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above. Investments in unquoted equity shares of entities other than associates have been designated as FVTPL. However, investments in equity shares on disposal will fetch only the principal amount invested and hence the Group considers cost and fair value to be the same.

The investments include certain quoted equity instruments which are held for long term strategic purpose and not held for trading. Upon the application of Ind AS 109, the company has selected one time irrevocable option to designate the investments in equity instruments as at FVTOCI as the management believe that this provides a more meaningful presentation for long term strategic investments, than reflecting changes in fair value in profit and loss.

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial classified as current. Accordingly, the fair value has not been disclosed separately.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The carrying amounts of financial assets and liabilities other than those valued at Level 1 and Level 2 are considered to be the same as their fair values due to the current and short term nature of such balances and no material differences in the values. Fair value of borrowings is computed using the market comparison technique where information for the interest rate at which a borrowing can be obtained by the Company is used to arrive at fair value of borrowing. Further management measurement of fair value is not materially different from the amortised cost. In these cases significant unobservable inputs and interrelationship between significant unobservable inputs and fair value measurement is not applicable.

The Group's investments on disposal will fetch only the principal amount invested and hence the company considers cost and fair value to be the same for investments in equity shares of ₹ 0.15 Lakhs (March 31, 2025: ₹ 0.15 Lakhs).

ii) Levels 1, 2 and 3

Level 1: It includes Investment in equity shares and mutual funds that have a quoted price and which are actively traded on the stock exchanges. It is valued using the closing price as at the reporting period on the stock exchanges.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

There have been no transfers between Level 1, Level 2 and Level 3 during the reporting period.

C. Fair value through profit and loss - in unquoted equity shares:

No movements in the values of unquoted equity instruments during the reporting period.

40 RELATED PARTY DISCLOSURES

As per the Ind AS - 24 Related Party Disclosures, the details are as under :

A) Name of the related parties and nature of relationships :

- a) **Ultimate Holding Company** : Aakaish Investments Private Limited
- b) **Entity with control over the Ultimate Holding Company** : Lotus Trust
- c) **Associates**

- (i) Eimco Elecon (India) Limited (upto April 23, 2025)
- (ii) Elecon Australia Pty. Limited (Refer note below)
- (iii) Elecon Africa Pty. Limited (Refer note below)
- (iv) Elecon Engineering (Suzhou) Co. Limited, China (Refer note below)

Note:-

The Holding Company is in process of seeking RBI approval for liquidating its 3 associates namely Elecon Australia Pty. Limited, Elecon Africa Pty. Limited and Elecon Engineering (Suzhou) Co. Limited, China. There are no transactions in these 3 associate companies and there are no assets or liabilities pertaining to these associates.

d) Key managerial personnel

- (i) Mr. Prayasvin B. Patel - Chairman and Managing Director
- (ii) Mr. Prashant C. Amin - Non-Executive Director
- (iii) Mr. Aayush A. Shah - Non-Executive Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

- (iv) Mr. Pradip M. Patel - Director
- (v) Dr. Sonal V Ambani - Independent Director (upto August 13, 2025)
- (vi) Mrs. Natasha K. Treasurywala (w.e.f. April 24, 2025)
- (vii) Mr. Pranav C. Amin - Independent Director
- (viii) Mr. Ashutosh A. Pednekar - Independent Director
- (ix) Mr. Nirmal P. Bhogilal - Independent Director (w.e.f. April 1, 2024)
- (x) Mr. Narasimhan Raghunathan - Chief Financial Officer (upto January 31, 2026)
- (xi) Mr. Chintan J. Shah - Chief Financial Officer (w.e.f. April 15, 2026)
- (xii) Mrs. Bharti L Isarani - Company Secretary
- (xiii) Mr. Rajen F. Kavani - Director of Elecon Middle East FZCO, Elecon Radicon Africa (Pty) Ltd.
- (xiv) Mr. Vipul B. Shah - Director of Elecon Singapore Pte. Ltd.
- (xv) Mr. Chandrakant B. Patel - Director of Benzlers-Radicon Group
- (xvi) Mr. Dineshkumar M. Patel - Director of Radicon Transmission UK Ltd., Benzlers Systems AB, AB Benzlers, Oy Benzlers AB, Benzlers Transmission A/S
- (xvii) Mr. Mark Cooper - Director of Oy Benzlers AB

e) Relatives of Key managerial personnel

- (i) Taruna Patel
- (ii) Akanksha Patel
- (iii) Aishwarya Patel
- (iv) B. I. Patel HUF (Karta)
- (v) Trupti Pradip Patel

f) Entities forming part of the same Group (with whom transactions undertaken during the current year or previous year)

- (i) Radicon Transmission FZE, Dubai
- (ii) Radicon Transmission (Thailand) Limited, Thailand
- (iii) Radicon Transmission (Australia) Pty Limited, Australia
- (iv) Prayas Engineering Limited
- (v) K. B. Investments Private Limited
- (vi) Elecon Information Technology Limited
- (vii) Tech Elecon Private Limited
- (viii) Emtici Engineering Limited
- (ix) Akaish Printing Press Private Limited (formerly known as Speciality Woodpack Private Limited)
- (x) Power Build Private Limited
- (xi) Elecon Hydraulics Private Limited
- (xii) Akaish Mechatronics Limited
- (xiii) Aisho Tours and Travels Limited (Formerly known as Wizard Fincap Limited) (upto October 22, 2024)
- (xiv) Eimco Elecon Electricals Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

- (xv) Elecon Peripherals Limited
- (xvi) Emtici Marketing LLP
- (xvii) Modsonic Instruments Manufacturing Company Private Limited
- (xviii) Bipra Investments And Trusts Private Limited
- (xix) Vijay M. Mistry Construction Private Limited
- (xx) Naman Integrated Management Services Pvt. Ltd.
- (xxi) B.I. Patel Charitable Trust
- (xxii) Jamko Consultants Private Limited (upto September 24, 2024)
- (xxiii) Eimco Elecon (India) Limited (w.e.f. April 24, 2025)

g) Other related parties:

(a) Post employment benefit plan

- (i) Elecon Engineering Company Limited Employees Group Gratuity Fund
- (ii) Elecon Engineering Company Limited Employees Superannuation Scheme

(b) Directors and/or their relatives are interested:

- (i) Packme Industries Private Limited
- (ii) Darshan Chemicals
- (iii) United Marketing Company
- (iv) Desmin Agencies
- (v) Desai & Diwanji

B. Terms and conditions of transactions with related parties

Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than loan given and taken, at the year-end are unsecured and interest free and settlement occurs in cash other than for advance.

Transactions with key management personnel

Compensation of key management personnel of the Company

Particulars	Year Ended	
	March 31, 2026	March 31, 2025
Remuneration		
- Mr. Prayasvin B. Patel	2,131	2,261
- Mr. Narasimhan Raghunathan	72	67
- Mrs. Bharti Isarani	31	28
Commission and sitting fees to Independent directors and non-executive directors	152	102
Remuneration to directors [#]		
- Mr. Rajen F. Kavani	148	119
- Mr. Vipul B. Shah	162	143
Total compensation paid to key management personnel	2,696	2,720

Key Managerial Personnel who are under the employment of the Group are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

[#]Key Managerial Personnel who are under the employment of the overseas subsidiaries are entitled to post employment benefits and other long term employee benefits recognised as per the laws of the respective countries and hence the same are not included above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Holding Company		Associate		Key Managerial Personnel		Relatives of Key managerial personnel		Entities forming part of the same group		Other related parties		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Income:														
Sale of goods and rendering of services	-	-	9	564	-	-	-	-	2,751	1,959	602	549	3,362	3,072
Sale of scrap	-	-	-	-	-	-	-	-	9	44	-	-	9	44
Sales of plant and equipment	-	-	-	-	-	-	-	-	3	12	-	-	3	12
Interest Income	-	-	-	-	-	-	-	-	0	5	-	-	0	5
Commission income	-	-	-	-	-	-	-	-	48	-	-	-	48	-
Dividend income	-	-	-	-	-	-	-	-	72	101	0	-	72	108
Reimbursement of Expenses	-	-	3	35	-	-	-	-	297	234	-	-	300	269
Rent Income	-	-	1	86	-	-	-	-	19,232	18,526	35	72	19,268	18,684
Expense:														
Purchase of goods and availment of services	-	-	-	8	-	-	-	-	612	542	-	-	612	550
Purchase of plant and equipment	-	-	-	-	-	2,696	2,720	-	-	-	-	-	2,696	2,720
Remuneration Expenses	-	-	-	-	-	-	-	-	-	1,928	-	-	2,362	1,928
Sitting Fees Paid to Non Executive Directors	-	-	-	-	-	-	-	-	-	1,711	-	-	2,101	1,711
Repairs & Maintenance Charges	-	-	-	-	-	-	-	-	1,000	1,030	3	-	1,003	1,030
Software Service Charges	-	-	-	5	-	128	100	-	766	931	-	-	894	1,036
Other Expenses	-	-	-	-	-	-	-	-	-	-	8	-	8	-
Rent Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commission expense on Sales	-	-	-	-	-	83	62	-	390	291	-	-	2,665	1,997
Interest expenses	-	-	-	-	-	-	-	-	-	-	601	172	601	172
Dividend paid	2,092	1,569	-	-	-	-	-	75	-	-	-	-	734	522
Contribution made to post employment defined plans trust	-	-	-	-	-	-	-	-	-	522	-	-	-	-
Contribution made towards CSR activities	-	-	-	-	-	-	-	-	734	-	-	-	-	-
Other Transactions:														
Loans repaid during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Donation Paid	-	-	-	-	-	-	-	-	14	-	-	-	14	-
Deposit refund received	-	-	-	-	-	-	-	-	30	8	-	-	30	8
Rent deposit paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding balances:														
Assets:														
Trade receivables	-	-	-	322	-	-	-	-	691	233	-	-	691	555

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Holding Company		Associate		Key Managerial Personnel		Relatives of Key managerial personnel		Entities forming part of the same group		Other related parties		Total
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	
Loan receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance given	-	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities:													
Trade payables	-	-	-	28	-	-	-	-	593	-	-	-	593
Advance received	-	-	-	-	-	-	-	-	3,039	2,290	-	-	3,039
Guarantees:													
Guarantee taken	-	-	-	-	-	-	-	-	224	-	-	-	224

Note:-

All the above expenses reported here are net off GST.

The Company had written off investments and loans outstanding from the 3 associates namely Elecon Australia Pty. Limited, Elecon Africa Pty. Limited and Elecon Engineering (Suzhou) Co. Limited in the financial year 2011-2012 amounting to ₹ 1,071 Lakhs.

41 DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

A. Defined contribution plans:

Amount of ₹ 887 Lakhs (March 31, 2025: ₹ 684 Lakhs) is recognised as expenses and included in note no. 32. 'Employee benefits expense'

Particulars	As at	
	March 31, 2026	March 31, 2025
Provident Fund and Pension scheme	884	680
Superannuation Fund	3	4
	887	684

B. Defined benefit plans:

The Group has the following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity and Pension

The Group operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Group, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

March 31, 2026 : Changes in defined benefit obligation and plan assets:

Particulars	Gratuity and Pension cost charged to statement of profit and loss			Transfer in/ Out liability/asset and increase (decrease) in obligation due to fluctuation in exchange rate	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement gains/(losses) in other comprehensive income			Contributions by employer		
	April 1, 2025	Service cost	Net interest expense			Sub-total included in statement of profit and loss (Note 32)	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions		Actuarial changes arising from changes in financial assumptions	Sub-total included in OCI
Gratuity	1,762	160	133	605	5	(189)	3	269	272	-	2,455
Defined benefit obligation	(1,777)	-	(138)	(138)	-	4	-	-	39	(600)	(2,472)
Fair value of plan assets	(15)	160	(5)	467	5	(185)	3	269	311	(600)	(17)
Pension, gratuity and medical plan											
Defined benefit obligation	-	-	-	-	-	-	-	-	-	-	-
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-
Benefit liability											
Total benefit liability	(15)	160	(5)	467	5	(185)	3	269	311	(600)	(17)

Disclosure pursuant to employee benefits

March 31, 2025 : Changes in defined benefit obligation and plan assets:

Particulars	Gratuity and Pension cost charged to statement of profit and loss			Transfer in/ Out liability/asset and increase (decrease) in obligation due to fluctuation in exchange rate	Benefit paid	Remeasurement gains/(losses) in other comprehensive income			Contributions by employer		
	April 1, 2024	Service cost	Net interest expense			Sub-total included in statement of profit and loss (Note 32)	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions		Actuarial changes arising from changes in financial assumptions	Sub-total included in OCI
Gratuity	1,517	120	109	229	(3)	(52)	45	26	71	-	1,762
Defined benefit obligation	(1,517)	-	(109)	(109)	-	9	-	-	9	(212)	(1,777)
Fair value of plan assets											

Particulars	Gratuity and Pension cost charged to statement of profit and loss			Sub-total included in statement of profit and loss (Note 32)	Transfer in/ Out liability/asset and increase (decrease) in obligation due to fluctuation in exchange rate	Benefit paid	Remeasurement gains/(losses) in other comprehensive income			Sub-total included in OCI	Contributions by employer	March 31, 2025
	April 1, 2024	Service cost	Past service cost				Net interest expense	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions			
Benefit liability/ (asset)	-	120	-	120	(3)	-	9	26	80	(212)	(15)	
Pension, gratuity and medical plan	1,151	-	-	31	(105)	(1,077)	-	-	-	-	-	
Defined benefit obligation	-	-	-	-	-	-	-	-	-	-	-	
Fair value of plan assets	1,151	-	-	31	(105)	(1,077)	-	-	-	-	-	
Benefit liability	1,151	120	-	151	(108)	(1,077)	9	26	80	(212)	(15)	

The major categories of plan assets of the fair value of the total plan assets of Gratuity and Pension are as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Insurance Fund for gratuity (% of total plan assets)	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Group's plans are shown below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	6.83%	6.84%
Future salary increase		
For 1 st year	9.00%	9.00%
For 2 nd to 3 rd year, starting from 3 rd year	9.00%	9.00%
Starting from 3 rd year	9.00%	9.00%
Expected rate of return on plan assets	6.83%	6.84%
Employee turnover rate	6.00%	6.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

A quantitative sensitivity analysis for significant assumption is as shown below:

For Gratuity (for Indian entities)

Particulars	Sensitivity level	(increase) / decrease in defined benefit obligation (Impact)	
		Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	1% increase	(170)	(121)
	1% decrease	194	139
Salary Increase	1% increase	126	117
	1% decrease	(126)	(111)
Employee Turnover	1% increase	(16)	(18)
	1% decrease	17	20

(b) Leave obligations - Unfunded

The actuarial Liability towards leave obligations as at March 31, 2026 is ₹ 9 Lakhs (March 31, 2025 : ₹ 13 Lakhs). Current year charge is included in Employee benefit expense (Refer Note 32)

(c) Effect of Plan on Entity's Future Cash Flows

(i) Funding arrangements and Funding Policy:

The Holding Company has purchase an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(ii) Expected Contribution during the next annual reporting period for Gratuity (for Indian entities):

The Company's best estimate of contribution during the next year is ₹ 195 Lakhs (March 31, 2025 : ₹ 131 Lakhs)

(iii) Maturity profile of Defined Benefit Obligations for Gratuity (for Indian entities):

Weighted average duration (based on discounted cash flows) - 9 years (March 31, 2025 :9 years)

(a) Expected cash flows over the next years (valued on undiscounted basis) for Gratuity (for Indian entities):

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
1 year	261	232
2 to 5 years	779	563
6 to 10 years	1,058	670
More than 10 years	2,476	1,835

42 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	March 31, 2026	March 31, 2025
(a) Contingent liabilities:		
Claims against the Holding Company not acknowledged as debt#		
(i) Disputed with Excise and Service tax authority [FY 2025-26 : Amount deposited : 429 Lakhs , Net 4,501 Lakhs] [FY 2024-25 : Amount deposited : 249 Lakhs , Net 4,681 Lakhs]	4,930	4,930
(ii) Disputed with Sales tax authority [FY 2025-26 : Amount deposited : NIL Lakhs , Net 12 Lakhs] [FY 2024-25 : Amount deposited : NIL Lakhs , Net 12 Lakhs]	12	12
(iii) Disputed with GST tax Authority [FY 2025-26 : Amount deposited : 3 Lakhs , Net 1,037 Lakhs] [FY 2024-25 : Amount deposited : 94 Lakhs , Net 947 Lakhs]	1,040	1,041

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Year Ended	
	March 31, 2026	March 31, 2025
(iv) Disputed with Income tax authority [FY 2025-26 : Amount deposited : 1,199 Lakhs , Net 2,542 Lakhs] [FY 2024-25 : Amount deposited : 1,174 Lakhs , Net 2,518 Lakhs]	3,741	3,692
(v) Dispute raised by Income Tax Department against the company with the higher authorities	961	1,021
Guarantees		
(i) Guarantee with customs for import of goods for AB Benzlers (Sweden) SEK 400,000 (March 2025 : SEK 400,000) *Future cash outflows are determinable only on receipt of judgements/ decisions pending with various forums/ authorities. It is not practicable to disclose possibility of any reimbursement.	40	34
(b) Commitments:		
(i) Estimated amount of contracts remaining to be executed on account of capital goods and not provided for (net of capital advance)	16,677	7,315

43 SEGMENT REPORTING

Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chairman and Managing Director (CMD) to make decisions about resources to be allocated to the segments and assess their performance. The Group has two reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Group's Chairman & Managing Director reviews internal Group management reports periodically. The CMD is designated as the Chief Operating Decision Maker (CODM).

Reportable Segment	Description of products/services
Transmission equipment	Manufacturing of material transmission equipments like gearboxes, couplings and elevator traction machines.
Material handling equipment	The segment is engaged in manufacturing of material handling equipments like raw material handling system, stackers, reclaimers, bagging and weighing machines, wagon & truck loaders, crushers, wagon tippers, feeders and port equipments. It is also engaged in executing projects on these material handling equipments.

Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal Group management reports that are reviewed by the CODM. Segment profit is used to measure performance as Group management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Particulars	Year Ended	
	March 31, 2026	March 31, 2025
Segment revenue from operations:		
(a) Transmission equipment	1,69,936	1,76,258
(b) Material handling equipment	71,250	49,349
Total	2,41,186	2,25,606
Less: Elimination of Inter division sales	(4,581)	(2,910)
Net Sales / Income from Operations including intersegment revenue	2,36,605	2,22,696
Segment profit/(loss) before tax and interest		
(a) Transmission equipment	31,904	42,978



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Particulars	Year Ended	
	March 31, 2026	March 31, 2025
(b) Material handling equipment	20,881	14,489
Net segment profit before tax and interest	52,785	57,467
Less: Elimination of Inter division profit	(2,503)	(1,321)
Net segment profit/(loss) before tax & interest	50,282	56,146
Reconciliation of segment profit with profit before tax		
i) Finance cost	2,491	1,304
ii) Other unallocated corporate expenses net off	7,157	6,685
iii) Unallocable income	(6,943)	(5,540)
iv) Exceptional items - (gain)/loss	2,130	-
Profit before tax as per statement of profit and loss	45,447	53,697

Other information

Particulars	Year Ended	
	March 31, 2026	March 31, 2025
Segment assets		
(a) Transmission Equipment	1,73,159	1,56,850
(b) Material Handling Equipment	39,886	29,623
Total segment assets	2,13,045	1,86,473
(c) Unallocable	1,10,323	86,473
Total assets	3,23,368	2,72,946
Segment liabilities		
(a) Transmission Equipment	64,753	50,228
(b) Material Handling Equipment	19,735	16,683
Total segment liabilities	84,488	66,911
(c) Unallocable	8,295	6,166
Total liabilities	92,783	73,077

Geographical information

Particulars	Year Ended	
	March 31, 2026	March 31, 2025
Segment revenue from external customers		
India	1,85,447	1,71,026
Outside India :		
- USA	10,470	11,525
- Europe	25,523	17,754
- Asia Pacific	2,000	2,964
- United Arab Emirates	5,696	11,636
- Others	7,469	7,791
	51,158	51,670
Total segment revenue	2,36,605	2,22,696

Particulars	Year Ended	
	March 31, 2026	March 31, 2025
Non-current assets		
India	1,07,881	87,168
Outside India	20,018	16,152
Total non-current assets	1,27,899	1,03,320

There is no single external customer which exceeds 10% of the Group's revenue.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

44 DISCLOSURES PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 115, REVENUE FROM CONTRACTS WITH CUSTOMERS

a Disaggregation of revenue

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Revenue from long-term construction contracts (A) (revenue recognised over time)	35,523	23,753
Revenue other than considered in (A) above (revenue recognised at point in time)	1,98,186	1,95,947
Revenue from operations (excluding other Operating Revenue) (Refer note 27)	2,33,709	2,19,700

The Group believes that the information provided under Note 27 and Note 44, is sufficient to meet the disclosure requirements with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

b Reconciliation the amount of revenue recognised in the consolidated statement of profit and loss with the contracted price:

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Revenue as per contracted price	2,30,945	2,18,852
Adjustments		
Variable consideration (deducted)/recovered on account of liquidated damages	2,764	848
Revenue from contract with customers (excluding other Operating Revenue) (Refer Notes 27)	2,33,709	2,19,700

c Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	72,051	61,387
Contract assets		
Contract asset	3,238	434
Contract liabilities		
Billing in excess of revenue	1,271	2,294
Advance from customers	14,266	8,215
Revenue recognised from opening balance of contract liability (net)	2,184	-
Revenue recognised in the reporting year from performance obligations satisfied (or partially satisfied) in previous years	-	-

Note: Number of customers individually accounted for more than 10% of the revenue in the year ended March 31, 2026: Nil (March 31, 2025: Nil)

d Unsatisfied performance obligations

The Group applies the practical expedient in Paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations where the Group has a right to consideration from the customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date. Accordingly, the Group recognises revenue by an amount to which the Group has a right to invoice.

45 LEASE TRANSACTIONS

The Group has elected below practical expedients while applying Ind AS 116:

1. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
2. Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

3. Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

The Group has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.

The incremental borrowing rate applied to lease liabilities as at April 1, 2025 is 14.50%, 8.00%, 8.5% and 6.18% for Lease Arrangements of current year.

45.1 As a Lessee - Movement in Lease liabilities

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance as at April 1, 2025	17,792	7,046
New lease contracts entered during the year	13,931	17,017
Remeasurement due to lease modification	23	32
Recoupment / Adjustment	-	13
Finance costs incurred during the year	2,144	789
Lease contracts terminated during the year	-	(4,842)
Payments of Lease Liabilities	(7,016)	(2,398)
Exchange differences	391	135
Balance as at March 31, 2026 (Refer Note 19)	27,265	17,792
Maturity analysis - Undiscounted cash flows		
Less than one year	7,525	4,282
1-2 years	7,207	4,235
2-5 years	14,840	8,969
More than five years	6,597	8,049

45.2 Amounts recognised in Statement of Profit and Loss

Particulars	As at March 31, 2026	As at March 31, 2025
Interest on lease liabilities	2,144	789
Expenses relating to short-term leases	1,319	1,433
Expenses relating to leases of low-value assets	243	127

45.3 As a Lessor

Lease income from lease contracts in which the Group acts as a lessor is as below:

Particulars	As at March 31, 2026	As at March 31, 2025
Operating Lease	447	393
Maturity analysis - Undiscounted cash flows		
Less than one year	143	159
1-2 years	139	119
2-5 years	448	398
More than five years	327	256

The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

46 ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013

for the year ended March 31, 2026

Name of the entity in the group	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of Other comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
	Parent							
1. Elecon Engineering Company Limited	88.76%	2,04,670	139.74%	47,672	432.66%	4,716	148.80%	52,388
Subsidiaries								
Foreign								
1. Radicon Transmission UK Limited, United Kingdom	9.63%	22,215	(16.46)%	(5,615)	30.46%	332	(15.01)%	(5,283)
2. Elecon Middle East FZCO, Middle East	6.16%	14,214	4.08%	1,393	-	-	3.96%	1,393
3. Elecon Singapore Pte. Limited, Singapore	0.68%	1,561	0.36%	123	-	-	0.35%	123
Associates(Investment as per equity method)								
Indian								
1. Eimco Elecon (India) Limited	3.08%	7,112	0.18%	61	0.00%	-	0.17%	61
Adjustments arising out of consolidation	(8.32)%	(19,188)	(27.90)%	(9,518)	(363.1)%	(3,958)	(38.28)%	(13,476)
Total	100.00%	2,30,584	100.00%	34,116	100.00%	1,090	100.00%	35,206

for the year ended March 31, 2025

Name of the entity in the group	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of Other comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
	Parent							
1. Elecon Engineering Company Limited	82.61%	1,65,112	81.92%	34,003	102.31%	1,352	82.54%	35,355
Subsidiaries								
Foreign								
1. Radicon Transmission UK Limited, United Kingdom	12.27%	24,521	9.98%	4,142	(1.93)%	(26)	9.61%	4,116
2. Elecon Middle East FZCO, Middle East	5.74%	11,480	6.62%	2,746	-	-	6.41%	2,746



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

Name of the entity in the group	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of Other comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
	3. Elecon Singapore Pte. Limited, Singapore	0.65%	1,292	0.64%	264	0.00%	-	0.62%
Associates(Investment as per equity method)								
Indian								
1. Eimco Elecon (India) Limited	3.53%	7,051	1.96%	813	(0.35)%	(5)	1.89%	808
Adjustments arising out of consolidation	(4.80)%	(9,587)	(1.10)%	(458)	0.00%	-	(1.07)%	(458)
Total	100.00%	1,99,869	100.00%	41,510	100.00%	1,321	100.00%	42,831

Note:

The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) and net assets of ₹ Nil for the year ended March 31, 2026 in respect of 3 associates.

47 DESCRIPTION OF THE GROUP

The Consolidated financial statements comprise the financial statements of the Holding Company, its subsidiaries, step-down subsidiaries and associates :

Name of the Company	Country of Incorporation	% of Holding either directly or indirectly through a subsidiary	
		March 31, 2026	March 31, 2025
(a) Subsidiaries			
Radicon Transmission UK Limited	United Kingdom	100.00	100.00
Elecon Singapore Pte. Limited	Singapore	100.00	100.00
Elecon Middle East FZCO	UAE	100.00	100.00
(b) Step-down subsidiaries			
Benzlers Systems AB	Sweden	100.00	100.00
AB Benzlers	Sweden	100.00	100.00
Radicon Drive Systems Inc.	USA	100.00	100.00
Benzlers Transmission A.S.	Denmark	100.00	100.00
Benzlers Antriebstechnik G.m.b.h	Germany	100.00	100.00
Benzlers TBA B.V.	Netherlands	100.00	100.00
Oy Benzlers AB	Finland	100.00	100.00
Benzlers Italia s.r.l.	Italy	100.00	100.00
Elecon Radicon Africa Pty. Limited	South Africa	100.00	100.00
Grupo Radicon SA de CV	Mexico	100.00	0.00
(c) Associates			
Eimco Elecon (India) Limited*	India	0.00	16.62
Elecon Engineering (Suzhou) Co. Limited**	China	50.00	50.00
Elecon Africa Pty. Limited**	South Africa	50.00	50.00
Elecon Australia Pty. Limited**	Australia	50.00	50.00

Note :

All the above entities followed accounting period of April 25 to March 26.

*Eimco Elecon (India) Limited has ceased to be an associate effective April 23, 2025.

**These companies are in the process of obtaining approval from Reserve Bank of India for their liquidation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

48 EQUITY ACCOUNTED INVESTEEES

Associates - Eimco Elecon (India) Limited

The Group held 16.62% interest in Eimco Elecon (India) Limited, which is engaged in manufacturing of equipments for mining and construction sector. Eimco Elecon (India) Limited is a listed company in India. The Group has accorded its consent to terminate the Agreement with Tamrock Great Britain Holdings Ltd. and with other Companies, being part of the said Agreement vide Resolution passed in the meeting of the Board of Directors of the Company held on April 23, 2025. Upon termination of the said Agreement, Eimco Elecon (India) Ltd. will no more be treated as an Associate Company effective April 23, 2025. The following table shows the summarised financial information of the Group's investment in Eimco Elecon (India) Limited as on April 23, 2025 for the Statement of Profit and Loss. Since the Group is no longer associated with Eimco Elecon (India) Limited from April 23, 2025, the Balance Sheet position, contingent liabilities and capital commitments are not furnished.

Percentage ownership interest	April 23, 2025	March 31, 2025
Non-current assets	-	26,429
Current assets	-	22,368
Non-current liabilities	-	(769)
Current liabilities	-	(4,834)
Net Assets	-	43,194
Group's share of net assets (16.62%)	-	7,179
Less: Elimination of proportionate share in profit on sale of fixed assets by Holding Company (net of deferred tax)	-	(128)
Carrying amount of interest in associates	-	7,051

Particulars	April 23, 2025	March 31, 2025
Revenue	1,708	24,647
Profit after tax	366	4,891
Other comprehensive income - -	-	(25)
Total comprehensive income	366	4,866
Group's share of Profit (16.62%)	61	813
Group's share of OCI (16.62%)	-	(4)
Group's share of the total comprehensive income (16.62%)	61	809

The associate had the following contingent liabilities and capital commitments

Percentage ownership interest	April 23, 2025	March 31, 2025
a. Income tax demands disputed	-	12
b. Excise & Service tax demands disputed	-	560
Note: All the above figures are excluding unquantified interest payable wherever applicable and outflow of funds, if any, would depend upon the outcome of the dispute / contingency.		
c. Capital Commitments	-	461



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

49 IMPACT OF INTRODUCTION OF NEW LABOUR CODES

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed the impact of the changes, consistent with the Labour Codes, draft rules and FAQs.

Considering the regulatory-driven nature of this impact, the Company has presented such incremental impact of ₹ 312 Lakhs in the standalone Statement of profit and loss for the year ended March 31, 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect as appropriate.

50 EXCEPTIONAL ITEMS

- Eimco Elecon (India) Limited has ceased to be an Associate effective April 23, 2025 and hence has been reclassified as financial asset which will be fair valued at each reporting date in accordance with Ind AS109. Accordingly, unrealised mark to market gain of ₹ 8,047 Lakhs (net of tax) till the date of termination has been credited to Statement of Profit and Loss and considered as an exceptional item. Unrealised loss of ₹ 3,392 Lakhs (net of tax) from the date of termination till the year ended March 31, 2026 has been included in Other Comprehensive Income in accordance with one time irrevocable option available under Ind AS.
- During FY 2010-11, the Holding Company acquired Benzlers and Radicon businesses (BR Group), resulting in recognition of Goodwill amounting to GBP 6,813,000 in BR Group Financials Statement and ₹ 10,004 Lakhs in the Elecon consolidated financial statements as at March 31, 2025.

The recoverable amount of Goodwill from the Cash Generating Unit (CGU) consisting of BR Group units has been determined from a value in use calculation. The calculation uses cash flow forecasts based on the most recently approved financial budgets and strategic forecasts and future projections taking the analysis out to 5 years. Key assumptions includes discount rate of 11.44% p.a. (March 31, 2025: 13.19% p.a.). The post-tax discount rate is mainly derived from the main entities operating out of the USA, UK and Sweden's Weighted Average Cost of Capital (WACC). Changes in selling prices and raw material costs are based on expectations of future changes in the market based on external market sources. Terminal growth rate of 0.50% p.a. (March 31, 2025: 0.50% p.a.) is used in the cash flow projections. The company also did impairment analysis by way of adding sensitivity in growth rates, discount rate and sales volume projection and compared the value in use with carrying amount of book value. Further, over the past 15 years, the acquired businesses have been fully integrated into the Holding Company's operations, and their independent identity is no longer distinguishable from the overall business of the Holding Company. The Holding company has finally assessed that the goodwill does not have specifically attributable cash flows. Accordingly, the carrying amount of Goodwill has been recognised as impairment loss and has been recognized in the Statement of Profit and Loss under 'Exceptional items

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

- c) For the goodwill amounting to ₹ 173 Lakhs, the Holding Company carried out similar impairment analysis and assessed that the Goodwill does not have a standalone cash-generating capability and is not supported by specifically attributable future cash flows. Accordingly, the carrying amount of the said Goodwill has been recognised as impairment loss and has been recognized in the Statement of Profit and Loss under 'Exceptional items'.

51 OTHER DISCLOSURES WITH RESPECT TO SCHEDULE III

- a) There is no scheme of arrangements approved by the competent authority in terms of sections 230 to 237 of the Companies' Act, 2013.
- b) The Group has no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as search or survey or any other relevant provision of the Income Tax Act, 1961)
- c) The Group have not traded or invested in crypto currency or virtual currency during the year.

52 THE CONSOLIDATED FINANCIAL STATEMENTS WERE AUTHORISED FOR ISSUE BY THE HOLDING COMPANY'S BOARD OF DIRECTORS AT THEIR MEETING HELD ON APRIL 15, 2026.

As per our report of even date attached

For **C N K & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961 W/W - 100036

For and on behalf of the Board of Directors Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Himanshu Kishnadwala
Partner
Membership No: 037391

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Ashutosh Pednekar
Director
DIN : 00026049

Chintan Shah
Chief Financial Officer

Bharti Isarani
Company Secretary

Place : Vallabh Vidyanagar
Date : April 15, 2026

Place : Vallabh Vidyanagar
Date : April 15, 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2026

(₹ in Lakhs)

ANNEXURE - A

Salient features of the financial statements of subsidiaries as per Companies Act, 2013-part A

Part A: Subsidiaries

Sr. No.	Name of the Subsidiary	Currency	Paid up Capital	Reserves & Surplus	Total Assets (including investments in subsidiary)	Total Liability	Investments (excluding investments in subsidiary)	Turnover	Profit/ (Loss) before tax	Provision for taxation	Profit/ (Loss) after tax	Proposed Dividend	% of Shareholding
1	Radicon Transmission UK Limited	₹	13,827	16,468	35,001	2,846	-	10,165	752	66	686	-	100.00
	Transmission UK Limited	GBP	125	131	279	23	-	86	6	1	6	-	
2	Elecon Singapore Pte. Limited	₹	550	952	2,424	864	-	2,149	134	11	123	-	100.00
	Pte. Limited	USD	6	10	26	9	-	24	2	0	1	-	
3	Elecon Middle East FZCO	₹	140	14,042	19,511	5,314	-	6,918	1,387	-	1,387	-	100.00
	FZCO	AED	6	545	757	206	-	288	58	-	58	-	
4	Elecon Radicon Africa Pty. Ltd.	₹	0	15	41	26	-	45	9	2	6	-	100.00
	Pty. Ltd.	ZAR	0	3	9	6	-	10	2	1	1	-	
5	Benzlers Systems AB	₹	9	5,076	5,086	-	-	-	(0)	-	(0)	-	100.00
	Systems AB	SEK	1	513	514	-	-	-	(0)	-	(0)	-	
6	AB Benzlers	₹	1,106	6,356	9,255	1,614	-	11,181	287	-	287	-	100.00
	Benzlers	SEK	130	643	936	163	-	1,193	31	-	31	-	
7	Radicon Drive Systems Inc.	₹	681	2,047	6,765	3,964	-	10,214	1,366	299	1,067	-	100.00
	Systems Inc.	USD	8	22	71	42	-	116	15	3	12	-	
8	Benzlers	₹	181	29	309	94	-	376	26	6	21	-	100.00
	Benzlers	DKK	15	2	25	8	-	31	2	0	2	-	
9	Benzlers Antriebstechnik G.m.b.h	₹	94	553	910	246	-	1,642	14	3	10	-	100.00
	Antriebstechnik G.m.b.h	EUR	1	5	8	2	-	16	0	0	0	-	
10	Benzlers TBA B.V.	₹	189	1,336	3,106	1,548	-	5,234	377	83	294	-	100.00
	TBA B.V.	EUR	2	12	28	14	-	51	4	1	3	-	
11	Oy Benzlers AB	₹	140	45	651	440	-	1,296	41	8	33	-	100.00
	Benzlers AB	EUR	2	0	6	4	-	13	0	0	0	-	
12	Benzlers Italia s.r.l.	₹	9	231	590	347	-	741	56	-	56	-	100.00
	Italia s.r.l.	EUR	0	2	5	3	-	7	1	-	1	-	
13	Grupo Radicon SA de CV	₹	4	-	5	-	-	-	-	-	-	-	100.00
	SA de CV	MXN	1	-	1	-	-	-	-	-	-	-	

As on March 31, 2026 : 1 GBP = 125.64 ₹, 1 USD = 94.65 ₹, 1 EURO = 109.00 ₹, 1 DKK = 14.47 ₹, 1 AED = 25.77 ₹, 1 SEK = 9.89 ₹, 1 ZAR = 5.48 ₹, 1 MXN = 5.20 ₹

NOTICE

NOTICE IS HEREBY GIVEN THAT the 66th Annual General Meeting of Members of Elecon Engineering Company Limited ('the Company') will be convened on **Thursday, the 25th day of June, 2026 at 3:00 p.m. IST** through Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility, to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at Anand – Sojitra Road, Vallabh Vidyanagar – 388 120, Gujarat, India.

ORDINARY BUSINESS

1. To consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended on March 31, 2026 and the Reports of Auditors and the Board of Directors ('the Board') thereon.

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

"RESOLVED THAT the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended on March 31, 2026 and the Reports of Auditors and the Board of Directors thereon, be and are hereby received, approved and adopted."

2. To declare a final dividend of ₹ 1.50 (i.e. 150%) per equity share for the financial year ended on March 31, 2026.

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

"RESOLVED THAT a final dividend of ₹ 1.50/- (i.e. 150%) per equity share of ₹ 1.00 /- each be and is hereby declared for the Financial Year ended on March 31, 2026.

RESOLVED FURTHER THAT the dividend be distributed on the paid-up equity share capital to those shareholders whose names appear in the Register of Members of the Company as on June 12, 2026 or to their mandates and in respect of dematerialised shares, the dividend be paid based on the beneficial ownership as per the details furnished by the depositories for this purpose at the end of business hours on June 12, 2026."

3. To appoint a Director in place of Mr. Pradip M. Patel (DIN: 00012138), who retires by rotation and being eligible, offers himself for re-appointment.

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

"RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Pradip M. Patel (DIN: 00012138), who retires by rotation at this Annual General Meeting, being eligible has offered himself for re-appointment and approval of the members, be and is, hereby accorded for continuation of Mr. Pradip M. Patel (DIN: 00012138), as a Non-executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Nomination and Remuneration Committee and consent of the Board of Directors, the approval of the Members be and is hereby accorded for continuation of directorship of Mr. Pradip M. Patel (DIN: 00012138), who has attained the age of 75 (Seventy-Five) years.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and is, hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

4. To re-appoint M/s. CNK & Associates LLP as the Statutory Auditor and fix their remuneration

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 Sections 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as per the recommendation of the Audit Committee & Board of Directors of the Company, consent of the Members, be and is, hereby accorded for the re-appointment of M/s. CNK & Associates LLP, (Firm Registration No. 101961W/W-100036) Chartered Accountants, Mumbai as the Statutory Auditors of the Company to hold office for a second term of 5 (five) consecutive years commencing from the conclusion of the AGM for FY 2025-26 till the conclusion of the AGM for FY 2030-31 on such remuneration as may be determined by the Audit Committee/Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and is, hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."



SPECIAL BUSINESS

5. To approve the re-appointment of Mr. Prayasvin B. Patel (DIN: 00037394) as the Chairman & Managing Director and payment of managerial remuneration.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of members, be and is, hereby accorded for the re-appointment of Mr. Prayasvin B. Patel (DIN:00037394), as the Chairman & Managing Director of the Company for a period of 3 years with effect from July 01, 2026, not liable to retire by rotation, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors in their respective meetings held on April 15, 2026, on the terms and conditions of appointment and remuneration as mentioned in the explanatory statement and also contained in the draft agreement, with a liberty and power to the Board of Directors of the Company (including its Committee constituted for the purpose) to alter and vary the terms and conditions of the said appointment as agreed by and between the Board of Directors and Mr. Prayasvin B. Patel.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule V of the Companies Act, 2013, the Board of Directors be and are hereby authorised to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Prayasvin B. Patel within such prescribed limit or ceiling and as agreed by and between the Company and Mr. Prayasvin B. Patel without any further reference by the Company in General Meeting.

RESOLVED FURTHER THAT pursuant to the prescribed provisions of Regulation 17(6)(e) of the Listing Regulations and other applicable regulations, and subject to the maximum remuneration approved by the members, approval of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. Prayasvin B. Patel, Chairman & Managing Director, Promoter of the Company as per the requirements of Regulation 17(6)(e) of the Listing Regulations.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) of the Company be and is hereby authorised to do all such acts and to take such steps as may be necessary, proper and expedient to give effect to this resolution."

6. To approve the appointment of Mr. Aayush A. Shah (DIN: 07140517) as an Executive Director and payment of managerial remuneration.

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of members, be and is, hereby accorded for the appointment of Mr. Aayush A. Shah (DIN: 07140517), as the Executive Director of the Company for a period of 3 years with effect from October 01, 2026, liable to retire by rotation, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors in their respective meetings held on April 15, 2026, on the terms and conditions of appointment and remuneration as mentioned in the explanatory statement and also contained in the draft agreement, with a liberty and power to the Board of Directors of the Company (including its Committee constituted for the purpose) to alter and vary the terms and conditions of the said appointment as agreed by and between the Board of Directors and Mr. Aayush A. Shah.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule V of the Companies Act, 2013, the Board of Directors be and are hereby authorised to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Aayush A. Shah within such prescribed limit or ceiling and as agreed by and between the Company and Mr. Aayush A. Shah without any further reference by the Company in General Meeting.

RESOLVED FURTHER THAT pursuant to the prescribed provisions of Regulation 17(6)(e) of the Listing Regulations and other applicable regulations, and subject to the maximum remuneration approved by the members, approval of the Members of the Company be and is here by accorded for payment of remuneration to Mr. Aayush A. Shah, Executive Director, relative of Promoter of the Company as per the requirements of Regulation 17(6)(e) of the Listing Regulations."

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) of the Company be and is hereby authorised to do all such acts and to take such steps as may be necessary, proper and expedient to give effect to this resolution."

7. To approve the appointment of Dr. Savan R. Godiawala (DIN: 07874111) as a Non-Executive & Independent Director.

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 (‘the Act’) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the Articles of Association of the Company, on the basis of recommendations of the Nomination and Remuneration Committee, Dr. Savan R. Godiawala (DIN: 07874111), who was appointed as an Additional Director Non-Executive & Independent Director of the Company with effect from April 15, 2026, by the Board of Directors at its meeting held on April 15, 2026, in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, be and is hereby appointed as a Non-Executive & Independent Director of the Company to hold office for five (5) consecutive years with effect from April 15, 2026 and shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) of the Company be and is hereby authorised to do all such acts, deeds and to take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

8. To ratify the remuneration payable to the Cost Auditors i.e. M/s. Ketki D. Visariya & Co., Cost & Management Accountants of the Company for the Financial Year 2026-27.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Audit Committee, the remuneration payable to M/s. Ketki D. Visariya & Co., Cost & Management Accountants having Firm Registration No. 000362 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2026-27 amounting to ₹ 1,70,000/- (Rupees One Lakh Seventy Thousand only) Plus Govt. Levies/Taxes as applicable and out-of-pocket expenses incurred by them in connection with the aforesaid audit at actual, be and is, hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) of the Company, be and is, hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

By Order of Board of Directors,

Registered Office:
Anand–Sojitra Road
Vallabh Vidyanagar –388 120. Gujarat.
Date: April 15, 2026

Bharti L. Isarani
Company Secretary



NOTES:

- The Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 (‘the Act’) relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto and forms part of this notice.
- 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 general meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023, Circular No. 09/2024 dated September 19, 2024 and latest being Circular No. 03/2025 dated September 22, 2025 (‘MCA Circulars’) and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/ HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/HO/CRD/PoD-2/P/CIR/2023/4 dated January 05, 2023, Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by the Securities Exchange Board of India (‘SEBI Circulars’) prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circulars, the 66th Annual General Meeting will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. Notice of the AGM alongwith the Annual Report is being sent online through electronic mode to those Members whose email addresses are registered with the Company/Depositories. A letter containing the web-link, alongwith the exact path to access the complete details of the Annual Report, is being sent to members who have not registered their email address with Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company’s website www.elecon.com, website of Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com.
- The details required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS- 2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this AGM form part as Annexure-A of the Notice.
- Since this AGM is being held through VC/OAVM, pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
- Participation of members through VC/ OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
- Facility of joining the AGM through VC/ OAVM shall open 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 to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more), 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.
- Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/ OAVM. Corporate members intending to authorise their representatives to participate and vote at the meeting, are requested to send a certified copy of the Board Resolution/authorisation letter to the Company or upload on the VC/ OAVM portal/e-voting portal.
- 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, based on the request being received on investor.relations@elecon.com.
- All documents referred to in the Notice and Explanatory Statement will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email to investor.relations@elecon.com.
- The Register of Members and Share Transfer books of the Company will remain closed from Saturday, June 13, 2026 to Thursday, June 25, 2026 (both days inclusive).
- Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to MUFG Intime India Private Limited, Registrar and Share Transfer Agent of the Company or Investor Service Department of the Company immediately by sending a request on email at investor.helpdesk@in.mpms.mufg.com or investor.relations@elecon.com
- The Annual Listing Fees for the Financial Year 2026-27 have been paid to the Stock Exchanges where Company’s securities are listed.

13. The Process for registration of Email Id for obtaining Annual Report, User ID and password for e-voting:

- i. In case shares are held in physical mode, members are requested to visit on the website of Company's Registrar & Share Transfer Agent namely MUFG Intime India Private Limited ('R&T Agent') at https://web.in.mpms.mufig.com/EmailReg/Email_Register.html and upload the documents required therein.
- ii. In case shares are held in demat mode, members are requested to update Email Id and bank account details with their respective Depository Participants.

14. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 which have come into force from September 7, 2016, the Company has transferred, on due dates, the unclaimed final dividend for the Financial Year 2017-18 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Further in terms of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto and notifications issued by the Ministry of Corporate Affairs from time to time, the Company has transferred during the year, the required number of shares in respect of which dividends had remained unpaid or unclaimed for a period of seven consecutive years or more, to the IEPF Suspense Account.

The details of the shareholders whose equity share had been transferred to the IEPF Suspense Account and dividends which remain with the Company as unclaimed, is available on the website of the Company at www.elecon.com. Shareholders may claim the same by making an application to the IEPF Authority in E-Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report.

15. Dividend Related Information:

Subject to approval of the Members at the said AGM, the dividend will be paid on/after Tuesday, June 30, 2026 to the Members whose names appear on the Company's Register of Members as on the Record Date i.e. closure of business hours on Friday, June 12, 2026 (Record date for dividend payment) and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details.

In view of the above, members are requested to register/update their complete bank details:

- (a) with their Depository Participant(s) with which they maintain their demat accounts, if shares are held in dematerialised mode, by submitting forms and documents as may be required by the Depository Participant(s); and
- (b) with the Company/ MUFG Intime India Private Limited by clicking on https://web.in.mpms.mufig.com/EmailReg/Email_Register.html or by emailing at investor.relations@elecon.com or investor.helpdesk@in.mpms.mufig.com, if shares are held in physical mode, by submitting:
 - (i) Scanned copy of the signed request letter which shall contain Member's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details),
 - (ii) Self-attested copy of the PAN card, and
 - (iii) Cancelled cheque leaf.

Tax Deductible at Source/ Withholding tax:

Pursuant to the requirement of Income Tax Act, 2025, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/MUFG Intime India Private Limited/ Depository Participant.

16. Other information relating to Remote E-Voting are as under:

- (i) In compliance with Section 108 of the Act, read with the corresponding rules and Regulation 44 of 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 MUFG Intime India Private Limited. Shareholders 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 shareholders holding shares in dematerialised mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.
- (ii) **The e-voting period begins on Monday, June 22, 2026 at 9:00 a.m. and ends on Wednesday, June 24, 2026 at 5:00 p.m.** During this period, shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Thursday, June 18, 2026 ('cut-off date for e-voting'), may cast their vote electronically. The e-voting module shall be disabled by MUFG Intime India Private Limited ('MIIPL') for voting thereafter.

(iii) The facility for voting during the AGM will also be made available. Members present in the AGM through VC 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.

(iv) Any person who acquires shares of the Company and becomes a shareholder of the Company after sending of the Notice and holding shares as on the cut-off date of e-voting, may obtain the login ID and password by sending a request at instameet@in.mpms.mufig.co.in. However, if he/she has already registered with MIIPL for remote e-voting, then he/she can use his/her existing user ID and password for casting the vote.

(v) Mr. S. Samdani (FCS: 3677) Partner of M/s. Samdani Shah and Kabra, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting at the meeting and remote e-voting process in a fair and transparent manner.

(vi) The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorised 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), not later than two working days from the conclusion of the AGM. The results declared alongwith the Scrutinizer's Report shall be communicated to the stock exchanges, MIIPL and will also be displayed on the Company's website.

(vii) Securities and Exchange Board of India ('SEBI') has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 01, 2019. Accordingly, the Company / MIIPL has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.

(viii) Members holding shares in physical mode are: a) required to submit their Permanent Account Number (PAN) and bank account details to the Company/ MIIPL, if not registered with the Company/MIIPL, as mandated by SEBI by writing to the Company at investor.relations@elecon.com or to MIIPL at investor.helpdesk@in.mpms.mufig.com alongwith the details of folio no., self-attested copy of PAN card, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) and cancelled cheque.

(ix) Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in physical form may file their nomination in the prescribed Form SH-13 with the Company's Registrar & Share Transfer Agent i.e. MIIPL. In respect of shares held in electric/demat form, the nomination form may be filed with the respective Depository Participant.

(x) Non-Resident Indian members are requested to inform MIIPL/ respective DPs, immediately of: a) Change in their residential status on return to India for permanent settlement b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

Members are requested to send all their documents and communications pertaining to shares to the Registrar & Share Transfer (R & T) Agent of the Company – MUFG Intime India Private Limited, at their address at Geetakunj, 1 Bhakti Nagar Society, Behind ABS Tower, Old Padra Road, Vadodara, Gujarat – 390 015, Telephone No. +91 265 3566768, for both physical and demat segments of Equity Shares.

Please quote on all such correspondence – 'Unit – Elecon Engineering Company Limited.' For Shareholders queries – Telephone No. +91 265 3566768 Email ID investor.helpdesk@in.mpms.mufig.com Website <https://in.mpms.mufig.com/>

17. The Instructions of Remote E-Voting for Shareholders are as under:

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

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

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

1. Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - NSDL OTP based login

- a) Visit URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>
- b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
- c) Enter the OTP received on your registered email ID/ mobile number and click on login.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on 'Access to e-Voting' under e-Voting services.

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

METHOD 2 - NSDL IDeAS facility:

Shareholders registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on 'Beneficial Owner' icon under 'IDeAS Login Section'.
- b) Enter IDeAS User ID, Password, Verification code & click on 'Log-in'.
- c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on 'Access to e-Voting' under e-Voting services.
- d) Click on 'MUFG InTime' or 'evoting link displayed alongside Company's Name' and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select 'Register Online for IDeAS Portal' or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on 'Submit'.
- c) Enter the last 4 digits of your bank account/ generate 'OTP'
- d) Post successful registration, user will be provided with Login ID and password.
- e) Follow steps given above in points (a-d).

Shareholders can also download NSDL Mobile app 'NSDL Speede' facility by scanning the QR Code mentioned below:



METHOD 3 – NSDL e-voting website:

- a) Visit URL: <https://www.evoting.nsdl.com>
- b) Click on the 'Login' tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on 'Login'.

- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on 'Access to e-Voting' under e-Voting services.
- e) Click on 'MUFG InTime' or 'evoting link displayed alongside Company's Name' and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

2. Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 - CDSL e-voting page

- a) Visit URL: <https://www.cdslindia.com>.
- b) Go to e-voting tab.
- c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on 'Submit'.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on 'MUFG InTime' or 'evoting link displayed alongside Company's Name' and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 –CDSL Easi/ Easiest facility:

Shareholders registered for CDSL Easi/ Easiest facility:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or Visit URL: www.cdslindia.com, click on 'Login' and select 'My Easi New (Token)'.
- b) Enter existing username, Password & click on 'Login'.
- c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on 'MUFG InTime' or 'evoting link displayed alongside Company's Name' and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for CDSL Easi/ Easiest facility:

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Home/EasiRegistration/> <https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration/>.
- b) Proceed with updating the required fields for registration.
- c) Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).



3. Individual Shareholders holding securities in demat mode with Depository Participants

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

- a) Login to DP website
- b) After Successful login, user shall navigate through 'e-voting' option.
- c) Click on e-voting option, user will be redirected to NSDL/ CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- d) Post successful authentication, click on 'MUFG InTime' or 'evoting link displayed alongside Company's Name' and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

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

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

STEP 1: LOGIN / SIGNUP on InstaVote

Shareholders registered for INSTAVOTE facility:

- a) Visit URL: <https://instavote.linkintime.co.in> & click on 'Login' under 'SHARE HOLDER' tab.
- b) Enter details as under:
 - 1. User ID: Enter User ID
 - 2. Password: Enter existing Password
 - 3. Enter Image Verification (CAPTCHA) Code
 - 4. Click 'Submit'. (Home page of e-voting will open. Follow the process given under 'Steps to cast vote for Resolutions')

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

Shareholders not registered for INSTAVOTE facility:

- a) Visit URL: <https://instavote.linkintime.co.in> & click on 'Sign Up' under 'SHARE HOLDER' tab & register with details as under:
 - 1. User ID: Enter User ID
 - 2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - 3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/ Company - in DD/MM/YYYY format)
 - 4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - Shareholders, holding shares in NSDL form, shall provide 'point 4' above.
 - Shareholders, holding shares in CDSL form, shall provide 'point 3' or 'point 4' above.
 - Shareholders, holding shares in physical form but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above
 - 5. Set the password of your choice.

(The password should contain minimum 8 characters, at least one special Character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - 6. Enter Image Verification (CAPTCHA) Code.
 - 7. Click 'Submit' (You have now registered on InstaVote).

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

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

STEP 2: Steps to cast vote for Resolutions through InstaVote

- Post successful authentication and redirection to InstaVote inbox page, you will be able to see the 'Notification for e-voting'.
- Select 'View' icon. E-voting page will appear.
- Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- After selecting the desired option i.e. Favour / Against, click on 'Submit'.
- A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

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

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

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

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

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- Visit URL: <https://instavote.linkintime.co.in>
- Click on 'Sign Up' under 'Custodian / Corporate Body/ Mutual Fund'
- Fill up your entity details and submit the form.
- A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to instavote@linkintime.co.in.

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

STEP 2 – Investor Mapping

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- Click on 'Investor Mapping' tab under the Menu section
- Map the Investor with the following details:
 - 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
 - 'Investor's Name - Enter Investor's Name as updated with DP.
 - 'Investor PAN' - Enter your 10-digit PAN.
 - 'Power of Attorney' - Attach Board resolution or Power of Attorney.

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

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

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

STEP 3 – Steps to cast vote for Resolutions through InstaVote

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

METHOD 1 - VOTES ENTRY

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- Click on 'Votes Entry' tab under the Menu section.
- Enter the 'Event No.' for which you want to cast vote. Event No. can be viewed on the home page of InstaVote under 'On-going Events'.
- Enter '16-digit Demat Account No.'
- Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the

'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'.

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

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

METHOD 2 - VOTES UPLOAD

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- After successful login, you will see 'Notification for e-voting'.
- Select 'View' icon for 'Company's Name/ Event number'.
- E-voting page will appear.
- Download sample vote file from 'Download Sample Vote File' tab.
- Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under 'Upload Vote File' option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

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

NOTE: Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at registered email address.

HELPPDESK:

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

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

Individual Shareholders holding securities in demat mode:

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

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

Forgot Password:

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

Individual Shareholders holding securities in physical mode/ Non-Individual Shareholders holding securities in demat mode have forgotten the

USER ID [Login ID] or Password or both then the shareholder can use the 'Forgot Password' option available on: <https://instavote.linkintime.co.in>

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

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

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

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

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

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

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

General Instructions - Shareholders

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

By Order of Board of Directors,

Registered Office:
 Anand-Sojitra Road
 Vallabh Vidyanagar -388 120. Gujarat.
 Date: April 15, 2026

Bharti L. Isarani
 Company Secretary



EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 3

Mr. Pradip M. Patel, (DIN: 00012138) aged 78 years, Non-Executive & Non-Independent Director of the Company, shall retire by rotation at this AGM and he, being eligible, offers himself for re-appointment.

In terms of the Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from April 1, 2019, no listed Company shall appoint or continue the appointment of a Non-Executive Director, who has attained the age of 75 years, unless a special resolution is passed to that effect.

The Nomination and Remuneration Committee and the Board of Directors of the Company at their meeting held on April 15, 2026 have recommended the continuation of directorship of Mr. Pradip M. Patel as Non-Executive & Non-Independent Director of the Company, considering his rich experience, expertise and immense contribution in the growth of the Company. His brief profile is appended to this Notice.

Hence, the Board recommends the resolution set out in item No. 3 as a Special Resolution.

None of the other Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Pradip M. Patel, Mr. Prayasvin B. Patel and their relatives, has in any way, concerned or interested in the said resolution set forth at Item No. 3 of this Notice.

Item No. 4

The Members of the Company had, at the 61st Annual General Meeting, appointed M/s. CNK & Associates LLP, Chartered Accountants (Firm Registration No. 101961W/W-100036) as the Statutory Auditors of the Company for a period of five consecutive years commencing from the conclusion of said 61st AGM of the Company for the financial year 2020-21 until the conclusion of 66th AGM for the financial year 2025-26.

The current term of the Statutory Auditors is due to expire at the conclusion of the ensuing Annual General Meeting. Pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013, the Rules framed thereunder, the Members' approval is being sought for their re-appointment for a second term of five consecutive years commencing from the conclusion of said 66th AGM of the Company for the financial year 2025-26 until the conclusion of the AGM for the financial year 2030-31.

The details required to be disclosed under provisions of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- Proposed fees payable to the Statutory Auditor(s):** The remuneration payable to the Statutory Auditors will be determined by the Audit Committee/Board of Directors in consultation with the Auditors, based on the scope of audit, size and complexity of the Company's operations. For reference, the total fees paid to the Statutory Auditors for FY 2025-26 was ₹ 47 Lakhs, and the proposed fee for FY 2026-27 will be same i.e. ₹ 47 Lakhs per annum, excluding applicable taxes and reimbursement of out-of-pocket expenses.
- Terms of appointment:** Appointment as Statutory Auditors of the Company from conclusion of AGM for the financial year 2025-26 till the conclusion of the AGM for the financial year 2030-31 to carry out Audit of the Financial Statements and Annual Financial Results of the Company and Limited Review of the Unaudited Quarterly Financial Results of the Company. All other terms of appointment shall be as per Letter of Engagement.
- Rationale/Basis of recommendation for appointment:** The Audit Committee, at its meeting held on April 15, 2026, reviewed the performance, independence, and professional standing of the firm and recommended their re-appointment. The Board of Directors, having considered the recommendation, also supports the re-appointment based on:
 1. Technical expertise and audit approach, including familiarity with the Company's accounting policies and internal controls;
 2. Quality, timeliness and adequacy of audit reporting;
 3. Experience and understanding of the Company's operations and business environment; and
 4. Compliance with applicable professional standards and regulatory requirements.
- Credentials of the Statutory Auditors proposed to be appointed:** M/ s. CNK & Associates LLP (CNK or The Firm), is a Chartered Accountant Firm registered with The Institute of Chartered Accountants of India ('ICAI') with Firm Registration No. 101961W /W100036. The firm has presence in 6 major cities in India including Vadodara and Ahmedabad. The Firm has been associated as Statutory Auditors of many listed and other large companies, Banks, including PSUs (including a Fortune 500 company) for more than 5 decades, and is closely working with regulatory bodies in various capacities. The firm has been subjected to peer review process by The Institute of Chartered Accountants of India and Inspection process by the National Financial Reporting Authority.

The Company has received:

- Consent from the firm to act as Statutory Auditors, if re-appointed;
- Certificate of eligibility under Section 141 of the Companies Act, 2013 confirming that their re-appointment would comply with all applicable provisions; and
- Confirmation of independence, as required under the Companies Act, 2013 and Listing Regulations.

The Board recommends the Ordinary Resolution set out at Item No. 4 for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 5

Mr. Prayasvin B. Patel (DIN: 00037394) has been the Managing Director of the Company for more than 3 decades. Earlier, the members at the 63rd Annual General Meeting of the Company held on 28th June, 2023 re-appointed Mr. Prayasvin B. Patel as Chairman & Managing Director for a period of 3 years with effect from 1st July, 2023 on the terms and conditions as approved by them. The present term of his appointment is going to be completed on 30th June, 2026.

Mr. Prayasvin B. Patel is a distinguished industrialist with over five decades of rich experience in the engineering and manufacturing industry. He commenced his professional journey as Sales Director at Prayas Casting Private Limited and subsequently joined Elecon Engineering Company Limited as Joint Managing Director, he rose to become Managing Director (1993) and later Chairman & Managing Director (2006).

He played a transformational role in establishing Elecon's Gear Division as Asia's largest industrial gear manufacturer. He successfully led the Group's first international acquisition of Benzlers-Radicon from David Brown Gear Systems, marking a significant milestone in Elecon's global expansion. He also spearheaded the development of the ultra-modern Bhanubhai Memorial Centre of Excellence (BMCE) and diversified the Group's portfolio into bridge construction and ultrasonic testing equipment manufacturing. His strategic foresight and deep understanding of industry dynamics have enabled Elecon Group to lead across several sectors.

Mr. Prayasvin B. Patel is Director in companies like Eimco Elecon (India) Limited, Power Build Private Limited, Prayas Engineering Limited, Emtici Engineering Limited, Elecon Information Technology Limited, Elecon Peripherals Limited, Elecon Hydraulics Private Limited, amongst other small organizations.

He is also actively engaged in social development through various Corporate Social Responsibility (CSR) initiatives. He played a key role in establishing EL CARE, the social service wing of the Elecon Group of Companies, which is committed to proactively

identifying and supporting causes that require attention, rather than limiting its efforts to predefined areas.

Under his leadership, management and guidance, the Company has witnessed exceptional growth. He has played a pivotal role in steering the Company towards sustained growth and innovation. His continued association will undoubtedly be valuable for the Company's long-term success. Hence, considering the progress made by the Company under his leadership, the Board of Directors felt that it is in the interest of the Company to continue to avail services of Mr. Prayasvin B. Patel as a Chairman & Managing Director. The Board of Directors at its meeting held on April 15, 2026, on the recommendation of Nomination and Remuneration Committee, unanimously approved the re-appointment and remuneration payable to Mr. Prayasvin B. Patel as Chairman & Managing Director of the Company with effect from July 01, 2026 on the terms and conditions set out in the draft agreement to be entered into by the Company with him, copy of which will be available electronically for inspection by the members during the AGM, based on the request being received on investor.relations@elecon.com.

The brief particulars of his remuneration are as mentioned herein below:

1. The Managing Director shall be subject to the superintendence, control and direction of the Board of Directors and he will be entrusted with substantial powers of management and will also perform such other duties as may be entrusted to him, from time to time.
2. Period of Appointment: Three years with effect from July 01, 2026, not liable to retire by rotation.
3. Remuneration payable to Mr. Prayasvin B. Patel when the Company earns adequate profits:
 - a) Basic Salary, Perquisites and other allowance/benefits upto maximum of ₹ 722.42 Lakhs per annum as may be decided by the Board of Directors with annual increase of 15% year on year basis. First such increment will be applied from April 01, 2027.

The abovesaid Gross salary limit include following:-

- (i) Salary
- (ii) Perquisites and allowances/benefits as detailed hereunder:

Accommodation (furnished or otherwise) or House Rent Allowance in lieu thereof, House Maintenance Allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, reimbursement of actual expenditure on medical treatment for self and family in India or overseas including traveling expenses for the purpose, reimbursement of expenditure incurred on travel & stay abroad including that of accompanying person, club fees subject to a maximum of two clubs excluding admission and life membership fees, leave

travel concession for self and family to and from any place in India or abroad once in a year, medical insurance and such other perquisites and allowances in accordance with Rules of the Company, as may be determined by the Board of Directors, subject to the overall ceiling of remuneration stipulated in Section 197 and Schedule V of the Companies Act, 2013.

For the purpose of calculating the above ceiling, the perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable.

- b) In addition to the above, he will be eligible for the following:
 - (i) Contribution to Provident Fund will be made to the extent, this either singly or put together are not taxable under the Income-Tax Act, 2025.
 - (ii) Superannuation will be payable as per the rules of the Company applicable from time to time.
 - (iii) Contribution to National Pension Scheme (NPS) will be made as per the rules of the Company applicable from time to time and other retrial benefits as per the policy of the Company, if any.
 - (iv) Gratuity will be payable as per the rules of the Company applicable from time to time.
 - (v) Encashment of leave at the end of the tenure as per rules of the Company not exceeding one month's leave for every eleven months of service.
 - (vi) Two Cars for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

c) Commission:

In addition to the salary and perquisites and other allowances/benefits as mentioned above, Mr. Prayasvin B. Patel shall also be paid commission as may be decided by the Board of Directors based on the recommendation of the Nomination & Remuneration Committee at the end of each Financial Year, subject to the overall ceiling stipulated in Section 197 and Schedule V of the Companies Act, 2013 or any amendment or modifications thereof, as applicable from time to time.

The details of Mr. Prayasvin B. Patel as required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are provided in Annexure A to this Notice.

Members may note that the Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

The Board accordingly recommends the Special Resolution at Item No. 5 of this Notice for the approval of the Members.

None of the other Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Prayasvin B. Patel, Mr. Pradip M. Patel and Mr. Aayush A. Shah and their relatives, have in any way, concerned or interested in the said resolution set forth at Item No. 5 of this Notice.

Item No. 6

Mr. Aayush A. Shah (DIN: 07140517) had been serving as a Non-Executive & Non-Independent Director of the Company, liable to retire by rotation, since April 25, 2023.

He holds a degree in Mechanical Engineering from the Georgia Institute of Technology, USA. He currently serves as the Executive Director of Power Build Private Limited (PBL). Under his leadership, PBL has achieved significant operational milestones and strategic growth. He has extensive experience in operational management, business strategy, and international networking, and is known for his analytical thinking, practical approach, and focus on innovation, technology, and customer engagement.

Over time, he has demonstrated a deep understanding of the Company's operations and business dynamics. His involvement has contributed to enhanced operational efficiency, strategic decision-making, and overall business performance. Formalizing his appointment as Executive Director will enable him to take on greater operational responsibilities and contribute more directly to the Company's management, in line with the Company's leadership continuity and development strategy.

He has been actively involved in the operations of the Company and has contributed meaningfully to its growth over the past few years. Considering his increasing engagement with the day-to-day management and strategic operations. The Board of Directors at its meeting held on April 15, 2026, on the recommendation of Nomination and Remuneration Committee, unanimously approved the appointment of Mr. Aayush A. Shah as Executive Director of the Company with effect from October 01, 2026 and his remuneration thereof, on the terms and conditions set out in the draft agreement to be entered into by the Company with him, copy of which will be available electronically for inspection by the members during the AGM, based on the request being received on investor.relations@elecon.com.

The brief particulars of his remuneration are as mentioned herein below:

1. The Executive Director shall be subject to the superintendence, control and direction of the Board of Directors and he will be entrusted with substantial powers of management and will also perform such other duties as may be entrusted to him, from time to time.

2. Period of Appointment: Three years with effect from October 01, 2026, liable to retire by rotation.
3. Remuneration payable to Mr. Aayush A. Shah when the Company earns adequate profits:

- a) Basic Salary, Perquisites and other allowance/benefits upto maximum of ₹ 250.00 Lakhs per annum as may be decided by the Board of Directors with annual increase of 15% year on year basis. First such increment will be applied from April 01, 2027.

The abovesaid Gross Salary limit include following:-

- i. Salary
- ii. Perquisites and allowances/benefits as detailed hereunder:

Accommodation (furnished or otherwise) or House Rent Allowance in lieu thereof, House Maintenance Allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs, reimbursement of actual expenditure on medical treatment for self and family in India or overseas including traveling expenses for the purpose, reimbursement of expenditure incurred on travel & stay abroad including that of accompanying person, club fees subject to a maximum of two clubs excluding admission and life membership fees, leave travel concession for self and family to and from any place in India or abroad once in a year, medical insurance and such other perquisites and allowances in accordance with Rules of the Company, as may be determined by the Board of Directors, subject to the overall ceiling of remuneration stipulated in Section 197 and Schedule V of the Companies Act, 2013.

For the purpose of calculating the above ceiling, the perquisites shall be evaluated as per the Income-Tax Rules, wherever applicable.

- b) In addition to the above, he will be eligible for the following:
 - (i) Contribution to Provident Fund will be made to the extent, this either singly or put together are not taxable under the Income-Tax Act, 2025.
 - (ii) Superannuation will be payable as per the rules of the Company applicable from time to time.
 - (iii) Contribution to National Pension Scheme (NPS) will be made as per the rules of the Company applicable from time to time and other retrial benefits as per the policy of the Company, if any.

- (iv) Gratuity will be payable as per the rules of the Company applicable from time to time.
- (v) Encashment of leave at the end of the tenure as per rules of the Company not exceeding one month's leave for every eleven months of service.
- (vi) Two Cars for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

c) Commission:

In addition to the salary and perquisites and other allowances/benefits as mentioned above, Mr. Aayush A. Shah shall also be paid commission as may be decided by the Board of Directors based on the recommendation of the Nomination & Remuneration Committee at the end of each Financial Year, subject to the overall ceiling stipulated in Section 197 and Schedule V of the Companies Act, 2013 or any amendment or modifications thereof, as applicable from time to time.

The details of Mr. Aayush A. Shah as required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are provided in Annexure A to this Notice.

Members may note that the Company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor.

The Board accordingly recommends the Special Resolution at Item No. 6 of this Notice for the approval of the Members.

None of the other Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Aayush A. Shah and Mr. Prayasvin B. Patel and their relatives, has in any way, concerned or interested in the said resolution set forth at Item No. 6 of this Notice.

Item No. 7

Dr. Savan R. Godiawala (DIN: 07874111) has over 34 years of experience in providing Investment Banking and financial advisory services. He retired as a Partner of Deloitte Touche Tohmatsu India LLP in March 2024. He holds a Ph.D. in Management, is a Chartered Accountant, holds bachelor's degrees in Law and Commerce, is a qualified insolvency professional, and has a postgraduate diploma in counselling psychology & psychotherapy.

He is a visiting faculty at the Indian Institute of Management Ahmedabad and the Indian Institute of Technology Gandhinagar. He is also an independent director on the boards of various companies and serves as an investment committee member of a private equity fund. He has co-authored a book on Business Taxation published by McGraw Hill Education, regularly contributes articles in professional journals, speaks at conferences, and has served on committees of several professional and industry associations.



On the basis of the recommendation of the Nomination and Remuneration Committee in terms of Section 161 of the Companies Act, 2013 and the Board of Directors, at its meeting held on April 15, 2026, approved the appointment of Dr. Savan R. Godiawala (DIN: 07874111) as a Non-Executive & Independent Director of the Company in terms of the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder, for a period of five (5) years with effect from April 15, 2026, subject to the approval of the Members.

The draft letter of appointment setting out the terms and conditions of his appointment will be available for inspection by the Members electronically. Members seeking to inspect the same may send an email to investor.relations@elecon.com.

He has given his consent to act as a Director in terms of Section 152 of the Companies Act, 2013, and has provided a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. He has also confirmed that he is not debarred from holding the office of Director by virtue of any order passed by SEBI or any other authority.

In the opinion of the Board, He fulfills the conditions specified in the Companies Act, 2013 and the Rules framed thereunder for appointment as a Non-Executive Independent Director and he is independent of the Management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a Member signifying his candidature for the office of Director.

In compliance with the provisions of Section 149 of the Companies Act, 2013 read with Schedule IV thereto and Regulation 25 of SEBI (LODR) Regulations, 2015, his appointment as a Non-Executive & Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of Independent Directors are available on the website of the Company. He does not hold any shares in the Company, either beneficially or for any other person.

The details of Dr. Savan R. Godiawala as required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions are provided in Annexure A to this Notice.

The Board of Directors recommends the Special Resolution as set out at Item No. 7 of this Notice for approval by the Members.

Except him, being the appointee, and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of this Notice.

Item No. 8

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to get its cost records audited from a qualified Cost Accountant.

The Board at its meeting held on April 15, 2026, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2026-27 as per the following details:

Sr. No.	Name of Cost Auditor	Industry	Audit Fees (₹)
1	M/s Ketki D. Visariya & Co.	Engineering	₹ 1,70,000/- plus Govt. Levies/Taxes as applicable and out-of-pocket expenses at actual.

The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act and rules framed thereunder with regard to cost audit, experience of the firm, capability, independent assessment, audit experience and based on the evaluation of the quality of audit work done by them in the past.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014; the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors of the Company for the financial year 2026-27 as set out in the resolution for aforesaid services to be rendered by them.

Accordingly, the Board of Directors recommends the resolution set forth at Item No. 8 of this Notice for your approval.

By Order of Board of Directors,

Registered Office:
 Anand-Sojitra Road
 Vallabh Vidyanagar -388 120. Gujarat.
 Date: April 15, 2026

Bharti L. Isarani
 Company Secretary

ANNEXURE-A

Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings (SS2).



Name of Directors	Mr. Pradip M. Patel	Mr. Prayasvin B. Patel	Mr. Aayush A. Shah	Dr. Savan R. Godiwala
Date of Birth	05-11-1947	03-04-1958	08-09-1994	15-07-1968
Date of Appointment	14-11-1977	01-07-1983	25-04-2023	15-04-2026
DIN	00012138	00037394	07140517	07874111
Qualifications	Master of Business Administration (MBA), USA	B.E. (Mechanical Engineering) – Sardar Patel University; MBA – Loyola University Chicago	Mechanical Engineer from Georgia Institute of Technology, USA.	PhD in management; Chartered Accountant; Bachelor's in Law & Commerce; Qualified insolvency professional and post graduate diploma in counselling psychology & psychotherapy.



Name of Directors	Mr. Pradip M. Patel	Mr. Prayasvin B. Patel	Mr. Aayush A. Shah	Dr. Savan R. Godiwala
Brief Resume & Expertise in specific Functional areas	Mr. Pradip M. Patel is a prominent industrialist with over five decades of extensive experience in the bearing industry. He previously served as Managing Director of ABC Bearings Limited, where he played a significant role in strengthening operational and strategic capabilities. His areas of expertise include corporate leadership, financial management, administration, strategic planning, sales management, and organizational development. Over the years, he has demonstrated strong capabilities in steering diversified business functions and providing long-term strategic guidance. As a member of the Company's Board since 1977, he has been instrumental in contributing to policy formulation, governance oversight, and sustainable business growth through his vast industry knowledge and leadership acumen.	Mr. Prayasvin B. Patel is a distinguished industrialist with over five decades of rich experience in the engineering and manufacturing industry. He commenced his professional journey as Sales Director at Prayas Casting Private Limited and subsequently joined Elecon Engineering Company Limited as Joint Managing Director, he rose to become Managing Director (1993) and later Chairman & Managing Director (2006). He played a transformational role in establishing Elecon's Gear Division as Asia's largest industrial gear manufacturer. He successfully led the Group's first international acquisition of Benzlers-Radicon from David Brown Gear Systems, marking a significant milestone in Elecon's global expansion. He also spearheaded the development of the ultra-modern Bhanubhai Memorial Centre of Excellence (BMCE) and diversified the Group's portfolio into bridge construction and ultrasonic testing equipment manufacturing. His strategic foresight and deep understanding of industry dynamics have enabled Elecon Group to lead across several sectors.	Mr. Aayush A. Shah holds a degree in Mechanical Engineering from the Georgia Institute of Technology, USA. He currently serves as the Executive Director of Power Build Private Limited (PBL). Under his leadership, PBL has reached significant milestones even during challenging times, and its journey continues to thrive. With a solid foundation in operational management and extensive personal and social networking, Mr. Shah possesses a deep understanding of multicultural business challenges. He is known for his attention to detail, analytical thinking and practical approach. He is a firm believer in the power of technology, continuous improvement, customer engagement and innovation.	Dr. Savan R. Godiwala has 34 years of experience in providing investment banking and financial advisory services. He retired as a Partner at Deloitte Touche Tohmatsu India LLP in March 2024. He holds a PhD in Management, is a Chartered Accountant, and has bachelor's degrees in Law and Commerce. He is also a qualified Insolvency Professional and holds a postgraduate diploma in Counselling Psychology and Psychotherapy. He is a Visiting Faculty at the Indian Institute of Management Ahmedabad and the Indian Institute of Technology Gandhinagar. He serves as an Independent Director on the boards of various companies and is a member of the Investment Committee of a private equity fund. He has co-authored a book on Business Taxation published by McGraw Hill Education. He regularly contributes articles to professional journals and speaks at various conferences. He has served on committees of several professional and industry associations.

Name of Directors	Mr. Pradip M. Patel	Mr. Prayasvin B. Patel	Mr. Aayush A. Shah	Dr. Savan R. Godiwala
Skills and Capabilities required for the Role and the manner in which he/she meets such requirements	As a Non-Executive Director, the role requires independent judgment, strategic oversight, governance experience, financial understanding, and industry insight. He brings: <ul style="list-style-type: none"> Strong expertise in finance, corporate planning, and administration Proven experience in managing large industrial enterprises Strategic vision and operational advisory capabilities Long-standing familiarity with the Company's business and governance framework His experience and institutional knowledge significantly strengthen the Board's ability to make informed strategic and governance decisions.	The role of Chairman & Managing Director requires strong strategic foresight, operational excellence, industry knowledge, governance oversight, and stakeholder stewardship. He brings: <ul style="list-style-type: none"> Over 50 years of leadership experience in engineering and heavy manufacturing. Proven track record of scaling operations and global expansion. Expertise in mergers & acquisitions and international business integration. Deep understanding of industrial markets and technology adoption. Commitment to ethical governance and CSR initiatives. His leadership has consistently strengthened the Company's market position, operational capabilities, and global footprint, thereby aligning fully with the competencies required for the role.	As an Executive Director, the role requires strong operational leadership, strategic execution, and the ability to drive growth and innovation. He brings: <ul style="list-style-type: none"> Strong operational management and leadership experience Ability to drive business growth in challenging environments Sound understanding of multicultural business dynamics Analytical and detail-oriented approach with practical business judgment Focus on technology, continuous improvement, and customer engagement His experience and capabilities support the Company's operational efficiency, strategic direction, and innovation-led growth.	As a Non-Executive Independent Director, the role requires independent judgment, strategic oversight, governance experience, financial acumen, and industry insight. He brings to the Board: <ul style="list-style-type: none"> Extensive expertise in finance, corporate planning, and administration Proven experience in advising and managing large, complex enterprises Strategic vision and operational advisory capabilities Strong understanding of governance practices, regulatory compliance, and board processes
Terms and conditions of Appointment / Re-appointment	As per the resolution set out in the Notice.	As per the resolution set out in the Notice.	As per the resolution set out in the Notice.	As per the resolution set out in the Notice.
Details of remuneration sought to be paid	Sitting Fees, reimbursement of expenses for participation in the Board and its Committee meetings and Commission, if any, will be paid as approved by the Board of Directors of the Company or Members of the Company, as the case may be.	As laid down in Explanatory Note No. 5	As laid down in Explanatory Note No. 6	Sitting Fees, reimbursement of expenses for participation in the Board and its Committee meetings and Commission, if any, will be paid as approved by the Board of Directors of the Company or Members of the Company, as the case may be.



Name of Directors	Mr. Pradip M. Patel	Mr. Prayasvin B. Patel	Mr. Aayush A. Shah	Dr. Savan R. Godiwala
Details of remuneration last drawn	Refer Corporate Governance Report for the details.	Refer Corporate Governance Report for the details.	Refer Corporate Governance Report for the details.	Not Applicable
No. of Board meetings attended	Refer Corporate Governance Report for the details.	Refer Corporate Governance Report for the details.	Refer Corporate Governance Report for the details.	Not Applicable
List of Directorship held in other Companies (alongwith listed entities from which the person has resigned in the past three years)	Eimco Elecon (India) Limited, Emtici Engineering Limited, Power Build Private Limited, Elecon Hydraulics Private Limited, Tech Elecon Private Limited, Aakaish Investments Private Limited, Vijay M. Mistry Construction Private Limited, Manoway Properties Private Limited	Emtici Engineering Limited, Prayas Engineering Limited, Elecon Information Technology Limited, Akaaish Mechatronics Limited, Eimco Elecon Electricals Limited, Kirloskar Power Build Gears Limited (under liquidation), Eimco Elecon (India) Limited, K. B. Investments Private Limited, Tech Elecon Private Limited, Aakaish Investments Private Limited, Power Build Private Limited, Elecon Hydraulics Private Limited, Vijay M. Mistry Construction Private Limited, Modsonic Instruments Manufacturing Company Private Limited, NHR Technologies Private Limited, Naman Integrated Management Services Private Limited, Savita Chhaya Foundation	Power Build Private Limited, Modsonic Instruments Manufacturing Company Private Limited, Gold Star Corporate Solutions Private Limited.	Carysil Limited, Alivus Life Sciences Limited, Arvind Smartspaces Ltd., Carysilnox Limited, Prudence Advisory Private Limited

Name of Directors	Mr. Pradip M. Patel	Mr. Prayasvin B. Patel	Mr. Aayush A. Shah	Dr. Savan R. Godiwala
Chairman / Membership of Committees in other Companies (alongwith listed entities from which the person has resigned in the past three years)	<ul style="list-style-type: none"> Eimco Elecon (India) Limited <p>Membership:</p> <ul style="list-style-type: none"> - Audit Committee - Stakeholders Relationship Committee - Nomination & Remuneration Committee <p>Chairmanship:</p> <ul style="list-style-type: none"> - Corporate Social Responsibility Committee <ul style="list-style-type: none"> Power Build Private Limited <p>Membership:</p> <ul style="list-style-type: none"> - Audit Committee <ul style="list-style-type: none"> Emtici Engineering Limited <p>Membership:</p> <ul style="list-style-type: none"> - Corporate Social Responsibility Committee 	<ul style="list-style-type: none"> Emtici Engineering Limited <p>Membership:</p> <ul style="list-style-type: none"> - Audit Committee - Nomination & Remuneration Committee <p>Chairmanship:</p> <ul style="list-style-type: none"> - Corporate Social Responsibility Committee <ul style="list-style-type: none"> Power Build Private Limited <p>Membership:</p> <ul style="list-style-type: none"> - Audit Committee <p>Chairmanship:</p> <ul style="list-style-type: none"> - Corporate Social Responsibility Committee <ul style="list-style-type: none"> Vijay M. Mistry Construction Private Limited <p>Membership:</p> <ul style="list-style-type: none"> - Corporate Social Responsibility Committee <ul style="list-style-type: none"> Prayas Engineering Limited <p>Membership:</p> <ul style="list-style-type: none"> - Audit Committee - Nomination and Remuneration Committee 	Nil	<ul style="list-style-type: none"> Alivus Life Sciences Limited <p>Membership:</p> <ul style="list-style-type: none"> - Audit Committee - Nomination & Remuneration Committee - Corporate Social Responsibility Committee <ul style="list-style-type: none"> Carysil Limited <p>Membership:</p> <ul style="list-style-type: none"> - Audit Committee - Nomination & Remuneration Committee - Finance & Budget Committee <ul style="list-style-type: none"> Arvind Smartspaces Limited <p>Membership:</p> <ul style="list-style-type: none"> - Nomination & Remuneration Committee - Corporate Social Responsibilities Committee <p>Chairmanship:</p> <ul style="list-style-type: none"> - Audit Committee <ul style="list-style-type: none"> Carysilnox Limited <p>Chairmanship:</p> <ul style="list-style-type: none"> - Audit Committee
No. of Shares held in the Company (including shares held as a beneficial owner)	1,24,824 Shares	39,25,864 Shares	Nil	Nil
Relationship with any Director, Manager and Key Managerial Personnel of the Company	He is related to Mr. Prayasvin B. Patel (Chairman & Managing Director) as Brother in Law (Sister's husband).	He is related to Mr. Pradip M. Patel (Non-Executive & Non-Independent Director) as Brother in law and to Mr. Aayush A. Shah (Non-Executive & Non-Independent Director) as Father in law.	He is related to Mr. Prayasvin B. Patel (Chairman & Managing Director) as Son in law.	Not related to any of the Directors, Manager or Key Managerial Personnel of the Company.



SHAREHOLDERS' CONNECT

The Company remains committed to providing efficient and shareholder-friendly services through technology-enabled processes and responsive support. The Company, together with its Registrar and Share Transfer Agent ("RTA"), ensures timely resolution of queries and seamless handling of all share-related matters.

STRENGTHENING SHAREHOLDER ENGAGEMENT

- Reminder letters are sent to shareholders informing them about unclaimed dividends.
- Before transferring unclaimed dividends to the Investor Education and Protection Fund (IEPF), a special annual remittance drive is undertaken to enable shareholders to receive their dividend(s) in their updated bank accounts.
- Annual reminder communication are sent to shareholders to encourage updating of KYC details.
- The Annual Report - Microsite is made available on the Company's website.



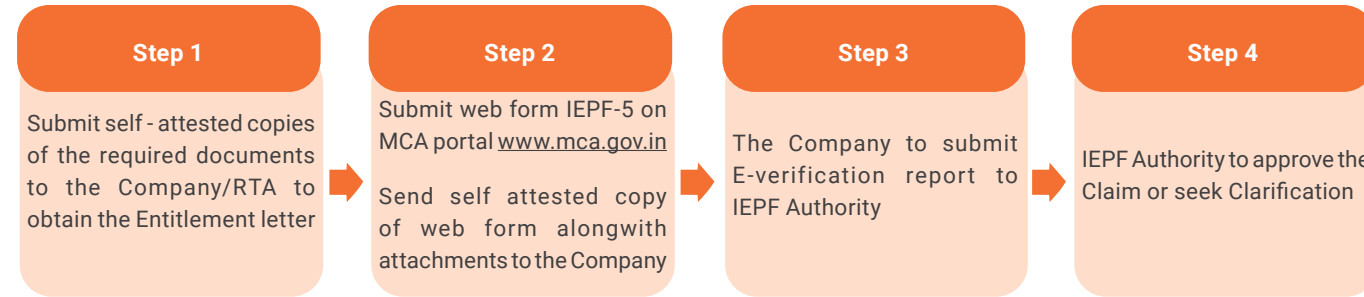
CREATING AWARENESS

- Upon declaration of dividend, shareholders receive a communication outlining the applicable terms, conditions and TDS exemption requirements; the same, alongwith all relevant forms, is also available on the Company's website.
- Periodic updates, including earnings calls, stock exchange intimations, press releases and other investor communication, are available under the 'Investors' section of the Company's website.
- All forms required for claims under the Investor Education and Protection Fund (IEPF) are available on the Company's website.
- Details of unpaid/unclaimed dividends of last 7 years is also accessible on the Company's website.



IEPF RELATED PROCESS:

Dividends remaining unclaimed for seven years and corresponding shares on which dividend was unclaimed for seven consecutive years are transferred to IEPF. Brief procedure for claiming such dividends and shares from IEPF Authority is as under:



Details of unclaimed dividend(s) due for transfer to IEPF during FY 2026-27:

Dividend for Financial Year	Dividend declaration date	Last date to claim unpaid dividend
2018-19	September 17, 2019	October 05, 2026

KYC UPDATE:

Shareholders holding shares in physical mode can update their KYC details i.e. (i) PAN (ii) Contact details (address, mobile no. & e-mail ID) (iii) Specimen Signature (iv) Bank details (Bank & Branch name, account no., MICR and IFSC) with the RTA/ Company.

The relevant forms for registering/updating KYC details are available at:

<https://in.mpms.mufg.com/> (under - Resources > Downloads > KYC)

<https://www.elecon.com/> (under – Investors > Shareholder Grievance’s)

KEY INFORMATION RELATED TO AGM:

S/N	Particulars	Details
1.	Date and time of AGM	Thursday, June 25, 2026 at 3:00 p.m.
2.	Record date for Final Dividend	Friday, June 12, 2026
3.	Date of payment of Final Dividend (if approved at the AGM)	On or after Tuesday, June 30, 2026
4.	E-voting start date and time	Monday, June 22, 2026 at 9:00 a.m.
5.	E-voting end date and time	Wednesday, June 24, 2026 at 5:00 p.m.

COMPANY INFORMATION

BOARD OF DIRECTORS

Chairman & Managing Director (Executive Director)

Mr. Prayasvin B. Patel

Non-Executive Directors

Mr. Aayush A. Shah

Mr. Pradip M. Patel

Mr. Prashant C. Amin

Independent Directors

Mr. Ashutosh A. Pednekar

Mrs. Natasha K. Treasurywala

Mr. Nirmal P. Bhogilal

Mr. Pranav C. Amin

Dr. Savan R. Godiawala

CHIEF FINANCIAL OFFICER

Mr. Chintan J. Shah

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Bharti L. Isarani

STATUTORY AUDITORS

M/s. CNK & Associates LLP

REGISTRAR & SHARE TRANSFER AGENT

MUFG Intime India Private Limited

Geetakunj, 1, Bhakti Nagar Society,
Behind ABS Tower, Old Padra Road,
Vadodara – 390 015, Gujarat, India.

Website : <https://in.mpms.mufg.com/>

E-mail : investor.helpdesk@in.mpms.mufg.com

Tel: +91 265 356 6768

BANKERS

State Bank of India

Axis Bank Limited

HDFC Bank Limited

IDBI Bank Limited

REGISTERED OFFICE

Elecon Engineering Company Limited

Anand-Sojitra Road,

Vallabh Vidyanagar –

388 120 Gujarat, India.

Website : www.elecon.com

E-mail : investor.relations@elecon.com

Tel: +91 2692 238 701/702



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