August 17, 2026

To,
BSE Limited,
Corporate Relations Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
Scrip code: 544723

To,
National Stock Exchange of India Limited,
Listing Department,
Exchange Plaza, 5th Floor, Plot No. C/1,
G block, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
NSE Symbol: SEDEMAC

Dear Sir/Madam,

Sub: Notice of 19th Annual General Meeting ("AGM") and Annual Report for Financial Year 2025-26

This is further to our intimation dated August 12, 2026, wherein the Company had informed that the **19th (Nineteenth) Annual General Meeting** (**"AGM"**) of the Company scheduled to be held on **Wednesday, September 09, 2026 at 10:30 A.M. (IST)** via Video Conferencing (**"VC"**)/Other Audio-Visual Means (**"OAVM"**) and in terms of the provision 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice of the 19th AGM and the Annual Report for the Financial Year 2025-26 which is being sent through electronic mode only to those Members who have registered their e-mail address with the Company/Depositories.

The Annual Report, which includes Notice of the 19th AGM of the Company, is available on the website of the Company at www.sedemac.com, on the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited and on the website of MUFG Intime India Private Limited

Further, in accordance with Regulation 36(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a letter is being sent to those Members whose e-mail addresses are not registered with the Company/Depositories providing the weblink, including the exact path, where the Annual Report can be accessed on the Company's website.

You are requested to kindly take note of the same.

Thanking you,

For SEDEMAC Mechatronics Limited
(Formerly SEDEMAC Mechatronics Private Limited)

Prasad Rajendra Chavan
Digitally signed by Prasad Rajendra Chavan
Date: 2026.08.17 15:03:14 +05'30'

Prasad Rajendra Chavan
Company Secretary and Compliance Officer
Membership No.: A49921

Encl: As above

2025-26

SEDEMAC

ANNUAL REPORT

CONTENTS

01. Company and Business Overview

02. Messages from Key Functionaries

03. Statutory Reports

01.

COMPANY AND BUSINESS OVERVIEW

Who We Are

We are a mid-sized technology company from India demonstrating growth, profitability and capital-efficiency.

By “technology company” we mean an entity with a history of development of fresh technologies, i.e. ways of doing things that did not exist before, and realizing their mass adoption. Such entities often end up shaping the technology trajectory of a market. Technology leadership provides an opportunity to dominate markets like no other competitive advantage dimension possibly does. With fresh technologies, “Why not put it on all?” is a thought that finds purchase amongst adopters resulting in potential explosive growth. Companies proposing such technologies tend to benefit from significant first-mover advantages leading also to long-term defensible marketshare and profitability. Further, successful fresh technologies tend to be geography agnostic and substantially complex ones also tend to stay as the state-of-the-art over decades. It is useful to contrast fresh technologies and fresh products. A fresh product can often use known technologies and offer a feature and pricing combination for a certain class of users in a certain geography which finds resonance for a certain period of time. Its reach and longevity therefore both tend to be lesser than a compelling, complex fresh technology.

The strongest evidence of the claim that we are a technology company is that several of our propositions have now become dominant. We highlight a few. In the 2&3-wheeler market, we have been pioneers of Integrated Starter Generators (ISG) in India and pioneers of Sensorless ISG in the world. Starting from zero in 2018, an estimated 35% of 2&3-wheelers produced in India in FY 2025-26 incorporated ISG. About 40% of them were with our unique Sensorless ISG. Another market where our propositions have found strong purchase is the power generator market. Today, our products are used on over 75% of the Indian generator market and over 15% of the global generator market.

Our focus has been on control technologies – novel prescriptions for sensing and/or actuation architectures enabled by algorithms that exploit key physics insights. Our flagship control technology today is Sensorless Commutation (SLC) of synchronous electric machines at zero/low speed which is now in use in over 10 Million ICE-powered 2&3-wheelers and with immediate implementation potential in electric 2&3-wheelers as well as power tools.

Revenue from Operations

2025-26

INR **1058.4** Cr.

+36% 3yr CAGR

+61% YoY Growth

EBITDA

2025-26

INR **222.2** Cr.

+60% 3yr CAGR

+78% YoY Growth

PAT

2025-26

INR **103.6** Cr.

+125% 3yr CAGR

+119% YoY Growth

RoCE %

2025-26

40.4 %

+22% 3yr Change

+6% YoY Change

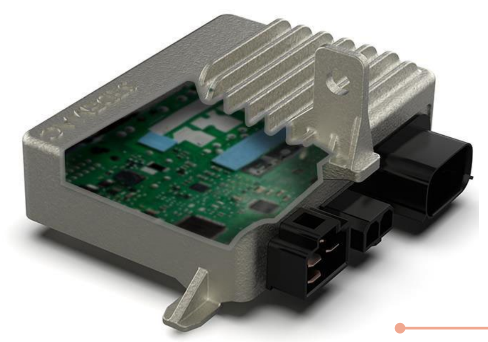
What We Do

We design and supply critical-to-the-application, control-intensive Electronic Control Units (ECUs) to major Original Equipment Manufacturers (OEMs) located in India, the US and Europe.

In automotive industry parlance we are a Tier-I supplier.

Critical-to-the-application components are those without which a piece of equipment cannot fulfil its primary function for the end user. For example, an ECU supporting electronic fuel injection in an engine-powered vehicle or a motor control unit in an electric vehicle is indispensable for mobility; if it fails, the vehicle will not move. In contrast, components like dashboards, though important, are not fundamental to the main function. Within critical-to-the-application components, we focus on "control-intensive" components that are application specific and manage complex systems in real-time. A significant majority of our revenue comes from supply of ECUs incorporating one or more of our unique control technologies.

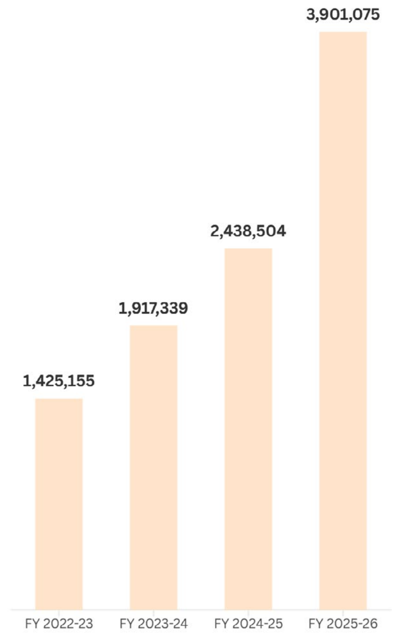
ECUs act the "brains" behind control systems taking-in information from sensors and deciding what actuators, components that can influence the system being controlled, need to do. Internally ECUs consist of one or more printed circuit boards housing electronic components (semi-conductor ICs, resistors, capacitors etc) and micro-controllers. The micro-controller(s) executes crucial control and estimation algorithms necessary for the ECU in conjunction with sensors and actuators to accomplish the control objective



Cut-out of a typical ECU

>12 Million

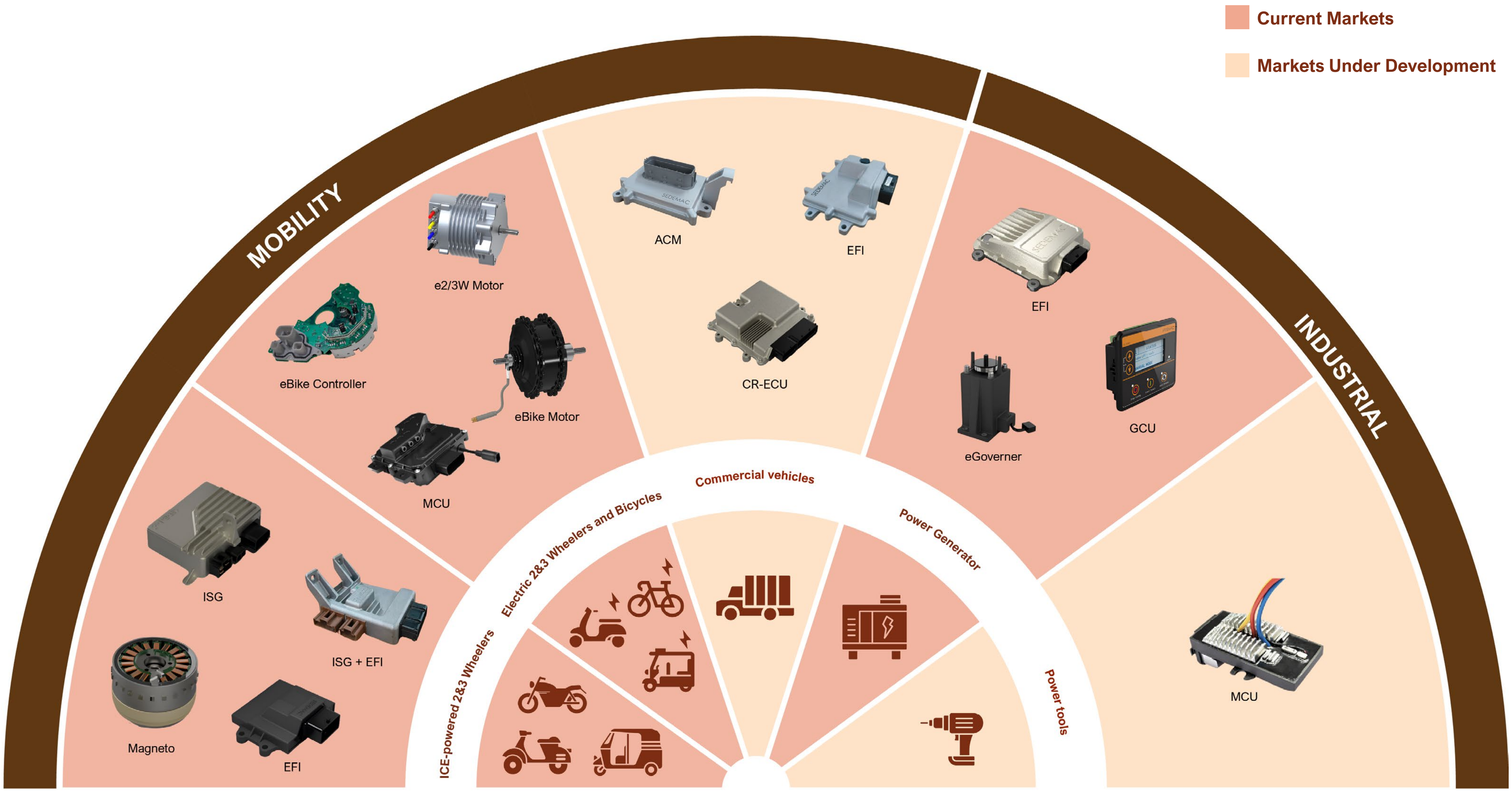
As on the date of this report, we have shipped more than 12 million control-intensive ECUs with the last few years seeing a significant ramp up in volumes.



Number of Control-intensive ECUs sold

Markets and Key Products

We offer products for two segments: Mobility and Industrial. For the Mobility segment, our key products today include Integrated Starter Generator (ISG) ECUs, Electronic Fuel Injection (EFI) ECUs, combined ISG+EFI ECUs for internal combustion engine (ICE) powered 2&3-wheelers and motor control units (MCUs) for electric 2&3-wheelers. We are actively working towards offering products for the Commercial Vehicle market. For the Industrial segment, our key products include auto mains failure genset controllers (GCUs) and EFI ECUs. We are actively working towards introduction of our MCUs for Power Tools.



Technical Team

Our biggest strength is an adequately-sized technical team of high-quality engineers contributing to high talent density.

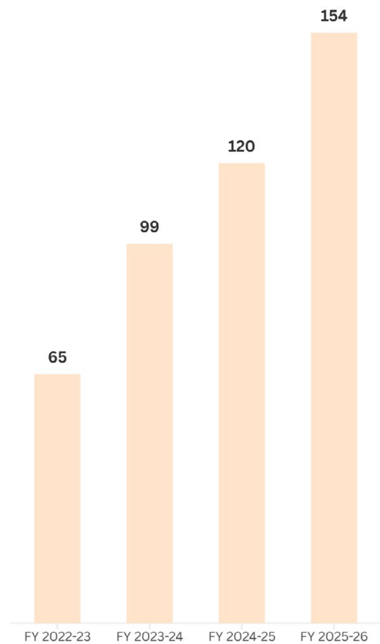
We have done something a lot of entities in India, companies and government establishments, have wanted to do but have been mostly unsuccessful. Building first-in-the-world technologies from India.

We have demonstrated that our home-grown technical team comprised of adequate engineers with strong academic pedigree can drive innovation with breakthrough technologies, and create an impact by being amongst the key suppliers of technology products like ISG, EFI, ISG+EFI, and GCs with innovative features. Our engineering team has accumulated more than 600 man-years of contribution from engineers holding degrees from leading Indian institutions, including Indian Institutes of Technology ("IITs"), National Institutes of Technology ("NITs"), and Birla Institute of Technology and Science ("BITS"). Entry into our technical team is not easy. Each of our engineers have successfully passed a rigorous technical and values assessment prior to their joining us.

Our continued ability to initiate and scale technology shifts is underpinned by a unique technical nucleus, i.e., a team led by a core of expert engineers and scientists with established credentials and who remain focused on fundamentals. This nucleus consists of our Promoters and other key engineers with academic background primarily from the IITs/NITs/BITS through whom we have accumulated over 200 man-years of contribution. Such a nucleus continually reinforces our technical advantage, allowing us to maintain a leadership position over multi-year cycles of technologies applicable to diverse markets. This is visible through the continuous improvements in our product performance, new feature additions and increased adoption of our products.

Our technical nucleus has attracted other engineers with strong technical capabilities, strengthening our organization's ability to create and achieve widespread adoption of new technology propositions while maintaining high standards in quality and delivery. This structural advantage means that we are not only able to introduce innovations but also continue supporting and defending our competitive position over the lifespan of technologies and associated products.

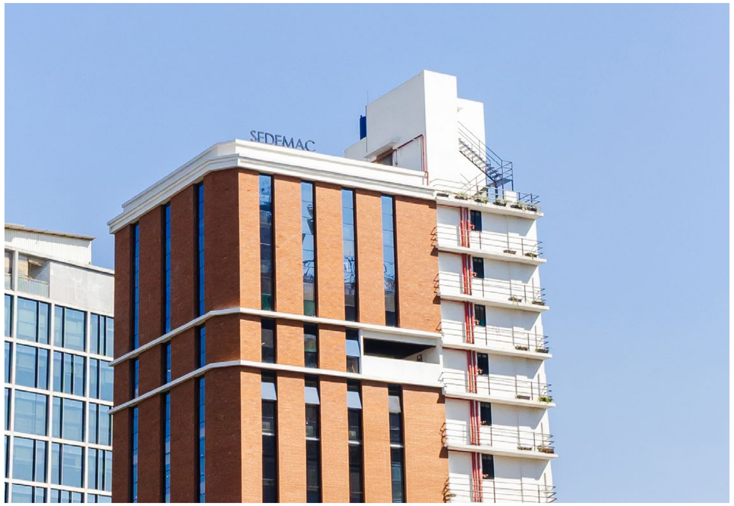
A non-obvious aspect of why we have done well is not just adequate talent but density of talent. Out of the ~237 strong engineering team at the end of FY 2025-26, 154 were from the IITs/NITs/BITS ie over 60% of our engineering workforce today are engineers with a strong academic pedigree. Talent density has crucial consequences. When you see stars wherever you look around, the bar for your own output naturally moves, you get inspired, you hire others with talent etc.

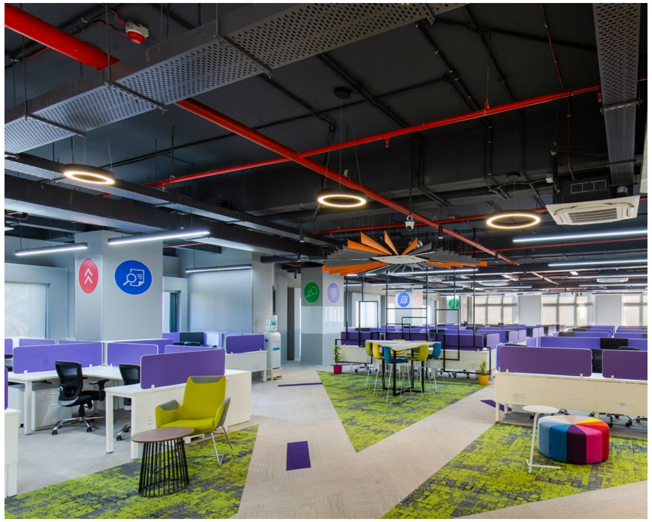


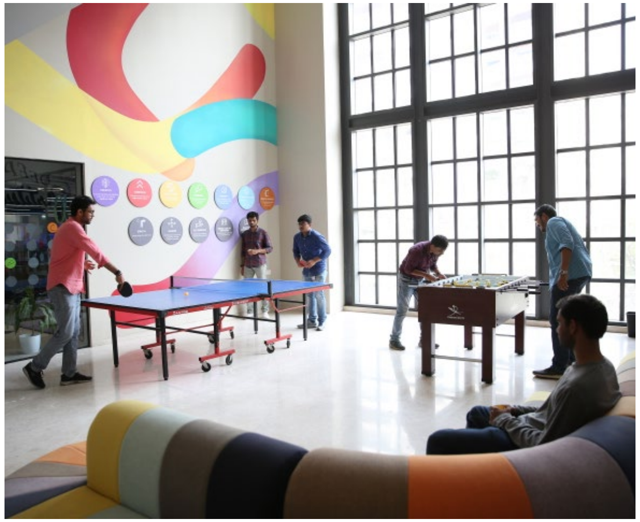
Number of team members hired from IITs, NITs, & BITS

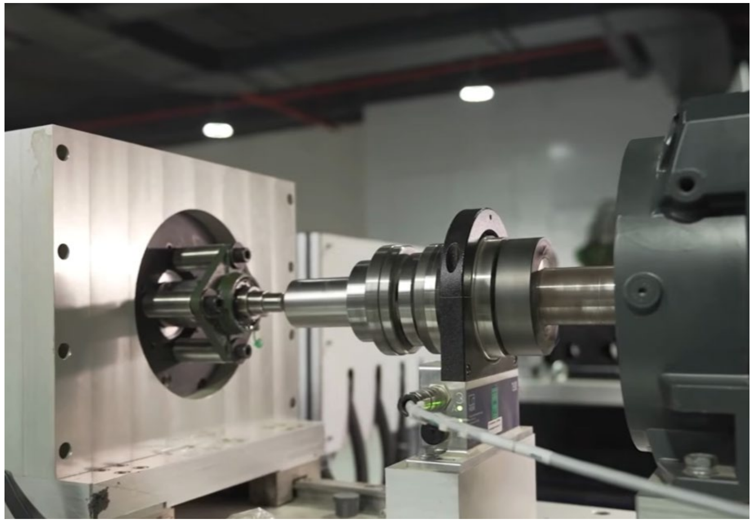
Facilities: Technical Centres

We have two technical development centres based in Pune, India, each with dedicated lab spaces and equipment for the development of products for both engine-powered and electric vehicular systems and industrial equipment.







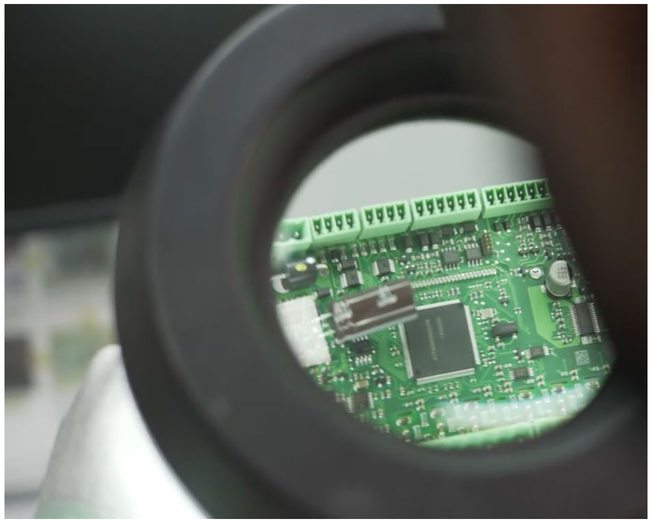


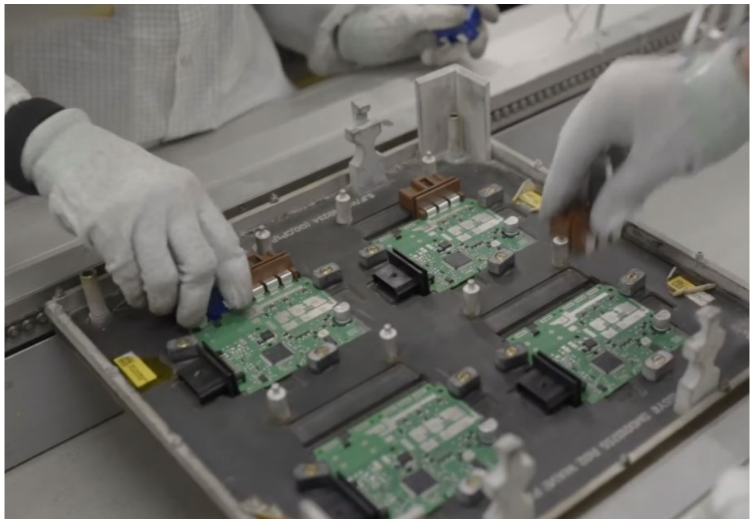
Facilities: Manufacturing Plants

We operate two manufacturing facilities: MF1 located in Chakan, Pune, India, and MF2 located in Wadgaon, Pune, India, dedicated to manufacturing electronic controllers. These manufacturing facilities are certified for ISO 9001 and IATF standards to ensure the quality of our products.

We are currently in a phase of rapid expansion of our manufacturing facilities. We are actively in the process of operationalizing two other manufacturing facilities in Chakan, Pune, India – one large facility MF3 primarily for the production of electronic controllers and the other, MF4, dedicated to the production of electric machines/motors. In addition, we have also acquired land in Shoolagiri, Tamil Nadu, India towards catering to our customers in South India and towards diversification of location of our plants.





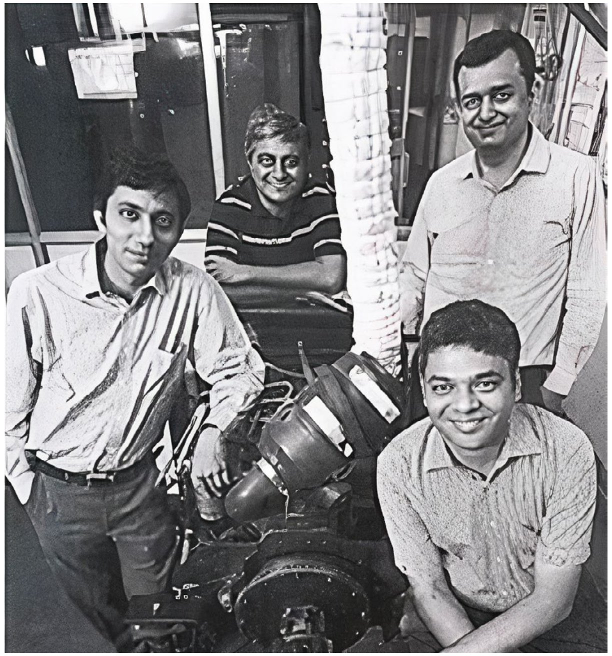
Origins, Promoters, Management, and Board of Directors

Our origins in 2007-08 were in a lab in the Indian Institute of Technology Bombay led by Prof. Shashikanth Suryanarayanan who founded the company along with Amit Dixit, Pushkaraj Panse and Manish Sharma – then his Masters/PhD students. In 2018, Pushkaraj Panse left us and since then has ceased to be a promoter.

In 2015, we hired a sharp intern Anaykumar Joshi. Like several engineers do at the time of joining, Anay considered us as a pit-stop prior to moving onto a possible Masters/PhD in the West. But he stayed and flourished taking increasingly substantial responsibilities and excelling at them. Today he serves as our Chief Technology Officer. Further, due to his stellar contributions and his come-what-may commitment to our vision of building a globally-relevant technology company from India, he is now one of the four promoters along with Shashikanth Suryanarayanan, Amit Dixit and Manish Sharma.

Our four promoters along with Rajesh Sheth, Chief Financial Officer and Nikhil Rai, Sr. VP, Sales and Business Development form our Management Team. Rajesh and Nikhil are seasoned professionals with decades of experience in industry. The management team has been stable with every member having spent more than 10 years with us.

Our Board of Directors today comprises of Non-Executive Directors Poyni Bhatt (Chairperson), NS Parthasarathy and Dr Udo Wolz and Executive Directors Shashikanth Suryanarayanan (Managing Director), Amit Dixit (Joint Managing Director) and Manish Sharma (Whole-time Director and Chief Operating Officer). Ms Poyni Bhatt is an Independent Director and Chairperson of our Board. She has extensive experience dealing with early-stage companies in her erstwhile long-standing association with the Society for Innovation and Entrepreneurship, IIT Bombay including as its CEO. She has seen us from our founding days. NS Parthasarathy is an Independent Director. He brings the experience of a successful entrepreneur (co-founder, MindTree) and that of running the operations of a large, listed entity in India as its COO. Dr Wolz is a non-executive, non-independent director who has been associated with us since 2019. He brings over three decades of experience in the global automotive industry including a long stint at Bosch where he occupied positions of global president of its Electric Drives division and later as Bosch's representative in Japan.



Our founders in our early days

L-R: Shashikanth Suryanarayanan, NS Parthasarathy, Udo Wolz, Poyni Bhatt, Amit Dixit, Anaykumar Joshi, Nikhil Rai, Manish Sharma, Rajesh Sheth.

Corporate Information

Board of Directors

Ms. Poyni Bhatt
Chairperson & Independent Director

Mr. Shashikanth Suryanarayanan
Managing Director

Mr. Amit Arun Dixit
Joint Managing Director

Mr. Manish Sharma
Whole- Time Director

Mr. Namakal Srinivasan Parthasarathy
Independent Director

Mr. Udo Edgar Wolz
Non-Executive Director

Chief Financial Officer
Mr. Rajesh Madhukar Sheth

Company Secretary
Mr. Prasad Rajendra Chavan

Auditors

1. **Statutory Auditors**
   M/s. B S R & Co. LLP, Chartered Accountants
2. **Secretarial Auditors**
   M/s. Nilesh Shah & Associates, Company Secretaries
3. **Cost Auditors**
   M/s. A. J. Paranjape & Co, Cost Accountant
4. **Internal Auditors**
   M/s. Manubhai Shah & LLP, Chartered Accountants

CIN

L29253PN2007PLC246956

Listing on the stock exchanges

BSE : Scrip Code: 544723
NSE : Symbol: SEDEMAC

Registrar & Transfer Agent

MUFG Intime India Private Limited
(Formerly Link Intime India Private Limited)
C-101, Embassy 247, L.B.S. Marg, Vikhroli
(West), Mumbai – 400 083

Bankers

1. HDFC Bank Limited
2. ICICI Bank Limited
3. Import Export Bank of India (Exim)
4. IndusInd Bank Limited
5. YES Bank Limited
6. CITI Bank N.A.
7. State Bank of India

Corporate Information

Registered and Corporate Office

Survey No. 270/1/A/2, Pallod Farms, Baner Road,
Baner, Baner Gaon, Haveli, Pune - 411045, Maharashtra, India
Email ID: cs@sedemac.com
Tel No.: +91 20 6715 7200
Website: www.sedemac.com

Technical Centers

Technical Center - 1 (TC1)	Survey No. 270/1/A/2, Pallod Farms, Baner Road, Baner, Baner Gaon, Haveli, Pune - 411045, Maharashtra, India
Technical Center - 2 (TC2)	S. No. 278/8B, Pallod Farms, Phase II, Baner, Pune - 411045, Maharashtra

Manufacturing Plants

Manufacturing Plant - 1 (MF1)	G-1, MIDC, Phase- III, Chakan Industrial Area, Nighoje, Pune 410501, Maharashtra, India
Manufacturing Plant - 2 (MF2)	Survey No.64/5, Bhide Baug Industrial Estate, Wadgaon Budruk, Pune 411041, Maharashtra, India
Upcoming Manufacturing Plant - 3 (MF3)	Gat Nos. 169/1 to 6, 169/7(P), 169/9(P) and 180(P), Village Shinde, Taluka Khed, District Pune 410501, Maharashtra, India
Upcoming Manufacturing Plant - 4 (MF4)	Plot No. G-43, MIDC, Phase-III, Chakan Industrial Area, Nighoje, Pune 410501, Maharashtra, India
Upcoming Manufacturing Plant - 5 (MF5)	Plot No. 48A, Shoolagiri Industrial Park, (Hosur, Phase-IV), Nallaganakothapalli, Shoolagiri, Tamil Nadu 635117, India.

02.

MESSAGES FROM KEY FUNCTIONARIES

From your Managing Director

Dear Shareholders,

Most of you have become shareholders recently on account of our listing on 11th March, 2026. A warm welcome to SEDEMAC!

You co-own a company that many in India have hoped will emerge someday. First-in-the-world widely adopted technologies and products built by Indian engineers as the basis for a business displaying strong fundamentals with a history of long-term share price growth.

Given we are new to most shareholders, it is useful, first-up, to consider some of the key ingredients that have gone into making us what we are today.

A rare coming together of competent nerds, business acumen & a sound value system

Our core is the coming together of high-quality engineers with the gumption and ability to build first-in-the-world technologies and products and realize their widespread adoption.

It is important to note that we are not just about saying "we have competent engineers and therefore can put together import substitutes" or that "we can also build complex technologies and products the West has built".

Our story is one of successful introduction of technologies and products that were first-ever not just in India, but globally, and building dominance in some of them.

This is a very tall claim. Being first-in-the-world in anything substantial is super hard for anybody, anywhere. And doing so from a fledgling technological ecosystem where excellence is only in pockets, such as today's India, makes it particularly hard and special.

We aren't just about some nerds inventing technologies and products. We are also about high-volume manufacturing competence with best-in-class quality and delivery performance. And about business smarts. And about a strong sense of taking all our stakeholders along navigating various situations that have tested us.

It is this rare coming together of a potent group of high-quality engineers continually developing fresh technologies and products, strong quality & delivery record in high-volume manufacturing, business acumen and our value system has helped us realize widespread adoption of our products in large markets with marquee customers.

We operate in a space where markets are big in India too

Innovative and reliable products have been crucial to our story. However, we would not have gotten to our current state if we did not have large volume customers based in India. That India is a leader in 2-wheelers in the world and has high-volume generator companies has helped us go after building innovative controls for small powertrains.

Without potential large volume adopters in India to whom we could make technology demonstrations, we would have struggled even more than we did in our early days. And probably not taken-off. Today, we are leveraging our India success in 2-wheelers and generators to look at adjacent markets relevant globally.

A culture that lets creative engineers flourish allowing the company to outlast its promoters

A crucial, non-obvious aspect about why we have been able to repeatedly develop compelling, unique propositions is our firmly entrenched commitment towards the building an institution that outlasts promoters. Importantly, such an institution will not be a family business.

The strongest visible evidence of that commitment to go beyond founders is surely the case of Anaykumar Joshi. Anay joined us in 2015 as an intern – seeing us as a pit-stop then before say a Masters/PhD in the West. Today he is our Chief Technology Officer leading all engineering and technology development. More crucially, Anay today has significant clout as one of the promoters and therefore is a long-term agenda setter. We founders didn't "retain" him through just a carrot of more money in return seeking loyalty. Instead, we believe Anay's rise from an intern to a promoter is due to the ecosystem that has gotten created. One that rewards competence, honesty, being bold, irreverence for status quo, respecting and promoting special talent etc. In short, a culture that lets creative engineers flourish. I am particularly keen that this unique and precious culture is preserved and we live by the values that embody the culture every day.

It is worth repeating the words I have shared with some of you. We are like a high-performance sports team.

The next leaders in our team will be those who show the combination of world-class technical talent and also the values that it takes to become a top player in a champion team. An important consequence is that, almost surely, our future leaders will not be members of the families of today's promoters.

Family businesses have their place. They bring stability especially in slowly changing sectors. However, they rarely tend to be companies that introduce new technologies to the world especially in rapidly changing environments. It doesn't take much for one to notice that the leading technology companies in the world today aren't family businesses. They tend to be staffed and led by the best talent available at the time. We have that built that view into our DNA and culture. I am sure you would agree that we are bit of an island in this regard in the Indian business ecosystem where promoter families often rule.

I am proud of where we have built starting from my lab in IIT Bombay. We will continue to do what we have been doing. Building novel technologies and products and realizing their widespread adoption. We will also continue the manner we have gone about matters and do our best to maintain our hard-earned reputation, as a trustworthy & honest partner, with all our key stakeholders: customers, employees, vendors and of course shareholders.

FY 25-26 was easily one of the strongest years in our history thus far. If not the strongest. Our revenue grew more than 60% to over INR 1000 cr (>$100 Million equivalent), our EBITDA grew more than 70% and our PAT by more than 100%. And on top of that we realized an RoCE of > 40%. That's strong for any company in the world anywhere.

The coming years will increase our relevance in new markets and new geographies. In particular, we seek to leverage our synergy across various, seemingly unrelated, high-volume small powertrain markets to try and establish ourselves as a globally-relevant high-volume motor controller supplier winning due to technology and also due to scale. I am excited to see where we end up on that over the next decade.

Once again, thank you all for your trust. I do hope many of you will stick with us to see where our journey takes us in the years to come.

Shashikanth Suryanarayanan
Managing Director

From your Joint Managing Director

Dear Shareholders,

FY 2025-26 was a breakthrough year for us on several fronts. In this message, I will touch upon some key aspects of what transpired in the year.

Our Listing

On 11th March, 2026, our shares began to trade on the NSE and BSE. Right at a crucial point during the process leading up to our eventually listing, the financial world was rocked due to uncertainties created by the USA-Iran conflict. That our listing went through smoothly in such turbulent times was largely due to the strong conviction institutional public market investors, especially anchor investors, had developed about our uniqueness and our long-term prospects.

Financial investors are not new to us. We have had financial investors from our earliest days when we started operations in 2008. In that sense, the broadening of our shareholder base that comes with being publicly listed feels less like a big departure and more like the next, natural step in something we've been doing for years.

While the listing itself was new, the discipline we have had running ourselves as if we were a listed company was not. Between July 2022 and January 2025, well before we listed, we voluntarily conducted six analyst and investor calls, sharing our numbers, our strategy, and our risks with the analyst community in the same spirit of transparency you would expect from any listed company. We did this because we believe that is how promoters and the management ought to conduct themselves -- with the same transparency and accountability toward all stakeholders, whether or not the company happens to be listed at that point in time.

Being scrupulous about governance and communication isn't something we adopted for the sake of an eventual listing, it's how we've chosen to run matters all along.

Rapid, Capital Efficient, Robust Growth

Now coming to some key developments in FY 2025-26. The year saw a strong growth in both our business segments: Mobility segment revenue grew 62% YoY while Industrial grew 55%.

The growth in the Mobility segment was driven by two key drivers: more penetration of our ISG technology, including volume growth of existing models as well as implementation on newer models, and ramp-up and new launches of our motor control units (MCUs) for electric 2&3-wheelers.

Our ISG technology is now being used by three of the top four 2&3-wheeler OEMs in India, and on four of the top-10 2-wheeler models sold in India in FY 2025-26. It is also widespread in the engine-powered 3-wheeler market in India, with many key models across 3 OEMs using our ISG ECU as default. FY 2025-26 also saw significant ramp-up of our ISG+EFI ECU product, which makes the overall ISG proposition even more compelling for OEMs, and will be crucial in driving further penetration of the ISG technology in time to come.

On the electric vehicle side, our MCU for electric 3-wheelers, which got into production towards the end of FY 2024-25, continued to ramp up, and our MCUs for electric 2-wheelers entered production with partial ramp-up during the year.

The growth in the Industrial segment was driven by the market launch and ramp-up of our EFI ECU by a key North America genset OEM.

While the growth in itself was important, what was equally important was the de-risking effect the growth drivers had on the business. Adoption of ISG technology in a big way on key models by an OEM other than our anchor customer, and adoption and ramp-up of our EFI ECU by the North American genset OEM, had a favourable impact on our customer concentration risk. The ramp-up of our MCUs for e-2&3-wheeler market led to a rapid growth in our electric vehicles related revenue, which rose to 7.4% of our Mobility revenue in FY 2025-26 – broadly in line with the penetration of electric vehicles in the Indian 2-wheeler market – pointing to our relevance in the emerging electrification story.

Apart from the growth in the current markets that we serve, there were also positive developments in other markets of interest to us. In the Power Tools market, a very large market in terms of number of units sold, we secured our first business win with a small but established manufacturer for a MCU built on our SLC (sensorless commutation) technology. This is early evidence that our core competence and our technology propositions travel across powertrain types and end markets.

This ability to address multiple large markets through the synergy of know-how, products and technologies gives us a chance of building a large scale in time to come.

We expect the business momentum to continue in FY 2025-26-27. While there will be some challenges to tackle, especially on account of the present geopolitical instability, and possibility of adverse effects of El Niño, the broader themes of increasing ISG penetration and growth in our products for electric 2&3-wheelers are expected to continue.

For the long term, what I am most excited about are the opportunities we have in building innovative propositions for various markets. The relentless pursuit on this front will continue, and hopefully, over the years, we will succeed in scaling multiple first-to-market propositions.

Thank you for your continued trust in SEDEMAC.

Amit DIxit
Joint Managing Director

From your Chief Operating Officer

Dear Shareholders,

FY 2025-26 was a significant year for our manufacturing operations, marked by the highest-ever growth in production volumes in our history. Across our product portfolio, production increased from 8.4 million units in FY 2024-25 to 11.7 million units in FY 2025-26 out of which 3.9 million units were control-intensive ECUs. This significant increase in supplies was successfully delivered through our existing manufacturing facilities MF1 and MF2 in Pune, reflecting the strength of our execution and commitment of our teams.

In line with our growth, our workforce expanded taking our full-time employee strength to over 500 across various functions. In addition, by the end of FY 2025-26, more than 1,200 associates were engaged across our manufacturing operations, with women representing approximately 40% of our shopfloor workforce. We remain committed to building a diverse, inclusive, and values-driven organization.

Expanding our manufacturing footprint remained a key strategic priority during the year as we prepared for the next phase of growth. A major milestone was the acquisition of industrial land at Shoolagiri, near Hosur, Tamil Nadu. This investment provides substantial long-term capacity expansion potential and will strengthen our ability to serve both existing and future customers especially those located in South India.

Another significant development was the significant progress in the construction of our new manufacturing facility MF3 at Chakan, Pune. Scheduled to commence operations in Q2 of FY 2025-26-27, the new plant will more than double our available production area, significantly enhancing our manufacturing capabilities and positioning us well to support future business growth.

Towards the end of FY 2025-26, we saw a major global supply chain challenge emerge due to the US-Iran war. It has put our supply chain and sourcing teams on high alert. One of the actions we had to take was to increase our inventory levels significantly even for components considered commodity which we would not have stocked as much otherwise. I am happy to share that we continue to able to navigate this challenge well without any interruption in supplies to our customers. The risks linked to the war come along with the pressure on costs too. As the war continues at the time of writing this note, we must keep up special efforts to steer through both supply and cost challenges.

Quality of our products is an equally important aspect that has helped us grow with our customers. This year saw our outgoing quality levels for all products well within acceptable norms of the industries we serve, except one cause related to a raw material defect. We faced some failures due to a faulty electrolytic capacitors supplied by a Japanese supplier of ours. We were quickly able to isolate the cause, use alternate sources, and undertake corrective actions with the supplier while keeping our customers transparently in the loop.

Looking ahead, FY 2025-26-27 promises to be another strong year for us. Apart from the commissioning of our new MF3 facility, we will focus on strengthening our digital backbone. These investments, while improving scalability, will also bring redundancy against external cyber threats which need to be aware of with growing size and visibility.

As we continue to grow, our focus remains building resilient operations towards our commitment to delivering exceptional performance to our customers.

Thank you for your continued trust and support.

Manish Sharma
Chief Operating Officer

From your Chief Technology Officer

Dear Shareholders,

This is a special year for us. Apart from the revenue growth visible in numbers, the year has seen important product launches and subsequent scale-up. These developments have reduced execution risk in our plans and opened up exciting opportunities for the years ahead.

Our engine-control products saw broader adoption this year, with ISG+EFI controllers gaining traction in the 2&3-wheeler market and EFI controllers for generator-set engines gaining traction in North America. Our motor control units (MCUs) also achieved meaningful adoption in the electric 2&3-wheeler market. Together, our capabilities in engine controls and motor controls place us in a strong position to participate in - and help shape - the future of small powertrains such as in 2&3-wheelers, while remaining fuel agnostic.

Historically, our engineering focus has centred on electronic controllers and control software. Over the last few years, we have broadened it to include electromechanical and mechatronic products. FY 2025–26 saw a significant increase in development programs for electric motors for ISG applications. These motors integrated with gearboxes will be the first mechanically-intensive products from this expanded capability to enter production. Extending beyond ISG applications, this capability will allow us to supply integrated powertrain systems rather than limiting ourselves to the electronics within them.

Alongside strong growth in revenue and profitability, this year saw establishment of Technical Centre 2 (TC2), located close to TCO1 - our existing technical centre and corporate office. TC2 provides capacity for our expanding team and substantially increases the laboratory space available for technology development, product development and validation by ~60%. Lab space is gold for strong engineers - and although lab space is never enough, TC2 has ensured that space is not the immediate bottleneck.

Our engineering team has grown from ~132 people at the end of FY 22–23 to ~237 toward the end of FY 25–26. Such growth is essential to support our expanding business and develop new products and technologies, but it also brings an important challenge: preserving our engineering DNA as we scale. Team size can be increased through hiring; engineering culture does not scale quite as automatically. One of our most important priorities will therefore be to preserve our culture of strong engineering, together with the efficiency and agility that have been central to our progress. We are fortunate to have a strong core group of experienced engineers whose leadership will be critical to developing the next generation of engineers and carrying this culture forward.

Looking ahead, in the coming year, we should see further scaling of our products and technologies in existing markets, and us getting closer to product launches in new markets. We expect cybersecurity regulations and related OEM expectations will become increasingly stringent and we are strengthening our processes and organizational capabilities to be ready for this transition.

While I have spoken about immediate products, team size and some regulation related matters, ultimately we are about creating fresh technologies, building complex products and realizing widespread deployment. We enjoy pursuing ambitious engineering problems. Not every attempt succeeds, but meaningful innovation never happens without giving difficult problems a serious shot. I am excited by the technologies being developed today and the possibility of seeing several of them reach products and markets in the years ahead.

Thank you for your continued trust and support. I look forward to having you alongside us as we build the next chapter of SEDEMAC's journey.

Anay Joshi
Chief Technology Officer

03.

STATUTORY REPORTS

Management Discussion and Analysis

1. Industry Overview

The markets relevant to the sale of your Company's products during FY 2025-26 were the Indian 2&3-wheeler market -- both internal combustion engine (ICE) powered and electric vehicles, the Indian genset market, the US/global genset market and the e-Bike market in Europe.

Indian 2&3-wheeler Market

As per data from the Society for Indian Automobile manufacturers, the number of ICE-powered 2&3-wheelers produced in India in FY 2025-26 was 26.6 Million with domestic sales of 21.2 Million units and exports of 5.6 Million units. In comparison, the corresponding numbers for FY 2024-25 were respectively 24, 19.4 and 4.5 Million units. Of relevance to us is the adoption of the Integrated Starter Generator (ISG) technology, in particular by the top-4 OEMs. Based on SIAM data and knowledge of which vehicle models have seen ISG adoption, we estimate that ~8.4 Million vehicles produced in India in FY 2025-26 incorporated ISG as compared to the figure of ~7.1 Million vehicles in FY 2024-25. In FY 2025-26, Honda Motorcycles and Scooters India and TVS Motor Company, two of the top-4 2&3-wheeler OEMs in India that have been large volume adopters of the technology, continued with or expanded the number of vehicle models that incorporated ISG. The year also saw adoption action in the other two top-4 2-wheeler OEMs as well with the introduction of ISG in a vehicle by Hero Motocorp for the first time and further adoption by Bajaj Auto. The year ended with six of the top-10 selling 2-wheeler models in India now having incorporated ISG, five of them as default (ie more than 80% of the volume of the model across variants now has ISG). All-in-all the year saw substantial deepening of adoption of ISG.

According to the VAAHAN portal that records new vehicle registrations in India, FY 2025-26 saw an over 17% growth in the retail sales number of electric 2-wheelers compared to FY 2024-25. As a percentage of the total number 2-wheelers registered in India, the penetration of electric 2-wheelers in India rose to ~7% in FY 2025-26 vs 6.4% in FY 2024-25. The year also saw a significant change in the leaderboard for electric 2-wheelers. TVS Motor Company, Bajaj Auto and Ather Energy captured the top-3 spots by volume selling over 900,000 electric 2-wheelers amongst them. The volumes in the L5 category of electric 3-wheelers saw a massive 66.5% growth in FY 2025-26 over FY 2024-25 numbers. Electric vehicle penetration in this category rose to ~34% ie for every 2 ICE-powered L5 three-wheeler sold, there was 1 L5 electric 3-wheeler sold in India in FY 2025-26. Mahindra & Mahindra and Bajaj Auto led this category in FY 2025-26.

European Electric Bicycle Market

Electric bicycles (e-Bikes) have gained significant popularity in Europe over the last decade. However, this market had a disappointing year. As per data from ZIV & BikeEU, Germany, France, Netherlands, Belgium, Italy, Spain and Austria which constitute larger markets in EU, registered unit sales totalling ~3.9 Million eBikes – a 3.7% drop in units sold in CY2025 versus CY2024.

Power Generator Market

The genset industry has been witnessing low to mid single-digit growth over the years with global annual generator numbers around 3.1 Million as per CRISIL report incorporated into our RHP in Feb 2026. The latter part of CY2025 saw strong demands of large gensets for data centres and other industrial projects.

The India volume in FY 2025-26 was ~2.2 Lakhs as per data compiled from multiple industry sources. On the other hand, the residential generator market in the US, of interest to us, saw a decline in sales due to fewer storms / tornados / power outages in the region during CY2025 versus CY2024.

2. Our Business and Key Products

We are a supplier of control-intensive, critical-to-the-application electronic control units ("ECUs") to leading original equipment manufacturers ("OEMs") in the mobility and industrial markets in India, the United States, and Europe. The majority of our revenue from operations is attributed to products which incorporate novel control technologies that are conceived and developed entirely in-house, enabling us to offer fresh proprietary solutions that provide distinct value to end-users or our OEM customers. Several of these unique technologies have achieved widespread adoption across the sectors we serve.

Our origins, in 2007, were in a lab in Indian Institute of Technology ("IIT") Bombay led then by Prof. Shashikanth Suryanarayanan, one of our Promoters. We have built on the technical expertise of our founding team and scaled our operations, and currently sell millions of control-intensive, critical-to-application controllers for complex systems globally across diverse markets every year. The key segments include Mobility wherein in FY 2025-26, we sold products for both ICE-powered and electric 2&3-wheeler vehicles and electric bicycles, and Industrial wherein in FY 2025-26 we sold products for Power Generators. Apart from 2&3-wheelers and Power Generators, we are actively engaged in development programs in the Commercial Vehicles (Mobility) market and in the Power Tools (Industrial) market.

For the Mobility segment, our key products in FY 2025-26 included Integrated Starter Generator (ISG) ECUs, Electronic Fuel Injection (EFI) ECUs, combined ISG+EFI ECUs for ICE-powered and motor control units (MCUs) for electric 2&3-wheelers. We are the first company to design and manufacture sensorless commutation (“SLC”) based ISG ECUs with shipments of over 10 million ISG and/or ISG+EFI ECUs for use on 2&3-wheelers between FY 2018-19 through FY 2025-26.

We have operated in the generator/genset controls market since 2010. Our key products for this market include auto mains failure genset controllers (GCUs) and EFI ECUs. We are among the key global players with a global market share of 14% in FY 2024-25 through our genset controllers and EFI ECUs for this market. We are the largest supplier of genset controllers in India with a market share of approximately 75%.

Our continued ability to initiate and scale technical shifts is underpinned by a unique technical nucleus, i.e., a team led by a core of expert engineers and scientists with established credentials and who remain focused on fundamentals. This nucleus consists of our Promoters and other key engineers with academic background primarily from the IITs/NITs/BITS through whom we have accumulated over 300 man-years of contribution. Such a nucleus continually reinforces our technical advantage, allowing us to maintain a leadership position over multi-year cycles of technologies applicable to diverse markets. By enabling the introduction of multiple new-to-the-market technologies into large OEM programs, often as the first player, we have established a reputation as a credible innovation partner. This credibility is reflected in the rapidly growing volumes of our products integrated with such technologies across OEMs.

3. Business Performance

FY 2025-26 was the best year in our history on almost every financial dimension. Revenue from operations crossed INR 1,058 crore, up ~61% over FY 2024-25. EBITDA grew even faster, up ~78% YoY to INR 222 crore with EBITDA margin getting close to 21%. PAT more than doubled, up ~119% YoY to ~INR 104 crore. And we delivered these results while also seeing improving capital efficiency: RoCE moved from ~34% to over ~40%, a number few companies our size, in any industry, have been able to realize. Mobility remained the larger of our two business segments, at INR 911 crore of revenue in FY 2025-26 versus INR 148 crore from Industrial, but both had a substantial growth this year. Mobility grew 61% YoY while Industrial grew 57% YoY.

Such strong, profitable, and capital efficient growth, in markets which themselves are not growing at such a pace, was due to several of our key technology propositions now scaling up after years of sustained efforts. Our unique technologies get embedded into control-intensive ECUs we ship. In FY 2025-26, we sold more than 3.9 million control-intensive ECUs, 60% more than what we sold in FY 2024-25.

Where the Growth Came From

Within Mobility, our Sensorless ISG technology continued its rapid penetration into India’s engine-powered 2&3-wheeler market. The number of 2&3-wheelers produced in India with ISG rose from ~7.1 million in FY 2024-25 to 8.4 million in FY 2025-26. We accounted for more than 80% of that incremental volume growth. FY 2025-26 also saw our ISG ECUs get adopted by the dominant leader of the engine-powered 3-wheeler market as default for the domestic 3-wheeler models along with introduction and partial ramp-up for their export 3-wheeler models. FY 2025-26 also saw significant ramp-up of our ISG+EFI ECU product. The ISG+EFI ECU product integrates the electronics of ISG ECUs with that of EFI ECUs making it more cost-effective for OEM customers. We believe this integrated ECU will make our ISG even more compelling for OEMs to adopt.

Our ISG and ISG+EFI ECUs have now been adopted by three of the top-4 2&3-wheeler manufacturers in India, and was used on five of the top-10 selling 2W sold in India in FY 2025-26. We believe that our ISG proposition is now firmly in the “broader market adoption” phase, and on way to widespread adoption.

On the electric vehicle side, our Motor Control Unit (MCU) for electric 3-wheeler, which got into production towards the end of FY 2024-25, continued to ramp up, and our electric 2-wheeler MCU entered production with partial ramp-up during the year. The revenue from electric 2&3-wheeler MCU as a percentage of revenue from the Mobility segment was 7.4%, broadly in line with the penetration of electrification in the 2&3-wheeler market in India.

On the Industrial side, our EFI ECU for the North America genset market saw its market launch and ramp-up during the year through its adoption by the dominant market leader in that segment.

Progress on Markets Under Development

In FY 2025-26, we continued to make headway in new markets that are important for the next stage of our growth. For the Commercial Vehicles market, the development of engine and exhaust gas after-treatment controllers and motor controllers continued. We expect start of production of these controllers over FY 2026-27. In Power Tools market, which globally has sales volume of hundreds of millions of units per year, we closed our first business win with a small but established manufacturer for a MCU built on our SLC technology. Start of production of this MCU is expected over the next four to five quarters.

Expansion of Manufacturing Footprint

In FY 2025-26, our operational manufacturing facilities were MF1 (40,000 sq ft) in Chakan, India and MF2 (8,000 sq ft), Pune, India. To support current and future business growth, we have also been expanding our manufacturing footprint. FY 2025-26 saw rapid progress in the set-up of: MF3 (120,000 sq ft) for ECUs and MF4 (9,000 sq ft) for electric motors both in Chakan, India. We expect shipments to start from MF3 and MF4 during FY 2025-26-27. We have also secured ~13 acres of land at Shoolagiri (SIPCOT) in Tamil Nadu, which will allow us to serve customers with plants in South India more efficiently in the future.

4. Key Opportunities

Our primary long-term opportunity, at this point, is to grow into a global leader in ECUs, especially for small powertrains. Small powertrains are seen in seemingly unrelated markets spanning 2&3-wheelers, both ICE-powered and electric; Power Tools; small Commercial Vehicles; small Tractors; Small Generators; Outdoor Powered Equipment etc. Small motors are also seen in passenger car subsystems. We are in unique position, today, amongst all global players, to emerge as a leader leveraging synergy across these markets. We argue that below.

We have made significant inroads into 2&3-wheeler powertrains primarily due to our offering of motor controllers with our unique SLC technology for synchronous electric machines. In FY 2025-26, we supplied 3.9 Million control-intensive ECUs with close to 80% of them being motor controllers for 2&3-wheelers. With increasing interest in the adoption of ISG for ICE-powered 2&3-wheelers and also growing electrification, we have a shot at realizing a volume of more than 10 Million motor controllers/year for the 2&3-wheeler market. Further, given our primary product today is a motor controller, our proposition only gets strengthened with increasing electrification. This aspect is playing out in the high-volume Power Tool market with a firm shift towards battery-powered tools and related rise in need for motor controllers for brushless motors – all of which can potentially benefit from our SLC technology. While it is very early days for us in the Power Tool market, given the size of the market in terms of number of units, even relatively modest success there could allow us to accumulate large volumes.

A non-obvious aspect of our play in small powertrains is genuine synergy between controllers offered in different markets. Power and voltage ratings of motor controllers across the markets mentioned are similar allowing us the opportunity to commonize components and designs, accumulate volumes and benefit from the resulting sourcing and supply chain volumes. We believe this will be a crucial aspect of our play that will emerge in the coming years which will help our customers as well as shareholders.

While motor controllers remain our biggest long-term opportunity, the role of our engine control propositions is not to be over-looked. Nowhere is the strong interplay between our motor controllers and engine controllers more visible than in the ISG+EFI proposition for the ICE-powered 2&3-wheeler market. In fact, our ability to offer this combined ECU sharply enhances the possibility of acceleration of the ICE-powered 2&3-wheeler market towards adopting ISG as a default. Further, there is strong synergy between our offering for the 2&3-wheeler market and those for spark-ignited engines used in generators as well as small tractors especially in North America.

A significant mid-long term opportunity that is emerging for us is electric machines. We have been advising our OEM customers on electric machine design to support our ISG ECUs for long now. We are now moving to manufacturing these electric machines starting with those for 2&3-wheeler ISG systems to ease integration with our ISG ECUs thereby speeding up ISG implementation, offering improved fuel-efficiency performance etc. Further, we are also engaging with customers on our offering of an integrated rare-earth-free motor along with an MCU for electric 2&3-wheelers and also electric bicycles. If our electric machine foray works out well, it will likely have a nice complementary aspect to our main opportunity of emerging as a leader for ECUs.

5. Key Risks

Customer Concentration

TVS Motor Company is our most significant customer today, having adopted our SLC-based ISG proposition since 2018. Rapid market expansion of innovative propositions such as our Sensorless ISG, during the initial introduction and broader market adoption phases, often relies on anchor customers who are early adopters. This often results in a situation of customer concentration. Over FY 2024-25 and FY 2025-26, our ISG proposition has seen adoption in two more of the top-4 OEMs in India including on some key models. Further, in FY 2025-26, our EFI ECU was adopted as default by the North American genset market leader in their key model. These developments have led to the revenue from our biggest customer minus the sum of revenue from the next four customers, a measure of concentration of revenue, to fall from 72% in FY 23-24 to 68% in FY 2024-25 and further to 58% in FY 2025-26. Increase in the penetration of our Sensorless ISG technology and our growth in other markets including Commercial Vehicles and Power Tools are levers that we expect will lower the customer concentration risk in the mid-term.

2&3-wheeler Electrification

Since, historically, our revenue has had a high dependence on supply of products for engine-powered 2&3-wheelers, a shift of the Indian 2&3-wheeler industry towards electrification poses a risk to our business. The primary questions are whether we have compelling propositions for electric 2&3-wheelers and whether OEM thoughts on vertical integration would reduce the size of our addressable market.

We started supplying MCUs for electric three-wheelers in FY 2024-25, which ramped up significantly in FY 2025-26. Further, our MCUs for electric 2-wheelers went into series production during FY 2025-26. As a result, our revenue products supplied to the electric 2&3-wheeler market, as a percentage of our revenue from the 2&3-wheeler market, increased from 0.3% in FY 2023-24 to 1.7% in FY 2024-25 to 7.4% in FY 2025-26. The FY 2025-26 number was broadly in line with the percentage of electric vehicles in the Indian 2-wheeler market.

Given the large scale that we now have with our ISG ECU, which is a motor controller with a product architecture nearly identical EV MCUs, we have several unique advantages in addressing the electric 2&3-wheeler market. We have an established manufacturing infrastructure and sourcing relationships for shipping millions of motor controllers, which are both relevant for the electric 2&3-wheeler market. Additionally, our SLC technology – adopted on all of our ISG ECUs – is also relevant to electric 2-wheelers. Hall sensor failures especially in hub motor driven electric 2-wheelers are not uncommon – which our SLC when adopted would eliminate. We will address the electric 2&3-wheeler market by leveraging these strengths as well as by attempting to build other compelling propositions.

Continued success in the development of substantial new propositions

Our success has historically depended on our ability to introduce innovative technology and products that unlock new markets and drive widespread adoption. We have developed and launched several such offerings for ICE 2&3-wheelers and genset markets, helping us establish leadership positions and achieve large-scale adoption in both markets. Notable examples include our smart ignition technology for carburetted engine-powered 2&3-wheeler, integration of electronic governing in genset controllers, and our SLC technology enabling motor control without position sensors.

Continued success depends on our ability to generate and commercialize differentiated solutions, for existing as well as new markets. Each new technology proposition must progress through a defined sequence of stages, i.e., from technology proposition and proof of concept demonstration, to commercial business win, initial introduction, early growth, broader market adoption and sustaining industry proposition. Each stage introduces distinct risks. Any failure at any stage, whether due to technical, commercial, operational, or market-related factors, can limit our ability to open new markets and grow our business.

While this is a structural risk that exists for any company attempting to create new technology propositions anywhere in the world, we believe that we are now in an even stronger position to address it as compared to what we were a few years back. We have a nucleus of competent, creative engineers working consistently on building new propositions, guided by an experienced leadership team who has gone through all stages of the process, and an accumulated knowhow of hundreds of person-years which expands the scope of the propositions that we can go after.

6. FY 2026-27 Outlook

We expect FY 2026-27 to continue the strong momentum we had in FY 2025-26. We expect our Sensorless ISG ECU to be introduced on variants of three top-10 2-wheeler models in India across three of the top four OEMs, apart from adoption in more 3W models. We also expect continued ramp-up of our electric 2&3-wheeler MCU business.

We see two potential dampeners in FY 2026-27. First, commodity price inflation due to geopolitical instability and tightening semiconductor supply chains could cause an increase in our raw material costs. This situation may create mild pressure on EBITDA margin in the near term. Second, forecasts of a strong El Niño in CY2026 raises the possibility of a weaker Indian monsoon and less active US hurricane season, which could have some negative effect on India's 2-wheeler market and the US home-standby generator market respectively. Both are global factors that will impact the industry at large, and we don't see either as a structural threat.

7. FY 2025-26 Financial Performance

The following table sets forth the selected financial data from our audited statement of profit and loss for FY 2025-26 and FY 2024-25.

Parameters	FY 25-26		FY 24-25	
	Amount (INR crores)	As a percentage of Total income (%)	Amount (INR crores)	As a percentage of Total income (%)
Income				
Revenue from operations	1,058.38	99.50	658.36	99.37
Other income	5.27	0.50	4.17	0.63
Total income	**1,063.65**	**100.00**	**662.53**	**100.00**
Expenses				
Cost of materials consumed	662.11	**62.25**	414.61	**62.58**
Changes in inventories of finished goods and work-in-progress	(16.30)	**(1.53)**	(3.96)	**(0.60)**
Employee benefits expense	86.61	**8.14**	61.43	**9.27**
Finance costs	8.53	0.80	12.03	1.82
Depreciation and amortization expense	63.48	5.97	45.33	6.84
Other expenses	109.03	10.25	65.39	9.87
Total expenses	**913.46**	**85.88**	**594.83**	**89.78**
Profit before tax	**150.19**	**14.12**	**67.70**	**10.22**
Tax expense				
Current tax	24.66	2.32	12.90	1.95
Deferred tax expense / (credit)	21.95	2.06	7.75	1.17
Total tax expense	**46.61**	**4.38**	**20.65**	**3.12**
Profit for the year	**103.58**	**9.74**	**47.05**	**7.10**
Other comprehensive income **Items that will not be reclassified to profit or loss**				
Remeasurements of defined benefit liability	(0.39) 0.10	-0.04 0.01	(0.70) 0.20	(0.11) 0.03
Income-tax related to above item				
Other comprehensive expense for the year (net of tax)	**(0.29)**	**-0.03**	**(0.50)**	**(0.07)**
Total comprehensive income for the year	**103.29**	**9.71**	**46.55**	**7.03**

Also included below is a comparison of our KPIs for FY 2025-26 versus FY 2024-25.

Key Performance Indicator	FY 25-26	FY 24-25
Total income (INR crores)	1,063.65	662.53
Revenue from operations (INR crores)	1,058.38	658.36
Profit for the year (INR crores)	103.58	47.05
Basic Earnings per equity share (INR)	23.91	10.93
Total Equity (INR crores)	449.20	303.38
Total borrowings (INR crores)	50.63	49.62
Profit for the year Margin (%)	9.74	7.10
EBITDA (INR crores)	222.20	125.06
EBITDA Margin (%)	20.99	19.00
RoCE (%)	40.43	33.80
RoE (%)	27.53	22.01
Debt – Equity Ratio	0.16	0.21
Number of engineers from IITs, NITs and BITS	154	120
Number of Control-Intensive Controllers Sold (numbers)	3,901,075	2,438,518

7.1 Commentary on P&L

Total income

Total income increased by 60.54% to INR 1,063.65 crores in FY 2025-26 from INR 662.53 crores in FY 2024-25, primarily due to an increase in revenue from operations.

Revenue from operations

Revenue from operations increased by 60.76% to INR 1,058.38 crores in FY 2025-26 from INR 658.36 crores in FY 2024-25, driven by a sharp increase in the sale of control-intensive ECUs (3.9 million units during FY 2025-26 versus 2.4 million units during FY 2024-25). Some more comments are in order.

- Both business segments contributed to growth. Mobility segment revenue increased by 61.41% to INR 910.57 crores in FY 2025-26, while Industrial segment revenue increased by 56.86% to INR 147.81 crores.
- During FY 2025-26, revenue from sale of MCUs for electric 2&3-wheelers increased substantially to INR 68.28 crores which was about 7.4% of the total Mobility segment revenue during the year. The corresponding sales figure for MCUs in FY 2024-25 was 9.67 crores.
- Sale of products to customers outside India during FY 2025-26 was INR 86.03 crores representing an increase of 89.33% compared to FY 2024-25's figure of INR 45.44 crores.

Other income

Other income increased to INR 5.27 crores in FY 2025-26 from INR 4.17 crores in FY 2024-25 mainly due to realization of higher government grants.

Cost of material consumed and changes in inventories of finished goods and work-in-progress

Cost of materials consumed taken along with changes in inventories of finished goods and work in progress increased from INR 410.65 crores in FY 2024-25 to INR 645.81 crores representing a 57% growth in line with the over 60% growth in revenue from operations. However, as a percentage of total income, this clubbed expense head saw a 1.26% reduction in FY 2025-26 versus FY 2024-25. This reduction is attributed to a larger share of control-intensive ECUs in the product mix and lower material costs. Lower material costs were driven by hardware designs of our ECUs becoming more frugal and lower costs offered by our suppliers on current/alternate parts.

Employee benefits expense

Parameter	FY 25-26 Amount (INR crores)	FY 24-25 Amount (INR crores)	Change (%)
Salaries, wages and bonus	91.84	70.37	30.51%
Gratuity expense	2.78	1.28	117.19%
Contribution to provident funds	2.01	1.63	23.31%
Expenses related to compensated absence	0.66	0.29	127.59%
Equity-settled share-based payments	1.53	1.04	47.12%
Staff welfare expenses	8.88	6.12	45.10%
	107.70	**80.73**	**33.41%**
Less : Capitalised during the year	-21.09	-19.3	9.27%
Total	**86.61**	**61.43**	**40.99%**

Employee benefits expense increased by 40.99% to INR 86.61 crores in FY 2025-26 from INR 61.43 crores in FY 2024-25. However, as a percentage of total income, this expense head saw a reduction of 1.13% in FY 2025-26 versus FY 2024-25.

- The primary driver of the increase was INR 21.47 crores increase in salaries, wages and bonus due to salary increments to eligible employees, headcount increase and one-time bonuses amounting to INR 4.5 crores.
- Staff welfare expenses increased by 45.10% to INR 8.88 crores in FY 2025-26 from INR 6.12 crores in FY 2024-25 mainly on account of a significant increase in the count of shopfloor employees (mostly on contract), trainings imparted to various employees & additional benefits under the medical insurance policy offered.
- The implementation of the New Labour Code led to a one-time increase of INR 0.81 crores in provisions for gratuity and compensated absences. Gratuity expense increased by 117.19% to INR 2.78 crores during FY 2025-26, from INR 1.28 crores during FY 2024-25 and expenses related to compensated absence increased by 127.59% to INR 0.66 crores in FY 2025-26, from INR 0.29 crores in FY 2024-25.
- Equity-settled share-based payments increased by 47.12% to INR 1.53 crores in FY 2025-26 from INR 1.04 crores in FY 2024-25. During FY 2025-26, we granted an additional 244,500 options to 19 employees. If and when exercised, these additional options would constitute approximately 0.55% of our issued share capital as on date. We continue to identify employees with potential and/or proven ability to de-risk our long-term goals.

- Employee benefits expense capitalised during the year increased by 9.27% to INR 21.09 crores in FY 2025-26 from INR 19.30 crores in FY 2024-25.

Finance costs

Finance costs decreased by 29.09% to INR 8.53 crores in FY 2025-26 from INR 12.03 crores in FY 2024-25. Interest expense on borrowings declined by 36.09% to INR 6.89 crores from INR 10.78 crores. This was mainly due to availability of surplus funds during FY 2025-26.

Depreciation and amortization expense

Parameter	FY 25-26 Amount (INR crores)	FY 24-25 Amount (INR crores)
Depreciation of property, plant and equipment	37.60	24.13
Amortisation of intangible asset	22.76	20.49
Depreciation of right of use assets	8.91	6.12
Sub total	**69.27**	**50.74**
Less : Capitalised during the year	-5.79	-5.41
Total	**63.48**	**45.33**

Depreciation and amortization expense increased by 40.04% to INR 63.48 crores in FY 2025-26 from INR 45.33 crores in FY 2024-25. However, as a percentage of total income, this expense head saw a reduction of 0.87% in FY 2025-26 vs FY 2024-25.

- Depreciation of property, plant and equipment increased to INR 37.60 crores in FY 2025-26 compared to INR 24.13 crores during FY 2024-25 reflecting substantial additions to property, plant and equipment of INR 89.27 crores.
- Depreciation of right-of-use assets increased by 45.59% to INR 8.91crores due mainly to additional leased property for R&D activities.
- Amortization of intangible assets rose by 11.08% to INR 22.76 crores, supported by additions of INR 18.40 crores during FY 2025-26 on account of several new products entering series production.
- Capitalization of depreciation and amortization expenses remained flat during FY 2025-26.

Other expenses

Other expenses increased by 66.74% to INR 109.03 crores in FY 2025-26 from INR 65.39 crores in FY 2024-25. The primary drivers were higher shopfloor labour charges reflecting greater production activity and increased headcount, as well as elevated consumption of stores and spares. Power and fuel expenses also increased by 52.60% to INR 8.79 crores, in line with expanded manufacturing operations. In addition, warranty expenses rose significantly to INR 4.39 crores, largely due to the introduction of new product variants and increased warranty. Our provisions for warranty expenses for new products is higher on account of higher risk of failures as compared to mature products.

Profit before tax

Parameter	FY 25-26 Amount (INR crores)	As a Percentage of Revenue from operation (%)	FY 24-25 Amount (INR crores)	As a Percentage of Revenue from operation (%)	Change (%)
Revenue from operations	1058.38	100.00%	658.36	100.00%	60.76%
Other Income	5.27	0.50%	4.17	0.63%	26.38%
Total expenses	913.46	86.31%	594.83	90.35%	53.57%
Profit before tax	**150.19**	**14.19%**	**67.70**	**10.28%**	**121.85%**

Profit before tax increased significantly by 121.85% to INR 150.19 crores in FY 2025-26 from INR 67.70 crores in FY 2024-25, reflecting a stronger increase in revenue relative to total expenses. While revenue from operations grew by 60.76% between Fiscals 2025 and 2026, total expenses grew by only 53.57%, resulting in a substantial improvement in profitability.

Tax expense

Parameter	FY 25-26 Amount (INR crores)	As a Percentage of Revenue from operation (%)	FY 24-25 Amount (INR crores)	As a Percentage of Revenue from operation (%)
Profit before tax	150.19	100.00%	67.70	100.00%
Current tax	24.66	16.42%	12.90	19.05%
Deferred tax expense/(credit)	21.95	14.61%	7.75	11.45%
Total Tax expense	**46.61**	**31.03%**	**20.65**	**30.50%**

Total tax expense increased to INR 46.61 crores in FY 2025-26 from INR 20.65 crores in FY 2024-25 reflecting higher pre-tax profits and a decrease in the rate of deferred tax asset utilization. The effective tax rate during FY 2025-26 was 31.03% marginally higher than the corresponding figure of 30.50% for FY 2024-25. Further, for Fiscal 2026-27 onwards, we have decided to opt for taxation under the new tax regime with lower expected effective tax rate of approximately 25.2%.

Profit for the year

Parameter	FY 25-26 Amount (₹crores)	As a Percentage of Revenue from operation (%)	FY 24-25 Amount (₹crores)	As a Percentage of Revenue from operation (%)	Change (%)
Revenue from operations	1058.38	100.00%	658.36	100.00%	60.76%
Profit before tax	**103.58**	**9.79%**	**47.05**	**7.15%**	**120.15%**

Profit for the year increased significantly by 120.15% to INR 103.58 crores in FY 2025-26 from INR 47.05 crores in FY 2024-25 reflective of stronger operating performance and operating leverage.

7.2 Liquidity and Capital Resources

We have historically funded our liquidity and capital requirements through funds generated from operations, indebtedness, including term loans and short-term loans from banks, and shareholder equity. Going forward foresee funds generated from operations and indebtedness sufficient for organic growth. We consider our working capital to be sufficient for our present requirements.

Cash Flows

The following table summarizes our statements of cash flows in INR crores for the Fiscals presented:

Parameter	FY 25-26	FY 24-25
Operating profit before working capital changes	226.41	127.87
Changes in Working Capital (Net)	-71.49	-22.94
Income Tax paid (Net)	-26.90	-14.02
Net cash from operating activities (A)	**128.02**	**90.91**
Net cash (used in) / generated from investing activities (B)	-148.28	-104.75
Net cash generated from / (used in financing activities) (C)	17.65	12.86
Net (decrease) / increase in cash and cash equivalents (D=A+B+C)	-2.61	-0.98
Cash and cash equivalents at the beginning of the period/year	2.53	3.51
Effect of exchange rate fluctuations on cash & cash equivalents held	0.31	0.00
Cash and cash equivalents at the end of the period/year	**0.22**	**2.53**

Operating Activities

Operating profit before working capital changes increased significantly to INR 226.41 crores during the FY 2025-26 from INR 127.87 crores in FY 2024-25 representing a 77.06 % growth. Net cash generated from operating activities during FY 2025-26 was INR 128.02 crores, compared to INR 90.91crores in FY 2024-25 representing a 40.82% growth. Net cash from operating activities did not grow as sharply as operating profit before working capital changes on account of significant increase in working capital requirements.

Our working capital requirement increased substantially due to higher trade receivables. Trade receivables increased by INR 90.24 crores in FY 2025-26 compared with FY 2024-25, while inventory increased by INR 55.35 crores during FY 2025-26.

Trade Receivables

Parameter	FY 25-26	FY 24-25
Revenue from Operations	1058.38	658.36
Trade receivable as on 31st March, 2026	133.72	43.95
Average Trade Receivables	88.84	35.50
AR Days	**31**	**20**

Trade Receivables as on 31st March, 2026 were at INR 133.72 crores compared to INR 43.95 crores as on 31st March, 2025 an increase of 204.2%. This increase in trade receivables was due in part to the significant growth in our revenue from operations but significant due to an increase in the Accounts Receivable (AR) Days from 20 in FY 2024-25 to 31 in FY 2025-26.

The increase in AR Days reflects a change in our working capital management. Until about Sep 2025 and throughout FY 2024-25, we utilized the M1xchange Trade Receivables Discounting System (**"TReDS"**) platform, which enabled faster cash realization (typically within 24-48 hours) but resulted in lower receivable balances. Around Sep 2025, we discontinued the use of the TReDS platform as we had outgrown its purpose and transitioned to direct invoicing and collection from customers based on our agreed payment terms with them. This decision was made to transition to direct credit relationships with OEM customers in line with industry practice for companies of our scale. The realized AR Days of 31 for FY 2025-26 remains well within typical OEM payment terms of ranging from 60 to 90 days. For FY 2026-27, since the entire fiscal will not see the use of the TReDs platform unlike FY 2025-26 where half the year or saw the use of the platform, we expect an increase in AR Days.

Trade Payables

Parameter	FY 25-26	FY 24-25
Purchase of raw materials and services	748.35	469.44
Trade Payables	226.34	85.78
Average Trade Payables	156.06	81.26
AP Days	**76**	**63**

The total trade payables as on 31st March, 2026 were INR 226.34 crores compared to INR 85.78 crores as on 31st March, 2025. This increase in trade payables was due in part to the significant growth in our revenue from operations and corresponding increase in purchases of raw materials required to support higher production volumes and also an increase in the Accounts Payable (AP) Days from 63 in FY 2024-25 to 76 in FY 2025-26. We continue to negotiate favourable payment terms while ensuring timely payments to our suppliers. Our payment terms with our suppliers have remained stable for the last few years.

Inventory

Parameter	FY 25-26	FY 24-25
Cost of goods sold	645.81	410.65
Inventory	188.31	135.26
Average Inventory	161.79	126.45
Inventory Days	**91**	**112**

Inventory of raw material at the end of the year increased to INR 150.54 crores in FY 2025-26 from INR 113.79 crores in FY 2024-25 representing an increase of 39.22%. This was in part due to higher procurement to support the steep revenue growth. While the Inventory Days for the year reduced, towards the end of FY 2025-26, we made the decision to increase inventory on account of heightened supply chain disruption risk caused by the US-Iran conflict. The impact of that decision will likely be seen in FY 2026-27.

Current Ratio

Parameter	FY 25-26	FY 24-25	% Change
Current assets	415.54	214.51	93.72%
Current liabilities	300.89	148.37	102.80%
Net current assets	114.65	66.14	73.34%
Current Ratio	**1.38**	**1.45**	**-4.48%**

Our current assets increased by 93.72% over FY 2025-26 to close on 31st March, 2026 at INR 415.54 crores. This increase was primarily due to an increase in trade receivables and inventories. Our current liabilities increased by 102.80% to close at INR 300.89 crores on 31st March, 2026. This increase was primarily due to an increase in trade payables. Our current ratio has deteriorated marginally FY 2025-26 compared to FY 2024-25 but continues to remain comfortable.

Investing activities

Net cash used in investing activities for FY 2025-26 was INR 148.28 crores, we invested INR 89.27 crores in property, plant and equipment and INR 63.74 crores intangible assets during FY 2025-26, primarily to support ongoing operational requirements and to capture future growth opportunities.

Financing activities

Net cash inflow from financing activities for the FY 2025-26 was INR 17.65 crores. A significant part of the inflow of funds for financing activities came from proceeds from the issue of share warrants of INR 22.00 crores and INR 19.00 crores from exercise of ESOPs by our employees during FY 2025-26. It should be noted that we have running credit lines with our lenders and our utilization of those credit lines depends on the difference between net cash from operating activities and net cash from investing activities.

7.3 Financial Indebtedness

Parameter	FY 25-26	FY 24-25
Total Equity (₹crores)	449.2	303.38
Borrowings(₹crores)	50.63	49.62
Lease Liability (₹ crores)	21.81	14.73
Total Debt	72.44	64.35
Debt - Equity Ratio	**0.16**	**0.21**

Our total equity as at March 31, 2026 was INR 449.20 crores while our borrowings as at 31st March, 2026 was INR 50.63 crores and total debt was INR 72.44 crores. As a result, we had a low Debt – Equity Ratio of 0.16 as at 31st March, 2026 and have adequate margin available to obtain additional funding from the banks, if required, for upcoming expansion projects.

Debt Service Coverage Ratio (DSCR)

Parameter	FY 25-26	FY 24-25
Earnings Available for Debt Service	183.51	109.30
Total Debt Service	43.90	77.37
Debt Service Coverage Ratio	**4.18**	**1.41**

Total debt serviced during the FY 2025-26 reduced by INR 33.47 crores to INR 43.90 crores compared to FY 2024-25. This is on account of reduced repayment of long-term and short-term loans from banks. Our earnings available to serve the debt have increased by INR 74.21 crores in FY 2025-26 compared to FY 2024-25. These factors led to a substantial strengthening, over FY 2025-26 of our ability to service debt.

7.4 Key Financial Measures

Earnings Per Share (EPS)

Basic earnings per share	FY 25-26	FY 24-25	Change (%)
Net profit after tax attributable to equity share holders	103.58	47.05	120.15%
Weighted average number of equity shares for the year	43,317,505	43,050,000	0.62%
Basic earnings per equity share INR	**23.91**	**10.93**	**118.79%**
Net Asset Value / Book Value per Equity Share	101.78	71.57	42.22%
EPS % over Net Asset Value / Book Value per Equity Share	**23.49%**	**15.27%**	**53.84%**

EPS increased by 118.80% to INR 23.91 per share during FY 2025-26 compared to INR 10.93 per share during FY 2024-25. Net profit attributable to equity shareholders increased by 120.15% during FY 2025-26 while there was marginal increment in the number of shares. As a result, EPS increased substantially, keeping pace with the growth of profit after tax, attributable to equity shareholders.

EPS % over Net Asset Value / Book Value has gone up to 23.49% during FY 2025-26 compared to 15.27% during FY 2024-25.

Non-GAAP Measures

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance such as EBIT, EBITDA, EBITDA Margin (%),Tangible net worth, Total Debt, Capital Employed, RoCE(%), RoE (%), Debt-Equity Ratio, Net worth, RoNW (%) and Net Asset Value ("NAV") per Equity Share have been included in this Annual Report. We compute and disclose such Non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of the industry in which we operate, many of which provide such Non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed here or elsewhere.

EBITDA

Parameter	FY 25-26 Amount (INR crores)	As a Percentage of Revenue from operation (%)	FY 24-25 Amount (INR crores)	As a Percentage of Revenue from operation (%)	Change (%)
Revenue from operations	1,058.38	100.00%	658.36	100.00%	0.00%
Other Income	5.27	0.50%	4.17	0.63%	-0.14%
Cost of materials consumed	645.81	61.02%	410.65	62.37%	-1.36%
Employee benefits expense	86.61	8.18%	61.43	9.33%	-1.15%
Other expenses	109.03	10.30%	65.39	9.93%	0.37%
EBITDA	**222.20**	20.99%	**125.06**	19.00%	**2.00%**

Reduced cost of material consumed coupled with operational leverage enhanced our EBITDA to 20.99% in FY 2025-26 compared to 19.00% in FY 2024-25.

Tangible Net worth, Total Debt, Capital Employed, and RoCE (%)

The table below provides Tangible Net worth, Total Debt, Capital Employed, and RoCE (%).

Parameter	FY 25-26	FY 24-25
	(in INR crores, except as indicated otherwise)	
Total equity (A)	449.20	303.38
Other intangible assets (B)	66.86	68.94
Intangible assets under development (C)	70.50	49.32
Deferred tax asset (net) (D)	-	13.55
Deferred tax liabilities (net) (E)	8.30	-
Tangible net worth[1] (E= A-B-C-D+E)	**320.14**	**171.57**
Non-current liabilities -Financial liabilities - Borrowings (F)	29.88	25.69
Current liabilities -Financial liabilities - Borrowings (G)	20.75	23.93
Non-current Liabilities - Financial liabilities - Lease liabilities(H)	15.99	8.18
Current liabilities -Financial liabilities - Lease liabilities (I)	5.82	6.55
Total Debt[2] (J=F+G+H+I)	**72.44**	**64.35**
Capital Employed[3] (K=E+J)	**392.58**	**235.92**
Profit for the period/year (L)	103.58	47.05
Finance costs (M)	8.53	12.03
Total tax expense (N)	46.61	20.65
EBIT (O=L+M+N)	**158.72**	**79.73**
RoCE (%) (O/K) [4]	**40.43%**	**33.80%**

Notes:

[1] Tangible Net Worth is calculated as Total equity minus Other intangible assets, Intangible assets under development, Deferred tax assets (net) plus Deferred tax liabilities (net).
[2] Total Debt is calculated as Non-current liabilities - Financial liabilities - Borrowings, Non-current liabilities - Financial liabilities - Lease liabilities, Current liabilities - Financial liabilities - Borrowings, Current liabilities - Financial liabilities - Lease liabilities.
[3] Capital employed is calculated as Tangible Net Worth plus Total Debt.
[4] RoCE (%) is calculated as EBIT divided by Capital Employed.

EBIT increased to INR 158.72 crores during FY 2025-26, almost double of the figure of INR 79.73 crores for FY 2024-25. Capital employed during FY 2025-26 was INR 392.58 crores, increasing 66.40%, compared to INR 235.92 crores during FY 2024-25. However, since the growth in EBIT was 99.07% during FY 2025-26, RoCE saw significant expansion to 40.43% in FY 2025-26 from 33.80% in FY 2024-25.

RoE (%)

The table below provides a reconciliation of RoE (%).

Parameter	FY 25-26 (in INR crores, except as indicated otherwise)	FY 24-25
Total equity (A)	449.20	303.38
Total equity as on opening of first day of financial year (B)	303.38	124.12
Average Equity (C) ([A+B]/2)	**376.29**	**213.75**
Profit for the year (D)	103.58	47.05
RoE (%) (D/C)[1]	**27.53%**	**22.01%**

Notes:

[1] RoE (%) calculated as profit for the period/year divided by average Total equity. Average Total equity is average of closing Total equity as on closing day of financial period/year and opening equity of opening day of financial year.

Profit for the year increased by 120.15% to INR 103.58 crores during FY 2025-26 compared to INR 47.05 crores during FY 2024-25. Driven by this profit growth, RoE% increased to 27.53% during FY 2025-26 compared to 22.01% during FY 2024-25.

Total Debt and Debt – Equity Ratio

The table below provides a reconciliation of Total Debt and Debt – Equity Ratio.

Parameter	FY 25-26 (in INR crores, except as indicated otherwise)	FY 24-25
Total equity (A)	449.20	303.38
Non-current liabilities-Financial liabilities - Borrowings (B)	29.88	25.69
Current liabilities- Financial liabilities - Borrowings (C)	20.75	23.93
Non-current Liabilities - Financial liabilities - Lease liabilities(D)	15.99	8.18
Current liabilities -Financial liabilities - Lease liabilities (E)	5.82	6.55
Total Debt[1] (F=B+C+D+E)	**72.44**	**64.35**
Debt - Equity Ratio[2](F/A)	**0.16**	**0.21**

Notes:

[1] Total Debt is calculated as Non-current liabilities - Financial liabilities - Borrowings, Non-current liabilities - Financial liabilities - Lease liabilities, Current liabilities - Financial liabilities - Borrowings, Current liabilities - Financial liabilities - Lease liabilities.
[2] Debt – Equity ratio is calculated as Total Debt divided by Total equity.

Total equity as at 31st March, 2026 was INR 449.20 crores while borrowings as at 31st March, 2026 was INR 50.63 crores and total debt was INR 72.44 crores . As a result, we had a low Debt – Equity Ratio of 0.16 as at 31st March, 2026 and have adequate margin available to obtain additional funding from the banks, if required, for upcoming expansion projects.

Net worth and RoNW(%)

The table below provides a reconciliation of Net Worth and RoNW (%).

Parameter	FY 25-26 (in INR crores, except as indicated otherwise)	FY 24-25
Equity share capital (A)	44.16	0.03
Reserves and surplus (B)	405.04	303.35
Other comprehensive expense for the period/year (C)	(0.29)	(0.50)
Net Worth (D=A+B-C)[1]	**449.49**	**303.88**
Profit for the period/year (E)	**103.58**	**47.05**
RoNW (%) (E/D) [2]	**23.04%**	**15.48%**

Notes:

[1] Net Worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the financial statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, net worth has been computed as a sum of equity share capital, equity component of compulsorily convertible preference shares, reserves and surplus as of the last day of relevant year minus other comprehensive expense for the year.
[2] RoNW(%) is calculated as profit for the year divided by Net Worth.

Profit for the year increased by 120.15% to INR 103.58 crores during FY 2025-26 compared to INR 47.05 crores during FY 2024-25. Our networth grew by 47.92% to reach INR 449.49 crores in FY 2025-26 compared to INR 303.88 crores in FY 2024-25. This rapid profit growth led to our RoNW% growing to 23.04% during FY 2025-26 compared to 15.48% during FY 2024-25.

Net Asset Value per Equity Share

Parameter	FY 25-26 (in INR crores, except as indicated otherwise)	FY 24-25
Equity share capital (A)	44.16	0.03
Reserves and surplus (B)	405.04	303.35
Other comprehensive expense for the period/year (net of tax(C)	(0.29)	(0.50)
Net Worth (D = A+B-C)[1]	**449.49**	**303.88**
Number of equity shares outstanding as at the end of year (E)*	44,161,500	42,460,500
Net Asset Value per Equity Share[2] (D/E) INR	**101.78**	**71.57**

Notes:

** Adjusted for the 1499:1 bonus issue in September 2025.*

(1) Net Worth has been defined as the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the financial statement of assets and liabilities, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Further, net worth has been computed as a sum of equity share capital, reserves and surplus as of the last day of relevant year minus other comprehensive expense for the year.

(2) Net Asset Value per Equity Share is calculated as Net Worth divided by total of number of equity shares outstanding as at the end of year. Denominator is adjusted for bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Our networth increased by 47.92% to INR 449.49 crores as at 31st March, 2026 compared to INR 303.88 crores at 31st March, 2025. While the number of equity shares as at 31st March, 2026 increased by 1,701,000 to 44,161,500 as on 31st March, 2026. As a result, the Net Asset Value per Equity Share increased to INR 101.78 as at 31st March, 2026 compared to INR 71.57 as at 31st March, 2025.

Board's Report

To
The Members of
SEDEMAC Mechatronics Limited
(Formerly SEDEMAC Mechatronics Private Limited)

Your Directors have immense pleasure in presenting the 19th Annual Report of your Company on the business and operations of SEDEMAC Mechatronics Limited (the "Company"), together with the audited financial statements for the financial year ended 31st March, 2026.

1. Financial and Operational Highlights

(INR in Crores)

Particulars	FY 25-26	FY 24-25
Revenue from operations	1,058.38	658.36
Other income	5.27	4.17
Total income	**1,063.65**	**662.53**
Cost of material consumed	645.81	410.65
Employee benefits expense	86.61	61.43
Other expenses	109.03	65.39
Finance costs	8.53	12.03
Depreciation and amortization expense	63.48	45.33
Total expenses	**913.46**	**594.83**
Profit before tax	**150.19**	**67.70**
Less Total Tax expenses	46.61	20.65
Profit for the year	**103.58**	**47.05**
Other comprehensive income for the year	(0.29)	(0.50)
Total comprehensive income for the year	**103.29**	**46.55**
Earnings per share (Basic)	23.91	10.93
Earnings per share (Diluted)	23.52	10.82

2. Dividend

Considering the necessity of conserving resources for the future growth and expansion of the Company, the Board of Directors do not recommend payment of dividend on the Equity Shares of the Company for the financial year ended 31st March 2026.

3. Transfer of unclaimed dividend to Investor Education and Protection Fund

The Company has not declared any dividend in the past and hence there is no unclaimed amount required to be transferred to the investor education and protection fund.

4. State of Company's Affairs

During the financial year under review, your Company continued its growth trajectory and delivered a strong operational performance. The Company sold 3,901,075 Control-Intensive ECUs during the year as against 2,438,518 Control-Intensive ECUs in the previous financial year, registering a robust year-on-year growth of 60%.

The significant increase in sales volumes reflects the Company's strong market position, sustained customer demand, and continued focus on innovation and operational excellence. The performance underscores the Company's ability to capitalize on growth opportunities while strengthening its presence across key market segments.

The financial year under review marked a significant milestone in the history of your Company with the successful completion of its Initial Public Offering ("IPO"). The IPO comprised an Offer for Sale of 8,043,300 Equity Shares of Face Value INR 10 each by certain existing shareholders, aggregating to INR 1,087.35 Crores.

Your Company's equity shares were successfully listed on the National Stock Exchange of India Limited and BSE Limited on 11th March, 2026. The listing represents an important step in the Company's growth journey, enhancing its visibility, corporate governance framework, and access to capital markets while creating long-term value for all stakeholders.

5. Share Capital

A. Authorised Share Capital

The Company at its Extraordinary General Meeting held on 29th May, 2025 vide ordinary resolution increased the authorised share capital of the Company from INR 2,000,000 (Rupees Twenty Lacs Only) to INR 500,000,000 (Rupees Fifty Crores Only) divided into 50,000,000 Equity Shares of INR 10 each.

B. Issued, Subscribed and Paid-Up Share Capital

As on 31st March, 2026, the issued, subscribed and paid-up share capital of your Company stood at INR 441,615,000 divided into 44,161,500 Equity Shares of face value of INR 10 each.

Details of issuance of Equity Shares by the Company during the financial year under review are given hereunder:

i. The Company allotted 220 (Two Hundred and Twenty) convertible warrants on a preferential basis convertible at the option of the respective Warrant Holders, in one or more tranches, into a total number of 220 (Two Hundred and Twenty) equity shares of the Company bearing face value of INR 10 each ("Equity Shares"), with each Warrant convertible into one Equity Share, for cash consideration.

ii. The Company allotted 220 Equity Shares upon conversion of warrants.
iii. On September 22, 2025, the Company allotted 43,569,934 (Four Crores Thirty Five Lakhs Sixty Nine Thousand Nine Hundred and Thirty Four) Bonus Equity Shares of INR 10 each to equity shareholders in the ratio of 1499:1 i.e. 1499 bonus Equity Shares for every 1 Equity Share held.
iv. The Company allotted 1,371,000 (Thirteen Lakhs Seventy One Thousand) Equity Shares of INR 10 each on exercise of stock options (ESOPs) pursuant to the Companies (Share Capital and Debentures) Rules, 2014

During the financial year under review, the Company has neither issued Equity Shares with differential voting rights nor issued sweat equity shares in terms of the Companies Act, 2013

6. Subsidiaries, Joint Ventures & Associate Companies

The Company does not have any subsidiaries, joint ventures, or associate companies. Hence, a separate section on the performance and financial position under the provisions of Section 129(3) of the Companies Act, 2013, is not applicable to the Company.

The Company's Policy for determining Material Subsidiaries is available on the website at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

7. Management Discussion and Analysis

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report for the Financial Year 2025-26, pursuant to the provisions of Regulation 34(2)(e) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), forming an integral part of this Annual Report.

8. Corporate Governance

Your Company is committed to maintaining high standards of corporate governance and ethical conduct. The Board of Directors, supported by its Committees, provides effective strategic oversight and supervision to the management, internal control systems, risk management and legal compliances across the Company.

The report on the Corporate Governance as stipulated in Regulation 34 of the Listing Regulations along with a Certificate from the Chartered Accountant regarding compliance with the conditions of Corporate Governance as stipulated under Schedule V of the Listing Regulations forms integral part of this Board Report.

The Certificate on Corporate Governance of the Company obtained from M/s. B S R & Co. LLP, Chartered Accountants, as required under the Listing Regulations, is annexed with the Corporate Governance Report.

9. Directors and Key Managerial Personnel

i. Board Diversity

The Company believes that diversity on the Board is essential for effective functioning, sound decision making and strong corporate governance. An appropriately diverse Board brings together varied perspectives, experience and expertise, which enhances the quality of discussions and strategic oversight. In determining the composition of the Board, due consideration is given to a range of factors including professional background, skills, experience, independence and gender, while ensuring an effective balance between executive and non-executive directors. The Company remains committed to maintaining a Board composition that reflects diversity of thought and supports the long-term interests of the Company and its stakeholders.

The Policy to promote diversity on the Board of Directors (Board Diversity Policy) is adopted by the Board, in compliance with Regulation 19(4) read with Part D of the Schedule II of the Listing Regulations.

The Board Diversity Policy is available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

ii. Board of Directors

As on 31st March, 2026, the Board comprised 6 (Six) Directors, including 3 (three) Executive Directors, 2 (two) Non-Executive Independent Directors and 1 (one) Non-Executive Director. The brief profile of each director is available on the website of the Company at https://www.sedemac.com/investors/board-of-directors-management-team

The Board is of the opinion that the Independent Directors of the Company (including those appointed/re-appointed during the year) possess requisite qualifications, experience, expertise, proficiency and hold highest standards of integrity. In terms of the requirements under the Listing Regulations, the Board has identified key skills, expertise and core competencies required for appointment of director on the Board, including Independent Directors, details of which are provided as part of the Corporate Governance Report forming part of this Report.

The Composition of the Board of Directors as on 31st March, 2026 is detailed below:

No.	Name of Director	DIN	Designation
1.	Mr. Shashikanth Suryanarayanan	01269904	Managing Director
2.	Mr. Amit Arun Dixit	01288169	Joint Managing Director
3.	Mr. Manish Sharma	01310490	Whole-Time Director & Chief Operating Officer
4.	Mr. Namakal Srinivasan Parthasarathy	00146954	Non-Executive Independent Director
5.	Ms. Poyni Bhatt	09052397	Non-Executive Independent Director
6.	Mr. Udo Edgar Wolz	11142797	Non-Executive Director

Below were the changes in the Board of Directors during the financial year 2025-26

- Mr. Manish Sharma (DIN: 01310490) was appointed as Additional Director and further appointed as Whole-Time Director for a period of 3 (Three) years with effect from 14th May, 2025.
- The Members of your Company, in the Extra-Ordinary General Meeting held on 29th May, 2025, re-designated Mr. Shashikanth Suryanarayanan (DIN: 01269904) as Managing Director, subject to approval of the central government. Central Government has approved his appointment as Managing Director vide its approval letter dated 28th August, 2025.
- The Members of your Company, in the Extra-Ordinary General Meeting held on 29th May, 2025, re-designated Mr. Amit Dixit (DIN: 01288169) as Joint Managing Director, appointed Mr. Manish Sharma (DIN: 01310490) as Whole Time Director.
- The Members of your Company, in the Extra-Ordinary General Meeting held on 29th May, 2025, appointed Mr. Namakal Srinivasan Parthasarathy (DIN: 00146954) and Ms. Poyni Bhatt (DIN: 09052397) as Independent Directors of the Company.
- The Members of your Company, in the Extra-Ordinary General Meeting held on 23rd June, 2025, appointed Mr. Udo Edgar Wolz (DIN: 11142797) as a Non-Executive Director of the Company with effect from 1st July, 2025.
- Mr. Bhavya Kapoor (DIN: 06686157) resigned as Director with effect from 17th October, 2025.
- Mr. Abhay Pandey (DIN: 01650845) resigned as Director with effect from 17th October, 2025.
- Ms. Poyni Bhatt, Non-Executive Independent Director, was appointed as Chairperson of the Company with effect from 1st November, 2025.

iii. Key Managerial Personnel (KMPs)

In accordance with the provisions of Sections 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the following are the Key Managerial Personnel of the Company:

No.	Name	Designation
1.	Mr. Shashikanth Suryanarayanan	Managing Director
2.	Mr. Amit Arun Dixit	Joint Managing Director
3.	Mr. Manish Sharma	Whole-Time Director & Chief Operating Officer
4.	Mr. Rajesh Madhukar Sheth	Chief Financial Officer
5.	Mr. Prasad Rajendra Chavan	Company Secretary & Compliance Officer

Below were the changes in the Key Managerial Personnel during the financial year 2025-26

- Mr. Manish Sharma (DIN: 01310490) was appointed as Whole-Time Director for a period of 3 (Three) years with effect from 14th May, 2025.
- Mr. Rajesh Sheth was appointed as Chief Financial Officer of the Company with effect from 14th May, 2025
- Mr. Prasad Chavan was appointed as Company Secretary and Compliance Officer of the Company with effect from 14th May, 2025.

iv. Retirement by rotation and subsequent re-appointment

Mr. Manish Sharma (DIN: 01310490), Whole-Time Director of the Company liable to retire by rotation at the ensuing AGM and, being eligible, has offered his candidature for re-appointment.

As per the provisions of the Act, the Independent Directors are not liable to retire by rotation.

10. Independent Directors

i. The Company has received declarations from each of the Independent Directors that he/she meets the criteria of independence as laid out in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

ii. The Board of Directors is of the opinion that all the Independent Directors meet the criteria regarding integrity, expertise, experience and proficiency.

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

In the opinion of the Board, there has been no change in the circumstances affecting their status as Independent Directors of the Company and the Independent Directors are persons of high repute, integrity and possess relevant expertise and experience in the respective fields. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended, the Independent Directors of the Company have registered their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

iv. During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company. Further, Independent Directors had no pecuniary relationship or transactions with the Company, other than sitting fees. Further, they are entitled to receive commission/remuneration as per the provisions of Section II of Part II of Schedule V of the Act for the FY 2025-26. During the year under review, the Company also paid remuneration to its Non-Executive Director in accordance with the applicable provisions of the Companies Act, 2013.

11. Remuneration of Directors, Key Managerial Personnel and Senior Management

The remuneration paid to the Directors, Key Managerial Personnel and Senior Management is in accordance with the Nomination and Remuneration Policy of the Company formulated in accordance with Section 178 of the Act and Regulation 19 read with Schedule II of the Listing Regulations. Details of the same are given in the Corporate Governance Report, which forms part of this Board Report.

The Nomination and Remuneration Policy of the Company is available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

12. Disclosure under Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel ("KMP") to the median of employees' remuneration, as required to be disclosed under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure – A** which is forming part of this Board Report.

The statement containing particulars of employees, as required under Section 197 of the Act, read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. However, the Integrated Annual Report is being sent to the shareholders and others entitled thereto, excluding the said annexure, which is available for inspection by the shareholders at the Registered Office of your Company during business hours on working days of your Company. If any shareholder is interested in obtaining a copy thereof, such shareholder may write to the Company Secretary & Compliance Officer of the Company at cs@sedemac.com.

13. Board and Committee Performance Evaluation

The NRC laid down the criteria for evaluating the performance of every Director, Committees of the Board and the Board as a whole.

i. Board's Performance Evaluation

The evaluation of individual Directors was based on criteria such as personal attributes, participation and preparedness, availability, ethics, integrity, governance, understanding of business, corporate governance, value addition etc. Further, the evaluation of Executive Directors included additional criteria like achievement of targets set by Board and execution of plan, information sharing, leadership skills, relationship with other Board members and all the stakeholders.

ii. Committee Performance:

The performance of various Board committees established for specific purposes was assessed.

14. Familiarisation Programme for Independent Directors

The Company has designed a familiarisation programme for its Independent Directors, which is conducted at the time of the appointment of an Independent Director on the Board as well as during the year. The programme aims to provide insights about the Company to enable the Independent Directors to understand its business in depth and to assist them in performing their role as Independent Director of the Company.

The familiarisation programme, inter alia, includes briefing on:

a. Business overview
b. Plant and R&D unit visits
c. Corporate presentation explaining the business and business model of the Company.
d. Products and technology overview.
e. Matters relating to governance.
f. Financial status and accounting practices overview

Through one-to-one interaction with the management, the new independent directors are acquainted with the Company's business, industry, and key policies followed by site visits to Company facilities.

Independent directors receive regular updates on the company's performance, strategic initiatives, and industry trends. Further, participation in board and committees' meetings allow independent directors to engage with the company's operations and contribute to strategic discussions including update on performance, financial update, operational update, technology update, business development update.

The details of the training and familiarisation program are also available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/disclosures

15. Disclosure on Company's Policy on Directors' Appointment and Remuneration as per Section 178 of the Act

The Nomination and Remuneration Policy (NRC Policy) of the Company has been adopted by the Board. The NRC Policy sets out detailed procedure of appointment along with the criteria to pay equitable remuneration to the Directors, KMPs and other employees of the Company.

This Policy is available on the website of the Company at
https://www.sedemac.com/investors/corporate-governance/codes-and-policies

16. Disclosure on Employee Stock Option Plan (ESOP)

The Company has adopted and implemented two ESOP policies.

- SEDEMAC Employee Stock Option Plan 2014
- SEDEMAC Mechatronics Employee Stock Option Scheme - 2025

16.1 SEDEMAC Employee Stock Option Plan 2014

This policy was adopted by the Board of Directors ("Board") at its meeting held on March 06, 2014 and approved by the members by passing the special resolution at its extraordinary general meeting held on 25th March, 2014.

This policy was subsequently amended from time to time and finally, to align with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB & SE Regulations"), it was amended during FY 2025-26.

Grant of Options under the SEDEMAC Employee Stock Option Plan 2014

During the financial year under review, there were no stock options granted.

Allotment pursuant to exercise of Vested Options under SEDEMAC Employee Stock Option Plan 2014

During the financial year under review, your Company has allotted 1,371,000 (Thirteen Lakhs Seventy One Thousand only) equity shares of the Company having face value of INR 10 (Indian rupees ten only) each fully paid up to the eligible employee of the Company upon exercise of vested options, as granted to them from time to time.

16.2 SEDEMAC Mechatronics Employee Stock Option Scheme - 2025

This policy was adopted by the Board of Directors ("Board") at its meeting held on 21st May, 2025 which was duly approved by the Members vide their special resolution dated 29th May, 2025 and further amended on 10th September, 2025 prior to Company's initial public offer ("IPO").

Grant of Options under the SEDEMAC Mechatronics Employee Stock Option Scheme - 2025

During the financial year under review, the Board of Directors of the Company, granted 244,500 (Two Lakhs Forty Four Thousand Five Hundred only) Stock Options to the Eligible Employees of the Company on 3rd October, 2025 under this scheme.

Disclosures as required under Rule 12 of Companies (Share Capital and Debentures) Rules, 2014, Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, read with SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated 16th June, 2015 is available on the website of the Company at
www.sedemac.com/investor/ESOP-disclosure-FY26.pdf

The certificate from the Secretarial Auditors that the ESOP has been implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the resolutions passed by the shareholders shall be available at the Annual General Meeting for inspection by the members.

17. Particulars of loans, guarantees or investments made under Section 186 of the Act.

During the year under review, your Company has not given any loans or guarantee and not made any investment pursuant to Section 186 of the Act and Schedule V of the Listing Regulations. Accordingly, the disclosures required under Section 134(3)(g) of the Companies Act, 2013 are not applicable.

18. Dividend Distribution Policy

The Company has formulated and published a Dividend Distribution Policy, which provides for the parameters to be considered for declaring/ recommending dividend, circumstances under which the shareholders may, or may not expect dividend. The policy is available on the website of the Company at
https://www.sedemac.com/investors/corporate-governance/codes-and-policies

19. Succession Planning

The Company has implemented a well-structured succession planning for the Board members, Key Managerial Personnel, Senior Management and key employees of the Company.

The Succession Policy of the Company, as approved by the Board of Directors of the Company, is available on the website of the Company at
https://www.sedemac.com/investors/corporate-governance/codes-and-policies

20. Material Changes and Commitment Affecting the Financial Position of the Company that occurred between the End of the Financial Year to which these Financial Statements relate and the Date of the Report

There were no material changes and commitments affecting the financial position of the Company that has occurred since the end of the financial year till the date of this report.

21. Related Party Transactions

There were no transactions entered into by the Company during the financial year under review with related parties except remuneration to the Directors and KMPs. The details are provided in Note No. 42 to the financial statements of the Company.

During the financial year under review, there were no transactions for which consent of the Board was required to be taken in terms of Section 188(1) of the Act and accordingly, no disclosure is required in respect of the related party transactions in Form AOC-2 under Section 134(3)(h) of the Act and rules framed thereunder.

The Company has a comprehensive policy in place on Related Party Transactions, formulated and adopted by the Company in accordance with the applicable laws, which is available at
https://www.sedemac.com/investors/corporate-governance/codes-and-policies

22. Number of Meetings of the Board

During the year under review, 14 (Fourteen) meetings of the Board of Directors were held. The details of the meetings of the Board of Directors held and attended by the Board of Directors during the Financial Year 2025-26 has been provided in the Corporate Governance Report.

23. Auditors and Audit Report

i. Statutory Auditors and Audit Report

Pursuant to the provisions of section 139 of the Companies Act, 2013, M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) were appointed as Statutory Auditors of the Company for a period of 5 (five) consecutive years to hold office from the conclusion of 18th Annual General Meeting till the conclusion of 23rd Annual General Meeting of the Company.

The Statutory Auditor's Report on Financial Statement for Financial Year 2025-26, does not contain any qualification, reservation, adverse remarks or observation and the same forms part of this Annual Report.

ii. Secretarial Auditors & Secretarial Audit Report

Pursuant to the provisions of Regulation 24A of the Listing Regulations and Section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, at its meeting held on 18th May, 2026, based on the recommendation of the Audit Committee, has recommended to the shareholders the appointment of M/s. Nilesh Shah & Associates, Practising Company Secretaries (Firm registration number: P2003MH008800), a Peer Reviewed Firm (Review No. 7810/2026), as the Secretarial Auditors of the Company for a first term of 5 (five) consecutive financial years from Financial Year 2026-27 to Financial Year 2030-31.

The Secretarial Auditors' Report issued by M/s. Nilesh Shah & Associates in Form MR-3 for the Financial Year 2025-26 does not contain any qualification, reservation or adverse remark and is annexed to this Board Report as **Annexure - B**

iii. Annual Secretarial Compliance Report

As per Regulation 24A(2) of the Listing Regulations, the Secretarial Auditors of the Company has provided the report on the applicable compliances of the Company for the Financial Year 2025-26. The Annual Secretarial Compliance Report obtained from the Secretarial Auditor of the Company has been submitted to the Stock Exchanges and is available on the website of the Company at https://www.sedemac.com/investors/announcements

iv. Cost Auditor & Cost records

As per the Section 148 of the Act and Cost (Records and Audit) Rules 2014, the Company is required to maintain cost audit records and undertake the cost audit. Therefore, the Board of Directors of the Company, based on the recommendation of the Audit Committee at its meeting held on 25th August, 2025 appointed M/s. A. J. Paranjape & Co, Cost Accountants (Firm Registration No. 100480), as the Cost Auditors of the Company for the Financial Year 2025-26 and the shareholders of the Company ratified the fees of the Cost Auditor in 18th Annual General Meeting of the Company held on 3rd September, 2025.

During the Financial Year, the Cost Auditors of the Company provided the Cost Audit report for the Financial Year 2024-25 in Form CRA-3 and the Company has filed the Cost Audit Report with the Ministry of Corporate Affairs in Form CRA-4 within the prescribed time.

The Cost Audit Report for the Financial Year 2024-25 does not contain any qualification, reservation or adverse remark.

Further, based on the recommendation of the Audit Committee at its meeting held on 15th May, 2026 and the Board of Directors at its meeting held on 18th May, 2026 appointed M/s. A. J. Paranjape & Co, Cost Accountants (Firm Registration No. 100480) as the Cost Auditors of the Company for the Financial Year 2026–27 under Section 148 of the Companies Act, 2013. M/s. A. J. Paranjape & Co, Cost Accountants (Firm Registration No. 100480), being eligible, have consented to act as the Cost Auditors of the Company.

The remuneration proposed to be paid to the Cost Auditors for the Financial Year 2026-27, is subject to ratification by the Members at the ensuing 19th Annual General Meeting.

v. Internal Auditors

The Board of Directors, in their meeting held on 18th May, 2026, has appointed M/s. Manubhai & Shah LLP., Chartered Accountants (Firm Registration No. 106041W/W100136), as Internal Auditors of the Company for the Financial Year 2026-27.

24. Internal Financial Controls and Internal Audit

The Company has an adequate system of internal controls commensurate with its size and scale of operations, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

The Company had appointed M/s. Doshi R C & Co, Chartered Accountants as Internal Auditors of the Company for the financial year 2025-26.

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 Audit Committee is periodically apprised of the internal audit findings and corrective actions are taken accordingly. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee.

25. Reporting of Fraud

During the financial year under review, none of auditors have identified and reported any instances of fraud committed in the Company by its officers or employees as specified under the provisions of Section 143 (12) of the Act.

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

The information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is provided in the **Annexure - C** forming part of this Board Report.

27. Corporate Social Responsibility

Your Company remains deeply committed to conducting its business in a socially responsible, sustainable and ethical manner. The CSR activities of the Company are guided by its CSR Policy, approved by the Board, which lays down the governance framework, focus areas, implementation mechanism and monitoring process in accordance with the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Overview of CSR implementation is provided by the CSR Committee of the Board, which periodically reviews progress of ongoing projects and ensures that CSR philosophy is integrated with the Company's core values.

CSR projects are implemented through eligible implementing agencies, with due diligence and monitoring mechanisms in place to ensure transparency, accountability and effective utilisation of funds.

The Company affirms that the CSR activities undertaken during the year were in compliance with the CSR Policy and applicable statutory requirements. Detailed disclosures regarding CSR Committee composition, prescribed and actual expenditure, ongoing projects and other particulars as required under the Act and Rules are provided in **Annexure - D** to this Report

The detailed terms of reference of the CSR Committee, attendance at its meetings and other details have been provided in the Corporate Governance Report.

The Company has a CSR policy under Section 135 of the Act. The CSR Policy of the Company is available on its website at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

28. Risk Management Policy

Pursuant to Section 134(3)(n) of the Act and Regulation 17(9) of Listing Regulations, the Company has formulated and adopted a Risk Management policy with an objective of identification and categorisation of potential risks, its assessment and mitigation and to monitor these risks.

The Board has entrusted the Risk Management Committee (RMC) with overseeing the processes of identification, evaluation, management and mitigation of risks. The RMC inter alia, periodically reviews the organisational risks that are spread across operational, financial, technological and environmental spheres and provides guidance to the management team.

The Risk management policy is available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

The company conducted Risk Assessment Survey during the period from 1st May, 2026 to 8th May, 2026, covering an identified set of key business risks. Invitations were extended to select buy-side institutional investors and sell-side analysts, including Domestic Institutional Investors (DIIs), Foreign Institutional Investors (FIIs) and significant pre-IPO investors of the Company. The survey was conducted primarily in anonymous mode to encourage independent and candid feedback.

The results of the survey were submitted to the stock exchanges. The said survey is available on the website of the Company at https://www.sedemac.com/investors/announcements

29. Whistle Blower/Vigil Mechanism

The Company has a Vigil Mechanism in place through its Whistle Blower Policy, enabling directors, employees and other stakeholders, who partner with us in our organisational objectives, to report genuine concerns relating to unethical behaviour, misconduct, actual or suspected fraud, or violation of the Company's Code of Conduct and policies. The Vigil Mechanism provides for a secure and confidential reporting framework and adequate safeguards against victimisation of individuals who avail the mechanism in good faith.

The Audit Committee oversees the implementation and effectiveness of the Vigil Mechanism and reviews complaints received, if any, and appropriate actions taken thereon. The Whistle Blower Policy is available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

The Company continues to uphold high standards of ethics, integrity and transparency through effective implementation of the Vigil Mechanism. A quarterly report on the whistle-blower complaints, as received, is placed before the Audit Committee for its review.

30. Annual Return

In accordance with the provisions of Section 92(3) read with Section 134(3)(a) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company, for the Financial Year 2025-26, in the Form MGT-7 will be available at https://www.sedemac.com/investors/financial-performance

31. Committees of Directors

The details of the powers, functions, composition, meetings and attendance of all the Committees of the Board held during the year under report are given in the Report on Corporate Governance.

32. Details of significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

During the financial year under review, no significant and material order was passed by any regulator or court or tribunal, which may impact the 'going concern' status and Company's operations in future.

33. Policy on Prevention of Sexual Harassment of Workmen at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

The Company is committed to provide a safe, inclusive and respectful work environment for all its employees, associates, contract workers, probationers, temporary employees, trainees, apprentices of the Company and any person visiting the Company at its office.

As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act'), the Company has formulated a comprehensive gender-neutral Policy for Prevention of Sexual Harassment at Workplace ('POSH Policy').

Internal Committees ("IC") have been constituted to redress complaints of sexual harassment, at all the locations of the Company. The Company has complied with the provisions relating to the constitution of IC under the Act. More than half of the total members of the IC are women. The external members with requisite experience in handling such matters are also part of the IC. The IC is presided over by a senior woman employee in each case. Inquiries are conducted and recommendations are made by the IC at the respective locations. All complaints are handled with due sensitivity, confidentiality, and within prescribed timelines.

During the year under reporting, the Company complied with all provisions of the said Act. Following is the summary of complaints received and disposed of during the year:

Number of complaints received:	01
Number of complaints disposed:	01
Number of complaints withdrawn:	Nil
Number of complaints pending:	Nil

34. Compliance with Secretarial Standards

During the year, the Company have complied with all the applicable provisions of mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

35. General Disclosures

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to:

a. Pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016;
b. Any instance of one-time settlement with any bank or financial institution;
c. Change in the nature of business of the Company; and
d. Acceptance of deposits within the meaning of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

36. Compliance with Maternity Benefit Act, 1961

During the financial year under review, the Company has ensured compliance with the provisions of the Maternity Benefit Act 1961.

37. Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 (the Act, 2013) with respect to Directors' Responsibility Statement, it is hereby stated:

a. that in the preparation of annual accounts for the financial year ended 31st March 2026, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;

b. that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent to give a true and fair view of the situation of the Company at the end of the financial year and of the profit of the Company for the year under review;

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

d. that the Directors had prepared the annual accounts for the financial year ended 31st March 2026 on a "going concern basis";

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

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

38. Acknowledgement

The Directors thank all the customers, vendors, bankers, Central and State Governments and investing institutions, for their valuable support.

The Directors wish to place on record their appreciation of the very good work done by all the employees of the Company during the year under review.

The Board welcomes its new members who have come on board pursuant to the initial public issue of the Company. The Directors also thank the investors for their continued faith in the Company.

For and on behalf of the Board of Directors
For SEDEMAC Mechatronics Limited
(Formerly known as SEDEMAC Mechatronics Private Limited)

Shashikanth Suryanarayanan	**Amit Arun Dixit**
Managing Director	**Joint Managing Director**
DIN: 01269904	**DIN: 01288169**
Date: 12th August, 2026	**Date:12th August, 2026**
Place: Tiruvannamalai	**Place: Pune**

Annexure A: Remuneration Details

[Pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)]

1. **Remuneration details of Directors and KMP**

Name of the Directors/KMP (M/s)	Designation	Ratio to Median Remuneration	% increase / (decrease) in remuneration
Shashikanth Suryanarayanan	Managing Director	85.90	53%
Amit Arun Dixit	Joint Managing Director	64.42	105%
Manish Sharma*	Whole-Time Director	33.90	23%
Poyni Bhatt (Chairperson)	Independent Director	3.49	Nil
Namakal S Parthasarathy	Independent Director	3.49	Nil
Udo Wolz$	Non-Executive Director	8.49	Nil
Rajesh Madhukar Sheth#	Chief Financial Officer	16.03	52%
Prasad Rajendra Chavan^	Company Secretary & Compliance Officer	2.49	74%

* Appointed as a Whole-Time Director w.e.f. 14th May, 2025.
$ Appointed as a Non-Executive Director w.e.f. 1st July, 2025
# Appointed as a Chief Financial Officer w.e.f. 14th May, 2025.
^ Appointed as a Company Secretary & Compliance Officer w.e.f. 14th May, 2025.

Notes:

i. *Gratuity and compensated absences have been excluded from the computation of managerial remuneration; however, the Company's contribution towards provident fund has been included as part of managerial remuneration.*
ii. *The remuneration excludes perquisites relating to the stock options exercised during the FY 2025-26.*
iii. *No sitting fees payable to Non-Executive Director for attending Board/Committee meetings.*
iv. *Sitting fees paid to the Independent Directors have been excluded from the computation of remuneration. The Independent Directors are entitled to receive commission/remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013, and other applicable provisions of the Act.*

2. **The percentage increase in the median remuneration of employees in the financial year 2025-26:** 8.96%

3. **The number of permanent employees on the rolls of Company as on 31st March, 2026:** 493

4. **Average percentiles increase already made in the salaries of employees other than the managerial personnel in the financial year 2025-26:** 12.90%

5. **Average percentile increase in the managerial remuneration in the financial year 2025-26:** 59%

6. **The key parameters for any variable component of remuneration availed by the Directors:** Linked to a metric close to EBITDA and/or PBT.

7. **The Company affirms that the remuneration is as per the Nomination and Remuneration policy adopted by the Company.**

For and on behalf of the Board of Directors
For SEDEMAC Mechatronics Limited
(Formerly known as SEDEMAC Mechatronics Private Limited)

Shashikanth Suryanarayanan **Managing Director** **DIN: 01269904**	**Amit Arun Dixit** **Joint Managing Director** **DIN: 01288169**
Date:12th August, 2026 **Place: Tiruvannamalai**	**Date: 12th August, 2026** **Place: Pune**

Annexure B:
Secretarial Audit Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
SEDEMAC MECHATRONICS LIMITED
(formerly SEDEMAC MECHATRONICS PRIVATE LIMITED)
Survey No. 270/1/A/2, Pallod Farms,
Baner Road, Pune, 411045

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by **SEDEMAC MECHATRONICS LIMITED** (formerly SEDEMAC MECHATRONICS PRIVATE LIMITED) (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

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

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31st March, 2026 according to the provisions of:

i. The Companies Act, 2013 and the rules made there under;

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

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, to the extent the same was applicable to the Company;

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

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

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

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

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

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

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

(g) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

We have verified systems and mechanism which is in place and followed by the Company to ensure Compliance of these specifically applicable Laws mentioned at serial no. v (in addition to the above mentioned Laws (i to iv) and applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations and found adequate compliance of the same.

We have also examined compliance with the applicable clauses of:

(a) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of the Companies Act, 2013;

(b) Uniform Listing Agreement(s) entered with stock exchanges.

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines:

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

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

Based on the above said information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the above-mentioned Act/s including the applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards, etc. mentioned above and we have no observation of instances of non compliance in respect of the same.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Companies Act, 2013.

We also report that adequate notice was given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and shorter notice in case of urgency and a system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the representation made by the Company and its Officers, we herewith report that majority decisions are carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the minutes.

Based on the representation made by the Company and its Officers explaining us in respect of internal systems and mechanism established by the Company which ensures compliances of Acts, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period under review, following event / action have taken place having major bearing on the Company's affairs:

1. The Company has altered its Capital Clause of Memorandum of Association at Extra Ordinary General Meeting held on 29th May, 2025 for:
   a. Increase in authorised share capital from INR 20 Lakhs to INR 50 Crores;
   b. Reclassifying all Preference Shares into Equity Shares;

2. The Company has altered its Articles of Association at Extra Ordinary General Meeting held on 29th May, 2025 for addition of clause 11(7) and deletion of clause 71 related to issue of warrants;

3. The Company has approved its Employee Stock Option Scheme, 2025 in compliance with regulatory requirements of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 in Extra Ordinary General Meeting dated 29th May, 2025;

4. The Company has altered its Registered Office Clause of Memorandum of Association at Extra Ordinary General Meeting held on 23rd June, 2025 for situation of Registered Office from Mumbai to Pune;

5. The Registered Office of the Company was shifting from Mumbai, within the jurisdiction of Registrar of Companies, Mumbai to Pune, within the jurisdiction of Registrar of Companies, Pune vide approval of Regional Director, Western Region, Mumbai order dated 24th July, 2025.

6. The Company has obtained Central Government approval for the Appointment of Mr. Shashikanth Suryanarayanan as a Managing Director of the Company for a period of three years with effect from 26th March, 2025 vide their approval letter dated 28th August, 2025;

7. The Company has issued and allotted 220 Compulsory Convertible Warrants of INR 1,000,000 each on preferential basis under private placement route on 25 July, 2025. Out of the said Warrants, 20 Warrants were converted into Equity Shares on 25th August, 2025, 40 Warrants were converted into Equity Shares on 1st September, 2025 and balance 160 Warrants were converted into Equity Shares on 3rd September, 2025.

8. The Company has issue 43,569,934 Equity Shares of INR 10 each as fully paid bonus shares on 22nd September, 2025 in the ratio of 1499:1 i.e. 1499 bonus Equity Shares for every 1 Equity Shares held.

9. The Company has altered its Articles of Association at Extra Ordinary General Meeting held on 9th October, 2025 by amending clause 110 related to retire by rotation;

10. The Company has amended its Employee Stock Option Scheme, 2014 to ensure compliance with regulatory requirements of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 in Extra Ordinary General Meeting dated 9th October, 2025;

11. The Company has appointed Ms. Poyni Bhatt as Chairperson of the Board w.e.f. 1st November, 2025

12. The Company approved Initial Public Offering (IPO) of 8,043,300 Equity Shares by way of Offer for Sale. The Equity Shares of the Company were listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited w.e.f. 11th March, 2026

Note: This Report is to be read along with attached Letter provided as **“Annexure - A”.**

Name: Mahesh Darji (Partner)
For Nilesh Shah & Associates Company Secretaries
FCS: 7175
C.P.: 7809
Peer Review No. 7810/2026
UDIN: F007175H000397763

Date: 18th May, 2026
Place: Mumbai

'ANNEXURE A'

To
The Members,
SEDEMAC MECHATRONICS LIMITED
(formerly SEDEMAC MECHATRONICS PRIVATE LIMITED)
Survey No. 270/1/A/2, Pallod Farms,
Baner Road, Pune, 411045

Dear Sir / Madam,

Sub: Our Report of even date is to be read along with this letter.

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

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records as was made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and we rely on Auditors Independent Assessment on the same.

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

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of process followed by the Company to ensure adequate Compliance.

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

Name: Mahesh Darji (Partner)
For Nilesh Shah & Associates Company Secretaries
FCS: 7175
C.P.: 7809
Peer Review No. 7810/2026
UDIN: F007175H000397763

Date: 18th May, 2026
Place: Mumbai

Annexure C:
Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Pursuant to Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014]

1. Conservation of Energy

(i)	Steps taken for conservation of energy or impact on conservation of energy	Optimal utilization of plant and equipment to enhance operational efficiency and reduce energy intensity. Deployment of smart automation solutions and material flow optimization to improve overall energy performance.
(ii)	Steps taken by the company for utilizing alternate sources of energy	The Company is using electricity as main source of energy. The Company is in the process of selecting alternate source of energy.
(iii)	The capital investment on energy conservation equipment's	Nil

2. Technology Absorption

(i)	Efforts made towards technology absorption	Assimilation, adaptation and innovation of technology in an expeditious manner is given continuous importance at our Company. We use latest technological equipment in the manufacturing plants and also at our R&D units.
(ii)	Benefits derived like product improvement, cost reduction, product development or import substitution	During the year, the Company continued to invest in research and development (R&D) activities aimed at enhancing product performance, reducing production costs, and improving manufacturing efficiency. These efforts resulted in notable product improvements and the development of next-generation technology solutions. Our technology products has seen large scale adoption in the market. These products have proved to be a perfect import substitution proposition.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the FY)	Your Company do not import technology, nor we have any technical tie-ups. We believe in developing the technology in-house.
(iv)	Expenditure incurred on Research & Development	(in Crores) Capital Expenditure: 39.07 Revenue Expenditure: 22.57 **Total: 61.64**

3. Foreign exchange earnings and outgo

(in Crores)

Particulars	FY 2025-26	FY 2024-25
Foreign Exchange inflows	94.64	43.82
Foreign Exchange outgo	456.49	313.06

For and on behalf of the Board of Directors
For SEDEMAC Mechatronics Limited
(Formerly known as SEDEMAC Mechatronics Private Limited)

Shashikanth Suryanarayanan
Managing Director
DIN: 01269904

Date: 12th August 2026
Place: Tiruvannamalai

Amit Arun Dixit
Joint Managing Director
DIN: 01288169

Date: 12th August 2026
Place: Pune

Annexure D:
Annual Report on Corporate Social Responsibility (CSR) Activities

1. Brief outline on CSR Policy of the Company:

"SEDEMAC Mechatronics Limited" is vigilant in its enforcement towards corporate principles, which the Government of India has mandated through the Companies (Corporate Social Responsibility) Policy, 2014 and is committed towards sustainable development. The Company recognises that its growth and progress are closely linked with the development and well-being of the communities in which it operates, and accordingly, seeks to generate meaningful impact through its CSR initiatives.

During the financial year under review, the Company, in line with its CSR Policy, continued to undertake focused interventions in the thematic areas of nutrition, education and support for mentally challenged children and adults, restoration of forests, environmental sustainability, promotion of skill development and livelihood enhancement, eradicating hunger and women empowerment, with the objective of fostering inclusive development and strengthening community ecosystems.

2. Composition of CSR Committee:

No.	Name of Director	Designation / Nature of Directorship
1.	Mr. Amit Arun Dixit	Chairperson, Joint Managing Director
2.	Mr. Shashikanth Suryanarayanan	Member, Managing Director
3.	Mr. Manish Sharma	Member, Whole-Time Director
4.	Ms. Poyni Bhatt	Member, Non-Executive Independent Director

During the year, CSR Committee meeting was held on 30th March, 2026. All the members were present during this meeting.

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 CSR Committee	https://www.sedemac.com/investors/board-of-directors-management-team
CSR Policy	https://www.sedemac.com/investors/corporate-governance/codes-and-policies
CSR projects approved by the Board	www.sedemac.com/investor/csr-annual-action-plan-FY26.pdf

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

The requirement of carrying out the Impact assessment of CSR projects in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is not applicable to the company. However, company representatives visit various implementing agencies during the year for assessment of impact of our contributions.

5.

(Amount in INR)

a.	**Average net profit of the company as per sub-section (5) of section 135**	406,461,232
b.	**Two percent of average net profit of the company as per sub-section (5) of section 135**	8,129,225
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**	143,409
e.	**Total CSR obligation for the financial year [5b+5c-5d]**	7,985,816

6. (Amount in INR)

a.	**Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)**	8,000,000
b.	**Amount spent in Administrative Overheads**	Nil
c.	**Amount spent on Impact Assessment, if applicable**	Nil
d.	**Total amount spent for the Financial Year [(a)+(b) +(c)]**	8,000,000

e. CSR amount spent or unspent for the Financial Year 2025-26:

Total Amount Spent for the Financial Year. (in INR)	**Amount Unspent (in INR)**				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		**Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.**		
	Amount	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of transfer**
8,000,000	NIL	Not applicable	Not applicable	NIL	Not applicable

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

Sr. No	**Particular**	**Amount (in INR)**
(i)	Two percent of average net profit of the company as per sub-section (5) of section135	#7,985,816
(ii)	Total amount spent for the Financial Year	8,000,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	14,184
(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)]	14,184

After setting off Rs. 143,409.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Not Applicable.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:
The company has not created or acquired Capital assets through Corporate Social Responsibility amount spent in the Financial Year.

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: Nil

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

Details of CSR Expenditure are as follows:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes /No)	Location of the project.		Amount spent for the project (in INR).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number.
1	Education and Nutrition	(i) & (ii)	Yes	Maharashtra	Pune	2,000,000	No	Tara Mobile Creches, Pune	CSR00006166
2	Afforestation and Education / recreation activities for kids	(iv) and (ii)	No	Tamil Nadu	Tiruvannamalai	2,000,000	No	The Forest Way Trust	CSR00021290
3	Nutrition and Health project	(i)	No	Maharashtra	Thane	500,000	No	We Together Foundation	CSR00034192
4	Care & Welfare of special Persons and Rural Development Project	(x) and (ii)	Yes	Maharashtra	Pune	500,000	No	Sadhana Village, Pune	CSR00003002
5	Rehabilitation	(xii)	Yes	Maharashtra	Pune	1,500,000	No	Anamprem	CSR00025727
6	Rehabilitation and Education for Orphans and abandon child	(i) & (ii)	No	Maharashtra	Beed	1,500,000	No	Bhavani Vidyarthi Kalyan Pratisthan	CSR00015131
	TOTAL					**8,000,000**			

For and on behalf of the Board of Directors
For SEDEMAC Mechatronics Limited
(Formerly known as SEDEMAC Mechatronics Private Limited)

Amit Arun Dixit
Chairman of CSR Committee
DIN: 01288169

Date: 12th August, 2026
Place: Pune

Shashikanth Suryanarayanan
Managing Director
DIN: 01269904

Date: 12th August, 2026
Place: Tiruvannamalai

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company firmly believes in fair, transparent and ethical governance practices. Within this governance framework we seek enhancement of shareholder value. The Company's philosophy on corporate governance is founded on its core values viz. Ethicalness, Diligence, Accountability, Respect for individuals, Creativity & Customer focus.

At SEDEMAC, corporate governance goes beyond compliance. Your Company is always committed to good corporate governance and its adherence to the best practices. As a value-driven organisation, the Company places high importance on building and sustaining trust with all its stakeholders.

The Company has adopted a Code of Conduct for its Directors and Senior Management, and also the Code for prevention of Insider Trading.

The Company's shares got listed over BSE & NSE, on 11th March 2026. We have fully complied with the applicable provisions relating to Corporate Governance as provided under the SEBI (Listing Obligations Disclosure Requirement) Regulation, 2015 ("SEBI Listing Regulations"). The Corporate Governance Report, together with a certificate confirming the compliance is provided in the Report on Corporate Governance, which forms integral part of this Annual Report.

2. BOARD OF DIRECTORS

The Company has a distinguished Board of Directors (the Board). It is comprised of varied individuals of high ethical standing. Some of them are highly respected individuals with extensive professional experience and expertise. The Board provides strategic direction and oversight to the management team.

The Board of Directors is also responsible for ensuring compliance with Corporate Governance requirements and oversees that the activities of the Company are aligned with the Company's Philosophy, thereby promoting transparency, accountability, and integrity in all aspects of the Company's operations.

a. Composition and category of Directors

Your Board consists of an optimal combination of Executive, Non-executive and Independent Directors, representing a judicious mix of in-depth knowledge and experience and is in conformity with Regulation 17 of the Listing Regulations and Section 149 of Companies Act, 2013 ("the Act").

As on 31st March, 2026, the Board of Directors consist of 6 Members comprising 3 Executive Directors, 2 Independent Directors and 1 Non-Executive Director. Ms Poyni Bhatt, one of the independent directors, is appointed as Chairperson of the Board.

The composition of the Board and category of Directors is as follows

Name	DIN	Designation
Ms. Poyni Bhatt	09052397	Chairperson & Independent Director
Mr. Shashikanth Suryanarayanan	01269904	Managing Director
Mr. Amit Arun Dixit	01288169	Joint Managing Director
Mr. Manish Sharma	01310490	Whole-Time Director
Mr. Namakal Srinivasan Parthasarathy	00146954	Independent Director
Mr. Udo Edgar Wolz	11142797	Non-Executive Director

The profiles of Directors are available on the website of the Company at https://www.sedemac.com/investors/board-of-directors-management-team

b. Attendance of Directors during financial year 2025-26

During the financial year under review, the Board of Directors have met 14 (Fourteen) times to discuss and deliberate on various business matters. The Board met frequently and the gap between two consecutive meetings was well within the time prescribed under the Act and Listing Regulations. Following table gives details of dates of the meetings & attendance of the Directors.

Date of the Meeting	Name of Directors					
	Ms. Poyni Bhatt	Mr. Shashikanth Suryanarayanan	Mr. Amit Arun Dixit	Mr. Manish Sharma*	Mr. Namakal Srinivasan Parthasarathy	Mr. Udo Edgar Wolz#
Board Meetings						
13st May, 2025	✓	✓	✓	-	✓	-
21st May, 2025	✓	✓	✓	✓	✓	-
25th July, 2025	✓	✓	✓	✓	✓	✓
25th August, 2025	✓	✓	✓	✓	✓	✓
5th September, 2025	✓	✓	✓	✓	✗	✓
13th October, 2025	✓	✓	✓	✓	✓	✓
3rd November, 2025	✓	✓	✓	✓	✓	✓
10th November, 2025	✓	✓	✓	✓	✓	✓
16th January, 2026	✓	✓	✓	✓	✓	✓
16th February, 2026	✓	✓	✓	✓	✓	✓
16th February, 2026	✓	✓	✓	✓	✓	✓
16th February, 2026	✓	✓	✓	✓	✓	✓
25th February, 2026	✓	✓	✓	✓	✓	✗
6th March, 2026	✓	✓	✓	✓	✓	✓
Annual General Meeting						
3rd September, 2025	✓	✓	✓	✓	✓	✓

* Mr. Manish Sharma was appointed as a Whole-Time Director of the Company with effect from 14th May, 2025.

\# Mr. Udo Edgar Wolz was appointed as Non-Executive Director of the Company with effect from 1st July, 2025.

c. Number of memberships held by Directors in the Board/Committees of various companies as of 31st March, 2026

Name	Number of Other Directorships and Committee Memberships/Chairmanships		
	Other Directorships*	Committee Memberships**	Committee Chairmanships**
Ms. Poyni Bhatt	Nil	Nil	Nil
Mr. Shashikanth Suryanarayanan	Nil	Nil	Nil
Mr. Amit Arun Dixit	Nil	Nil	Nil
Mr. Manish Sharma	Nil	Nil	Nil
Mr. Namakal Srinivasan Parthasarathy	Nil	1	Nil
Mr. Udo Edgar Wolz	Nil	Nil	Nil

* Excludes directorship in SEDEMAC Mechatronics Limited. Also excludes directorship in Unlisted Public and Private Companies, Companies incorporated under Section 8 of the Companies Act, 2013. None of the members of the Board of Directors of SEDEMAC Mechatronics Limited holds directorship in any other listed companies

** For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of Public Companies have been considered. Also excludes the Memberships & Chairmanships in SEDEMAC Mechatronics Limited.

d. Disclosure of relationship between directors inter-se:

None of the Directors on the Board has any inter-se relationship with any other Director.

e. Details of number of shares of the Company held by Non-Executive Directors as on 31st March, 2026:

Sr. No.	Name of the Non-Executive Director	No. of Shares held	No. of convertible instruments held
1	Mr. Namakal Srinivasan Parthasarathy	225,000*	Nil
2	Ms. Poyni Bhatt	3,000	Nil

* Namakal S Parthasarathy is a trustee of Bilahari Trust that holds 225,000 Equity Shares of the Company.

f. Familiarisation programme for Independent Directors:

In compliance with the SEBI Listing Regulations, all Independent Directors are familiarized about the Company, through various programs from time to time, including the following:

a. Business overview;
b. Plant and R&D unit visits;
c. Corporate presentation explaining the business and business model of the Company;
d. Products and technology overview;
e. Matters relating to governance.
f. Financial status and accounting practices overview

In Board meetings, discussions are focused on business strategy, governance, compliances, technological updates and operational and functional matters which provide good insights on the businesses carried on by the Company to the Independent Directors.

The details of such familiarisation programmes for Independent Directors are put up on the website of the Company and can be accessed at https://www.sedemac.com/investors/corporate-governance/disclosures

Chart/Matrix of setting out the Skills / Experiences / Competencies of the Board of Directors:

As on 31st March, 2026, the Board comprised of experienced members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee Meetings.

The matrix below summarises a mix of skills, expertise and competencies expected to be possessed by our individual Directors, which are key to corporate governance and Board effectiveness

Name of Director	Strategic Thinking, Planning and Management	Corporate Governance	Financial Skills	Regulatory Compliance & Stakeholder Management	Risk Management
Ms. Poyni Bhatt	✓	✓	✓	✓	✓
Mr. Shashikanth Suryanarayanan	✓	✓	✓	✓	✓
Mr. Amit Arun Dixit	✓	✓	✓	✓	✓
Mr. Manish Sharma	✓	✓	✓	✓	✓
Mr. Namakal Srinivasan Parthasarathy	✓	✓	✓	✓	✓
Mr. Udo Edgar Wolz	✓	✓	✓	-	✓

3. BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company. These Committees assist the Board in discharging its responsibilities as required under the Act and the Listing Regulations. Board has constituted four committees comprising of the statutory committees as required under the Listing Regulations and the Act. The Board had also constituted an IPO Committee and a Committee of Independent Directors during the year for specific purposes relating to the IPO.

During the Financial Year 2025-26, there was no recommendation of any committee which was not accepted by the Board of the Company. All Committee decisions are taken, either at the meetings of the Committee or by passing of circular resolutions.

The Board, in compliance with the statutory requirements, has constituted the following 5 (five) statutory committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholder Relationship Committee and Risk Management Committee.

Details of the Committees, their respective terms of reference, composition and details of meetings held during the financial year 2025-26 are as follows

a. AUDIT COMMITTEE

The Audit Committee has been constituted in terms of Section 177 of the Act, read with Regulation 18 of the Listing Regulations. The Audit Committee of the Board comprises of 3 (three) members and they are financially literate and have relevant experience in financial management. Members of the Senior Management, external firms, etc. are also invited to make presentations before the Audit Committee as and when required by the Committee.

Further, the Audit Committee in its meeting held on 8th May, 2026, has designated the Audit Committee, along with Mr. Amit Arun Dixit, Joint Managing Director, Mr. Manish Sharma, Whole-Time Director and Mr. Rajesh Madhukar Sheth, Chief Financial Officer as "Those Charged With Governance" on behalf of the Company, in consonance with the requirements of the circulars issued by the National Financial Reporting Authority.

The scope and function of the Audit Committee is in accordance with Section 177 of the Act, read with Regulation 18 and Part C of Schedule II of the Listing Regulations. Brief description of terms of reference of Audit Committee is as follows

1. Overseeing the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company including the internal auditor, cost auditor and statutory auditor of the Company, and fixation of the audit fee;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

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

   i. 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;

   ii. changes, if any, in accounting policies and practices and reasons for the same;

   iii. major accounting entries involving estimates based on the exercise of judgment by management;

   iv. significant adjustments made in the financial statements arising out of audit findings;

   v. compliance with listing and other legal requirements relating to financial statements;

   vi. disclosure of any related party transactions;

   vii. modified opinion(s) in the draft audit report;

5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

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

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

8. Formulating a policy on related party transactions, which shall include materiality of related party transactions;

9. Approval or any subsequent modification of transactions of the Company with related parties; All related party transactions shall be approved by only Independent Directors who are the members of the committee and the other members of the committee shall recuse themselves on the discussions related to related party transactions;

   Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

10. Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

11. Scrutiny of inter-corporate loans and investments;

12. Valuation of undertakings or assets of the Company, wherever it is necessary;

13. Appointment of Registered Valuer under Section 247 of the Companies Act, 2013;

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

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

16. 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;

17. Discussion with internal auditors of any significant findings and follow up thereon;

18. 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;

19. 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;

20. 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;

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

22. Approval of appointment of chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

23. ensuring that an information system audit of the internal systems and process is conducted at least once in two years to assess operational risks faced by the Company;

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

25. Formulating, reviewing and making recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;

26. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

27. Reviewing compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time, at least once in a financial year and verifying that the systems for internal control under the said regulations are adequate and are operating effectively;

28. Investigating any activity within its terms of reference, seeking information from any employee, obtaining outside legal or other professional advice and securing attendance of outsiders with relevant expertise, if it considers necessary;

29. To consider the rationale, cost, benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and its shareholders and provide comments;

30. Reviewing:

    i. Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any published reports which raise material issues regarding the Company's financial statements or accounting policies;

    ii. Any material default in financial obligations by the Company;

    iii. Any significant or important matters affecting the business of the Company; and

31. Carrying out any other functions as may be required / mandated and/or delegated by the Board as per the provisions of the Companies Act, 2013, SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

32. Mandatorily review the following information:

    a. management discussion and analysis of financial condition and results of operations;

    b. management letters / letters of internal control weaknesses issued by the statutory auditors;

    c. internal audit reports relating to internal control weaknesses;

    d. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

    e. the examination of the financial statements and the auditors' report thereon;

    f. 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) of SEBI Listing Regulations; and

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

    g. the financial statements, in particular, the investments made by any unlisted subsidiary; and

    h. Such information as may be prescribed under the Companies Act and SEBI Listing Regulations.

The composition of the Audit Committee as on 31st March, 2026 is as under:

Sr. No.	Name of the Member	Designation	Chairperson / Member
1	Ms. Poyni Bhatt	Non-Executive Independent Director	Chairperson
2	Mr. Namakal Srinivasan Parthasarathy	Non-Executive Independent Director	Member
3	Mr. Shashikanth Suryanarayanan	Managing Director	Member

Meeting and attendance during the year

The Audit Committee met 7 times during the financial year 2025-26. The said meetings were held on 25th August, 2025, 10th October, 2025, 3rd November, 2025, 10th November, 2025, 16th February, 2026, 16th February, 2026 and 25th February, 2026, and the necessary quorum was present for all the meetings. The details of the meetings held and attended by the members of the Committee during the Financial Year 2025-26 are detailed below:

Date of the Audit Committee Meeting	Name of Committee Members		
	Ms. Poyni Bhatt	Mr. Namakal Srinivasan Parthasarathy	Mr. Shashikanth Suryanarayanan
25th August, 2025	✓	✓	✓
10th October, 2025	✓	✓	✓
3rd November, 2025	✓	✓	✓
10th November, 2025	✓	✓	✓
16th February, 2026	✓	✓	✓
16th February, 2026	✓	✓	✓
25th February, 2026	✓	✓	✓

The Company Secretary of the Company acts as the Secretary to the Committee.

b. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee has been constituted, in terms of Section 178 of the Act, read with Regulation 19 of the Listing Regulations. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Act, read with Regulation 19 and Part D of Schedule II of the Listing Regulations. Brief description of terms of reference of Nomination and Remuneration Committee is as follows:

1. Formulating 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.

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

   i. use the services of an external agencies, if required;

   ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   iii. consider the time commitments of the candidates;

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

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

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

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

3. Formulating criteria for evaluation of performance of independent directors and the Board;

4. Devising a policy on diversity of Board;

5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;

6. Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

7. Recommending to the board, all remuneration, in whatever form, payable to senior management;

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

9. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

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

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

12. Administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme(s) of the Company;

13. Framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:

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

    ii. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;

14. Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Companies Act, each as amended or other applicable law or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties;

15. Performing such functions as are required to be performed by the Compensation Committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

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

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

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

    iii. Date of grant;

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

    v. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

    vi. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

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

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

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

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

    xi. The vesting and exercise of option in case of grantee who has been transferred or whose services have been seconded to any other entity within the group at the instance of the Company;

    xii. Allowing exercise of unvested options on such terms and conditions as it may deem fit;

    xiii. The procedure for cashless exercise of options;

    xiv. Forfeiture/ cancellation of options granted;

    xv. Arranging to get the shares issued under the ESOP Scheme listed on the stock exchanges on which the equity shares of the Company are listed or maybe listed in future.

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

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

17. Construing and interpreting the Employee Stock Option Scheme (**"ESOP Scheme"**) and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

18. Engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy; and

19. Performing such other functions as may be necessary or appropriate for the performance of its duties.

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

Sr. No.	Name of the Member	Designation	Chairperson / Member
1	Mr. Namakal Srinivasan Parthasarathy	Non-Executive Independent Director	Chairperson
2	Ms. Poyni Bhatt	Non-Executive Independent Director	Member
3	Mr. Udo Edgar Wolz$	Non-Executive Director	Member

$ Mr. Udo Edgar Wolz was appointed as a member of the Committee w.e.f. 03rd November, 2025.

The Company Secretary of the Company acts as the Secretary to the Committee.

Meeting and attendance during the year

The Nomination and Remuneration Committee met once during the financial year 2025-26 on 13th May, 2025. The necessary quorum was present for the meeting. The details of the meeting held and attended by the members of the Committee during the Financial Year 2025-26 are detailed below:

Date of the NRC Meeting	Name of Committee Members			
	Mr. Namakal Srinivasan Parthasarathy	Ms. Poyni Bhatt	Mr. Bhavya Kapoor*	Mr. Udo Edgar Wolz
13th May, 2025	✓	✓	✓	-

*Mr. Bhavya Kapoor ceased to be a member due to resignation of Director of the company w.e.f. 17th October 2025

The Nomination and Remuneration Committee had formulated the criteria for conducting the performance evaluation of the individual Directors, Committees of Board, Board as a whole and Chairperson. The evaluation was conducted by way of an questionnaire method which consisted of questions with quantitative parameters with a dedicated section for subjective suggestion/feedback. The Independent Directors in their meeting held on 30th March, 2026 completed the performance evaluation of the individual Directors, Committees of Board, Board as a whole and Chairperson.

The key criteria based on which the performance evaluation of the Directors was carried out were personal attributes and attendance, participation and preparedness in meetings, understanding of business and culture, value addition, etc.

c. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been constituted on 13th October, 2025, in terms of Section 178 of the Act read with Regulation 20 of the Listing Regulations. The scope and function of the Committee is in accordance with Section 178 of the Act read with Regulation 20 and Part D of Schedule II of the Listing Regulations. Brief description of terms of reference of Stakeholders Relationship Committee is as follows:

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

2. Resolving the grievances of the security holders of the Company including complaints related to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;

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

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

5. Review of measures taken for effective exercise of voting rights by shareholders;

6. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar & share transfer agent;

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

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

9. To monitor and expedite the status and process of dematerialization and rematerialisation of shares, debentures and other securities of the Company;

10. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and

11. performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations and the Companies Act or other applicable law or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

The composition of the Stakeholder Relationship Committee as on 31st March, 2026 is as under:

Sr. No.	Name of the Member	Designation	Chairperson / Member
1	Ms. Poyni Bhatt	Non-Executive Independent Director	Chairperson
2	Mr. Manish Sharma	Whole-Time Director	Member
3	Mr. Amit Arun Dixit	Joint Managing Director	Member

The Company Secretary of the Company acts as the Secretary to the Committee.

The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited with effect from 11th March, 2026. The Stakeholders Relationship Committee was duly constituted in accordance with the applicable provisions. Considering that the Company became a listed entity towards the close of the financial year and that no investor complaints/grievances were received during the period from the date of listing up to 31st March, 2026, no meeting of the Stakeholders Relationship Committee was convened during the said period

The details with regard to Stakeholders' grievances as on 31st March, 2026 are as under:

Sr. No.	Particulars	Details
1.	Name of the Non-executive Director heading the Committee	Ms. Poyni Bhatt
2.	Name and Designation of Compliance Officer	Mr. Prasad Rajendra Chavan
3.	Number of shareholders complaints received as on 31st March, 2026	0
4.	Number of complaints disposed as on 31st March, 2026	0
5.	Number of complaints not solved to the satisfaction of shareholders as on 31st March, 2026	0
6.	Number of pending complaints as on 31st March, 2026	0

d. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted on 13th October, 2025, in terms of Regulation 21 of the Listing Regulations. Brief description of terms of reference of Risk Management Committee is as follows:

1. To formulate a detailed risk management policy covering risk across functions and plan integration through training and awareness programmes which shall include:
   i. A framework for identification of internal and external risks specifically faced by the listed entities, in particular including financial, operational, sectoral, sustainability (particularly environmental, social and governance related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
   ii. Measures for risk mitigation including systems and processes for internal control of identified risks; and
   iii. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To set out risk assessment and minimization procedures and the procedures to inform the Board of the same;
6. To frame, implement, review and monitor the risk management policy for the Company and such other functions, including cyber security;
7. To review the status of the compliance, regulatory reviews and business practice reviews;
8. To approve the process for risk identification and mitigation;
9. To decide on risk tolerance and appetite levels, recognizing contingent risks, inherent and residual risks including for cyber security;
10. To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;
11. To approve major decisions affecting the risk profile or exposure and give appropriate directions;
12. To consider the effectiveness of decision making process in crisis and emergency situations;
13. To balance risks and opportunities;
14. To generally, assist the Board in the execution of its responsibility for the governance of risk;
15. To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
16. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
17. To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;

18. To implement and monitor policies and/or processes for ensuring cyber security;
19. To review and recommend potential risk involved in any new business plans and processes;
20. To review the Company's risk-reward performance to align with the Company's overall policy objectives;
21. To monitor and review regular updates on business continuity;
22. The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
23. The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
24. To advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
25. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties."

The composition of the Risk Management Committee as on 31st March, 2026 is as under:

Sr. No.	Name of the Member	Designation	Chairperson / Member
1.	Mr. Manish Sharma	Whole-Time Director	Chairperson
2.	Mr. Shashikanth Suryanarayanan	Managing Director	Member
3.	Mr. Amit Arun Dixit	Joint Managing Director	Member
4.	Mr. Namakal Srinivasan Parthasarathy	Non-Executive Independent Director	Member
5.	Mr. Udo Edgar Wolz	Non-Executive Director	Member
6.	Mr. Rajesh Madhukar Sheth	Chief Financial Officer	Member

Meeting and attendance during the year

The Risk Management Committee met once during the financial year 2025-26 on 30th March, 2026. The necessary quorum was present for the meeting. The details of the meeting held and attended by the members of the Committee during the Financial Year 2025-26 is detailed below

Date of the RMC Meeting	Name of Committee Members					
	Mr. Manish Sharma	Mr. Shashikanth Suryanarayanan	Mr. Amit Dixit	Mr. Namakal Srinivasan Parthasarathy	Mr. Udo Edgar Wolz	Mr. Rajesh Sheth
30th March, 2026	✓	✓	✓	✓	✓	✓

The Company Secretary of the Company acts as the Secretary to the Committee

e. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has been constituted on 13th October, 2025, as per the requirement of Section 135 of the Act and rules made thereunder. Brief description of terms of reference of Corporate Social Responsibility Committee is as follows:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy stipulating, amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder and make any revisions therein as and when decided by the Board;
2. To review and recommend the amount of expenditure to be incurred on the activities referred to in (a) and amount to be incurred for such expenditure shall be as per the applicable law;
3. To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
4. To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;
5. To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
6. To review and monitor the Corporate Social Responsibility Policy of the company and its implementation from time to time, and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

7. To do such other acts, deeds and things as may be required to comply with the applicable laws;

8. To take note of the Compliances made by implementing agency (if any) appointed for the corporate social responsibility of the Company;

9. The Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:

   i. the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;

   ii. the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act;

   iii. the modalities of utilisation of funds and implementation schedules for the projects or programmes;

   iv. monitoring and reporting mechanism for the projects or programmes; and

   v. details of need and impact assessment, if any, for the projects undertaken by the Company; and

10. To perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

The composition of the Corporate Social Responsibility Committee as on 31st March, 2026 is as under:

Sr. No.	Name of the Member	Designation	Chairperson / Member
1.	Mr. Amit Arun Dixit	Joint Managing Director	Chairperson
2.	Mr. Shashikanth Suryanarayanan	Managing Director	Member
3.	Mr. Manish Sharma	Whole-Time Director	Member
4.	Ms. Poyni Bhatt	Non-Executive Independent Director	Member

Meeting and attendance during the year

The Corporate Social Responsibility Committee met once during the financial year 2025-26 on 30th March, 2026. The necessary quorum was present for the meeting. The details of the meeting held and attended by the members of the Committee during the Financial Year 2025-26 are detailed below:

Date of the CSR Meeting	Name of Committee Members			
	Mr. Amit Arun Dixit	Mr. Shashikanth Suryanarayanan	Mr. Manish Sharma	Ms. Poyni Bhatt
30th March, 2026	✓	✓	✓	✓

The Company Secretary of the Company acts as the Secretary to the Committee

NON-STATUTORY COMMITTEE

IPO Committee

The Board had constituted IPO Committee on 3rd November, 2025, for the Initial Public Offering (IPO) of the Company. The terms of reference, composition and details of meetings held during the financial year 2025-26 are as follows:

1. To decide, negotiate and finalize, in consultation with the book running lead managers appointed in relation to the Offer (the “BRLMs”), all matters regarding the Pre-IPO Placement, if any, out of the fresh issue of Equity Shares by the Company in the Offer, decided by the Board, including entering into discussions and execution of all relevant documents with investors;

2. To take all actions as may be necessary and authorised in connection with the offer for sale and to approve and take on record the approval of the selling shareholder(s) for offering their Equity Shares in the offer for sale and the transfer of Equity Shares in the offer for sale including the quantum in terms of number of Equity Shares/amount offered by the selling shareholders in the Offer, allowing revision of the offer for sale portion in case any selling shareholder decides to revise it, in accordance with the applicable laws;

3. To decide on other matters in connection with or incidental to the Offer, including the, timing, pricing and terms of the Equity Shares, the Offer price, the price band, the size and all other terms and conditions of the Offer including the number of Equity Shares to be offered, allotted and transferred in the Offer, the bid / Offer opening and bid/Offer closing date, discount (if any), reservation, determining the anchor investor portion, issue price for anchor investors and allocating such number of Equity Shares to anchor investors in consultation with the BLRMs and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) and to do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the

Offer including to make any amendments, modifications, variations or alterations in relation to the Offer and to constitute such other committees of the Board, as may be required under applicable laws, including as provided in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations");

4. To make applications, seek clarifications, obtain approvals and seek exemptions from, where necessary, SEBI, the RoC and any other governmental or statutory authorities as may be required in connection with the Offer and accept on behalf of the Company such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required and wherever necessary, incorporate such modifications / amendments as may be required in the draft red herring prospectus (the **"DRHP"**), the red herring prospectus (the **"RHP"**) and the prospectus (**"Prospectus"**) including any addenda and corrigenda as applicable;

5. To finalize, settle, approve, adopt and file in consultation with the BRLMs where applicable, the DRHP, the RHP, the Prospectus, the preliminary and final international wrap and any amendments (including dating of such documents), supplements, notices, addenda or corrigenda thereto, together with any summaries thereof and take all such actions as may be necessary for the submission, filing and/or withdrawal of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, the RoC or any other relevant governmental and statutory authorities or in accordance with applicable laws;

6. To appoint and enter into and terminate arrangements with the BRLMs, and appoint and enter into and terminate arrangements, in consultation with the BRLMs, with underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars to the Offer, public offer account bankers to the Offer, sponsor banks, legal advisors, auditors, independent chartered accountants, advertising agency, depositories, custodians, grading agency, monitoring agency, industry expert, credit rating agencies, printers, and any other agencies or persons or intermediaries whose appointment is required in relation to the Offer including any successors or replacements thereof, and to negotiate, finalise and amend the terms of their appointment, including but not limited to the execution of the engagement letter with the BRLMs and negotiation, finalization, execution and, if required, amendment or termination of the Offer agreement with the BRLMs and the selling shareholders, if any;

7. To decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any;

8. To negotiate, finalise and settle and to execute and deliver or arrange the delivery of the DRHP, the RHP, the Prospectus, Offer agreement, syndicate agreement, underwriting agreement, share escrow agreement, cash escrow and sponsor bank agreement, monitoring agency agreement, ad agency agreement, agreements with the registrar to the Offer and all other documents, deeds, agreements and instruments whatsoever with the registrar to the Offer, legal advisors, monitoring agency, auditors, stock exchange(s), BRLMs, selling shareholder(s) and any other agencies/intermediaries in connection with the Offer with the power to authorise one or more officers of the Company to execute all or any of the aforesaid documents or any amendments thereto as may be required or desirable in relation to the Offer;

9. To authorise the maintenance of a register of holders of the Equity Shares;

10. To seek, if required, the consent and/or waiver of the lenders of the Company, customers, suppliers, vendors, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents and/or waivers that may be required in relation to the Offer or any actions connected therewith;

11. To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorize one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

12. To authorize and approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

13. To accept and appropriate the proceeds of the Offer in accordance with the applicable laws;

14. To implement any corporate governance requirements that may be considered necessary by the Board or any other committee thereof or as may be required under the applicable laws, including the SEBI Listing Regulations and the uniform listing agreements to be entered into by the Company with the relevant stock exchanges, to the extent allowed under law;

15. To issue receipts/allotment letters/confirmation of allotment notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchanges, with power to authorize one or more officers of the Company or the Registrar to the Offer to sign all or any of the afore stated documents;

16. To authorize and approve notices, advertisements in relation to the Offer, in accordance with the SEBI ICDR Regulations and other applicable laws, in consultation with the relevant intermediaries appointed for the Offer;

17. To do all such acts, deeds, matters and things and execute all such other documents, etc., as may be deemed necessary or desirable for such purpose, including without limitation, to finalise and approve the basis of allocation, confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLMs and to allot the Equity Shares to the successful allottees as permissible in law, issue of allotment letters/

confirmation of allotment notes, share certificates in accordance with the relevant rules, in consultation with the BRLMs;

18. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign and / or modify, as the case maybe, agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, authorities or bodies as may be required in this connection and to authorize one or more officers of the Company to execute all or any of the afore-stated documents;

19. To make applications for listing of the Equity Shares in one or more stock exchanges for listing of the Equity Shares and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchanges in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;

20. To settle all questions, difficulties or doubts that may arise in regard to the Offer, including such issues or allotment, terms of the IPO, utilisation of the IPO proceeds and matters incidental thereto as it may deem fit;

21. To authorize any concerned person on behalf of the Company to give such declarations, affidavits, certificates, consents and authorities as may be required from time to time in relation to the Offer;

22. To authorize any officers (the **"Authorized Officers"**), for and on behalf of the Company, to negotiate, finalize, execute, deliver and terminate, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that any such Authorized Officer considers necessary, desirable or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memorandum of understanding, the uniform listing agreements with the relevant stock exchanges, the registrar's agreement, the depositories agreements, the offer agreement with the selling shareholders and the BRLMs (and other entities as appropriate), the underwriting agreement, the share escrow agreement, the syndicate agreement, the cash escrow and sponsor bank agreement, confirmation of allocation notes, the advertisement agency agreement, [and any agreement or document in connection with any pre-IPO placement (including any placement agreement, escrow agreement and Offer documentation)], with, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the BRLMs, syndicate members, placement agents, registrar to the Offer, bankers to the Offer, underwriters, escrow agents, accountants, auditors, legal counsel, depositories, credit rating agencies, advertising agencies, monitoring agencies, and all such persons or agencies as may be involved in or concerned with the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing;

23. To submit undertaking/certificates or provide clarifications to the SEBI, the RoC and the relevant stock exchanges where the Equity Shares are to be listed;

24. To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under the SEBI Listing Regulations or any other applicable laws;

25. To withdraw the DRHP or the RHP or to decide to not proceed with the Offer at any stage in accordance with applicable laws and in consultation with the BRLMs;

26. To take such action, give such declarations, as may be necessary or desirable as regards the Offer and to do all such acts, matters, deeds and things as are in the best interests of the Company; and

27. To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under applicable laws to the officials of the Company.

The composition of the IPO Committee as on 31st March, 2026 is as under:

Sr. No.	Name of the Member	Designation	Chairperson / Member
1.	Mr. Shashikanth Suryanarayanan	Managing Director	Chairperson
2.	Mr. Amit Arun Dixit	Joint Managing Director	Member
3.	Mr. Namakal Srinivasan Parthasarathy	Non-Executive Independent Director	Member

Meeting and attendance during the year

The IPO Committee met 4 (Four) times during the financial year 2025-26. The said meetings were held on 9th February, 2026, 25th February, 2026, 2nd March, 2026 and 9th March, 2026 and the necessary quorum was present for all the meetings. The details of the meeting held and attended by the members of the Committee during the Financial Year 2025-26 are detailed below:

Date of the IPO Committee Meeting	Name of Committee Members		
	Mr. Shashikanth Suryanarayanan	Mr. Amit Arun Dixit	Mr. Namakal Srinivasan Parthasarathy
9th February, 2026	✓	✓	✓
25th February, 2026	✓	✓	✓
2nd March, 2026	✓	✓	✓
9th March, 2026	✓	✓	✓

The Company Secretary of the Company acts as the Secretary to the Committee.

4. SENIOR MANAGEMENT PERSONNEL

The Senior Management of the Company as on 31st March, 2026 includes the following:

Sr. No.	Name	Designation
1.	Mr. Shashikanth Suryanarayanan	Managing Director
2.	Mr. Amit Arun Dixit	Joint Managing Director
3.	Mr. Manish Sharma*	Whole-Time Director
4.	Mr. Rajesh Madhukar Sheth*	Chief Financial Officer
5.	Mr. Prasad Rajendra Chavan*	Company Secretary and Compliance Officer
6.	Mr. Nikhil Rai	Senior Vice President Global Sales & Business Development
7.	Mr. Anaykumar Avinash Joshi*	Chief Technology Officer
8.	Ms. Rridhima Namdeo	Head, Human Resources
9.	Mr. Sudeep Solanki*	Vice President, Business Development

*Changes in the particulars of Senior Management during the financial year 2025-26 are as follows:

Sr. No.	Name	Appointment / Resignation / Change in Designation	Designation	Effective date
1.	Mr. Manish Sharma	Appointment	Whole Time Director	14th May, 2025
2.	Mr. Rajesh Madhukar Sheth	Appointment	Chief Financial Officer	14th May, 2025
3.	Mr. Prasad Rajendra Chavan	Appointment	Company Secretary and Compliance Officer	14th May, 2025
4.	Mr. Anaykumar Avinash Joshi	Change in Designation	Chief Technology Officer	1st July, 2025
5.	Mr. Sudeep Solanki	Change in Designation	Vice President, Business Development	2nd July , 2025

5. REMUNERATION OF DIRECTORS

a. Pecuniary relationship or transactions of the Non-executive Directors

During the year under review, except for the payment of sitting fees for attending Board/ Committee meetings and remuneration in accordance with the provisions of Section II of Part II of Schedule V to the Companies Act, 2013, there were no pecuniary relationships or transactions between the Company and its Non-Executive Independent Directors. During the year under review, the Company also paid remuneration to its Non-Executive Director in accordance with the applicable provisions of the Companies Act, 2013.

b. Criteria for making payment to Non-Executive Directors

The policy for payment to Non-Executive Independent Directors has been made available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

c. Remuneration Policy

The Company's remuneration policy is aimed at attracting, retaining and motivating competent resources, a clear relationship of remuneration to performance and a balance between rewarding short and long-term performance of the Company. The Nomination and Remuneration Committee recommends the remuneration for the Executive Directors, Senior Management and Key Managerial Personnel. The payment of remuneration to the Executive Directors and Non-Executive Directors is approved by the Board and Members. There was no change to the remuneration policy during the financial year. The Nomination and Remuneration policy is available on Company's website at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

Remuneration to Executive Directors

The details of remuneration paid to Executive Directors for FY 2025-26 are mentioned below

(INR in Crores)

Sr. No.	Particulars	Mr. Shashikanth Suryanarayanan	Mr. Amit Arun Dixit	Mr. Manish Sharma
1.	Fixed Compensation (Salary & perquisites)	2.15	1.00	0.80
2.	Variable compensation	6.09	5.18	2.45
	Total	**8.24**	**6.18**	**3.25**

Remuneration to other Non-Executive Director

Non-Executive Director is not entitled to any sitting fees for attending meetings of the Board or any of its Committees. The Non-Executive Director was paid remuneration during the financial year 2025-26. The Board of Directors, through circular resolution dated 21st June, 2025 and shareholders at their meeting held on 23rd June, 2025 has approved the payment of remuneration to Non-executive Director for each financial year an annual remuneration of up to € 102,000 (Euro One Lakh Two Thousand), payable on a quarterly basis.

The details of remuneration paid to Non-Executive Director is mentioned below:

(INR in Crores)

Name of Director	Remuneration
Mr. Udo Edgar Wolz	0.81

Commission/Remuneration to Non-Executive Independent Directors

During the financial year under review, your Company paid sitting fees of INR 100,000 per meeting to each Non-Executive Independent Director for attending the meetings of Board/ Committees of the Board. The payment to said Directors is within the limits prescribed under the provisions of the Act and Listing Regulations.

The Company also reimburses any out-of-pocket expenses incurred by the Directors for attending the meetings of the Company. Non-Executive Independent Directors are also entitled to commission/remuneration as per the provisions of Section II of Part II of Schedule V of the Act.

During the financial year under review, the annual remuneration payable to a single Non-Executive Director did not exceed fifty per cent of the total annual remuneration payable to all the Non-Executive Directors of the Company.

The details of commission/remuneration paid to Non-executive Independent Directors are mentioned below:

(INR in Crores)

Name of Director	Sitting Fees	Commission /Remuneration*	Total
Mr. Namakal Srinivasan Parthasarathy	0.26	0.34	0.60
Ms. Poyni Bhatt	0.23	0.34	0.57

*Note: Non-Executive Independent Directors are entitled to receive commission/ remuneration as per the provisions of Section II of Part II of Schedule V of the Act for the FY 2025-26.

d. Service Contracts, Notice and Severance Fees

As on 31st March, 2026, the Board of Directors had 6 Members viz. 3 Executive Directors and 3 Non-executive Directors, including 2 Independent Directors and 1 Non-executive Director. The Executive Directors are employees of the Company and are subject to service conditions as per the Company's Policy. There is no separate provision for payment of severance fees to any of the Directors.

e. Stock option details

During the year under review there were no stock options granted to any of the Directors of the Company.

6. GENERAL BODY MEETINGS

a. Annual General Meeting ("AGM")

Details of AGMs held during the last 3 years are as under:

Financial Year	Date	Time	Venue	Special Resolution
2023-24	30th September, 2023	01:30 PM (IST)	211, 2nd Floor, Building No. 1, Sona Udyog Industrial Estate, Parsi Panchayat Road, Andheri East, Mumbai – 400 069	None
2024-25	30th September, 2024	03:00 PM (IST)	Video Conferencing ('VC')/ Other Audio-Visual Means ('OAVM')	1. Authorization for Borrowing under Section 180(1)(c) of the Companies Act, 2013 2. Authorization for creation of charge / securing credit facilities under Section 180(1)(a) of the Companies Act, 2013
2025-26	03rd September, 2025	05:00 PM (IST)		None

b. Details of Special Resolution passed through postal ballot

Not applicable for financial year ended 31st March, 2026.

c. Person who conducted the postal ballot exercise

Not applicable for financial year ended 31st March, 2026.

d. Details of special resolution proposed to be conducted through postal ballot

Not applicable for financial year ended 31st March, 2026.

e. Procedure for postal ballot

Not applicable for financial year ended 31st March, 2026.

7. MEANS OF COMMUNICATION

Not applicable for financial year ended 31st March, 2026.

8. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting

Annual General Meeting of the Company shall be held through Video Conferencing (VC)/ other Audio-Visual Means (OAVM) (Instruction and general guidelines for participation through VC/ OAVM has been given in Notice of the AGM).

Date : 9th September, 2026
Time : 10:30 AM (IST)

b. Financial year

Financial year covers the period from 1st April, 2025 to 31st March, 2026

c. Dividend payment date

Not Applicable

d. Listing on Stock Exchanges

Equity Shares of the Company got listed on the following stock exchanges effective from 11th March, 2026

BSE Limited **(BSE)** Department of Corporate Services, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai –400001	National Stock Exchange of India Limited **(NSE)** Exchange plaza, C-1, Block G, Bandra Kurla Complex, Mumbai – 400051.
Scrip Code: **544723**	NSE Symbol: **SEDEMAC**
ISIN: INE00XB01019	

e. Suspension of Trading

There was no suspension of trading during the year.

f. Registrar and Share Transfer Agents

Name: MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)

Address: C-101,1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai -400 083 Maharashtra, India

Telephone: +91 81 0811 4949
E-mail: sedemac.ipo@in.mpms.mufg.com
Website: www.in.mpms.mufg.com

g. Share transfer system

As mandated by SEBI, the securities of listed companies can only be transferred in dematerialised form and the shares can be transferred by shareholders only through their Depository Participant.

Further, the shareholders holding shares in demat form are requested to register their email address, bank account details and mobile number with their depository participants.

h. Shareholding as on 31st March, 2026:

i. Distribution of shareholdings as on 31st March, 2026:

Shares - Range	Number of Shareholders	Percentage of total shareholders	Total Shares for the Range	Percentage of issued capital
01 to 500	17,763	97.99%	439,925	1.00%
501 to 1000	122	0.67%	93,732	0.21%
1001 to 2000	43	0.24%	64,051	0.15%
2001 to 3000	23	0.13%	58,621	0.13%
3001 to 4000	10	0.06%	37,236	0.08%
4001 to 5000	10	0.06%	46,445	0.11%
5001 to 10000	23	0.13%	166,687	0.38%
10001 to 7150500	133	0.73%	43,254,803	97.95%
Total:	**18,127**	**100.00%**	**44,161,500**	**100.00%**

ii. Category of Equity Shareholders as on 31st March, 2026

Sr. No.	Category	Number of shares	% of holding
1	Promoter and Promoter Group	11,586,000	26.24
2	Alternate Investment Funds	12,211,119	27.65
3	Mutual Fund	6,020,415	13.63
4	Foreign Companies	4,754,850	10.77
5	Bodies Corporate	1,379,915	3.12
6	Insurance Companies	1,168,329	2.65
7	Foreign Portfolio Investors Category I	1,108,068	2.51
8	Non-Resident Indians (NRIs)	1,105,822	2.50
9	Foreign Portfolio Investors Category II	6,506	0.01
10	LLP	813,461	1.84
11	Public	4,007,015	9.07
	Total	**44,161,500**	**100**

i. Dematerialization of Shares & Liquidity

The Company's Shares are available for dematerialisation with both the Depositories i.e., NSDL and CDSL and its International Securities Identification Number (ISIN) is INE00XB01019.

As on 31st March, 2026, out of the total 44,161,500 Equity shares, 44,161,497 Equity shares representing 99.99% of the total Paid-up Equity Share Capital of the Company were in dematerialised form.

Particulars	As on March 31, 2026	% of holding
No. of Shares held by CDDL	27,641,653	62.54
No. of Shares held by NSDL	16,519,844	37.45
Physical	3	0.01
Total	**44,161,500**	**100.00**

Post listing of Company's equity shares at the stock exchanges on 11th March, 2026, the Company's Shares are liquid and are traded in dematerialised form on both the Stock Exchanges i.e., BSE and NSE.

j. Outstanding GDR's/ ADR's or Warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDR's/ ADR's or warrants or any convertible instruments, which is likely to impact on equity. Details to the extent of outstanding employee stock options convertible into equity shares have been disclosed in the disclosure for ESOPs.

k. Commodity price risk or foreign exchange risk and hedging activities

Information on foreign exchange risk and hedging activities are provided under Notes to Accounts of Financial Statements section of Annual Report. You are requested to refer to Note No. 36 Financial risk management in the financial statements.

l. Plant locations

Manufacturing Plant - 1 (MF1)	G-1, MIDC, Phase- III, Chakan Industrial Area, Nighoje, Pune 410501, Maharashtra, India
Manufacturing Plant - 2 (MF2)	Survey No.64/5, Bhide Baug Industrial Estate, Wadgaon Budruk, Pune 411041, Maharashtra, India
Upcoming Manufacturing Plant - 3 (MF3)	Gat Nos. 169/1 to 6, 169/7(P), 169/9(P) and 180(P), Village Shinde, Taluka Khed, District Pune 410501, Maharashtra, India
Upcoming Manufacturing Plant - 4 (MF4)	Plot No.: G-43, MIDC, Phase-III, Chakan Industrial Area, Nighoje, Pune 410501, Maharashtra, India
Upcoming Manufacturing Plant - 5 (MF5)	Plot no 48A, Shoolagiri Industrial Park, (Hosur, Phase-IV), Nallaganakothapalli, Shoolagiri, Tamil Nadu 635117, India.

m. Address for correspondence

Shareholders may correspond with the Registrar and Transfer Agents at:

Name: MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)
Address: C-101,1st Floor, 247 Park, Lal Bahadur Shastri. Marg, Vikhroli (West), Mumbai -400 083 Maharashtra, India
Telephone: +91 81 0811 4949
E-mail: investor.helpdesk@in.mpms.mufg.com
Website: www.in.mpms.mufg.com

Your Company has also designated an exclusive email ID cs@sedemac.com for Investors for the purpose of registering complaints and the same has been displayed on the Company's website.

For all investor related matters, the grievances can be sent at:

SEDEMAC Mechatronics Limited
(Formerly SEDEMAC Mechatronics Private Limited)
Survey No. 270/1/A/2, Pallod Farms, Baner Road,
Baner, Baner Gaon, Haveli, Pune - 411045, Maharashtra, India
E-mail: cs@sedemac.com
Telephone: +91 20 6715 7200;

Further, the Institutional Investor(s) can contact for any grievances at:
SEDEMAC Mechatronics Limited
(Formerly SEDEMAC Mechatronics Private Limited)
Survey No. 270/1/A/2, Pallod Farms, Baner Road,
Baner, Baner Gaon, Haveli, Pune - 411045, Maharashtra, India
E-mail: investors@sedemac.com
Telephone: +91 20 6715 7200

Your Company can also be visited at its website: www.sedemac.com

n. **Credit Rating:** The credit rating of the Company can be accessed at https://www.sedemac.com/investors/financial-information/credit-ratings

9. OTHER DISCLOSURES

a. Materially significant related party transactions

There were no transactions entered into by the Company during the financial year under review with related parties except remuneration to the Directors and KMPs. During the year under review, there were no materially significant related party transactions entered into between the Company that may have potential conflict with the interest of the Company at large. The policy for dealing with the related party transactions, which has been approved by the Board, is available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

b. Details of non-compliance with respect to Capital Markets and penalties

The Company has complied with the requirements of Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets, to the extent applicable and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or other statutory authorities during the year under review.

c. Whistle blower policy and vigil mechanism

The Company has formulated a Vigil Mechanism and Whistle-Blower Policy (“Policy”) in accordance with provisions of the Act and Regulation 22 of Listing Regulations. This Policy aims to provide a platform and mechanism for employees, directors and other stakeholders to report unethical behaviour, fraud or violations of the company’s code of conduct, ethics and principles without fear of retaliation. It also ensures direct access to the Chairperson of the Audit Committee.

The Company affirms that, in compliance with the Policy, no personnel have been denied access to the Audit Committee Chairperson. The Whistle Blower Policy is available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

d. Compliance with mandatory requirements

The Company has complied with all the mandatory corporate governance requirements to the extent applicable to the Company.

e. Web link where policy for determining material subsidiaries is disclosed

The Company does not have any subsidiary as on 31st March, 2026.
The Company has a policy for determining material subsidiaries which is available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

f. Details of utilization of funds raised through preferential allotment or qualified institutions placement

During the year under review, there was no Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A).

g. Certificate from a Company Secretary in practice

The Company has received a certificate from a Company secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continued as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this report as **Annexure - III.**

h. Non-acceptance of any recommendation of any Committee of the Board which is mandatorily required

The Board of Directors have taken all the recommendations of the various Committees of the Board as statutorily prescribed.

i. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

The total fees for all services paid/ payable by the Company to M/s. B S R & Co. LLP, Chartered Accountants, Statutory Auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, for the financial year are as follows:

(INR in Crores)

No.	Particulars	Amount
1	Statutory audit fees	0.43
2	Tax audit fees	0.02
3	Out of pocket expenses	0.03
4	Others	0.03
	Total	**0.51**

j. Disclosures in relation to the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

a. Number of complaints filed during the financial year - 01
b. Number of complaints disposed of during the financial year - 01
c. Number of complaints pending as on end of the financial year – Nil

k. Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

During the financial year under review, the Company have neither advanced any loans nor given any guarantees and / or provided any securities, whether directly or indirectly to firms/ companies in which directors are interested.

l. Details of material subsidiaries, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company does not have any subsidiaries as on 31st March, 2026.

m. Code for Prevention of Insider Trading Practices

During the financial year under review, the Company adhered to comprehensive Code of Conduct for prevention of Insider Trading for its Promoters, Directors, Key Managerial Personnel and Connected Persons. The Code aims to ensure monitoring, timely reporting and adequate disclosure of price sensitive information by the Promoters, Directors, Key Managerial Personnel and Connected Persons. It also aims to bring transparency and fairness in dealing with the stakeholders and also ensuring the adherence to all applicable laws and regulations. This Code lays down the guidelines, through which it advises on procedures to be followed and disclosures to be made, while dealing with shares of the Company. The Code has been made available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

n. Other Policies

The Company has adopted various policies prescribed under the Act and Listing Regulations i.e. Policy on Determination of Materiality for Disclosures, Policy on Archival and Preservation of Documents, Dividend Distribution Policy etc which are available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/codes-and-policies

10. DISCRETIONARY REQUIREMENTS (SCHEDULE II PART E OF THE SEBI LISTING REGULATIONS)

The Company strives to adhere and comply with the following discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of SEBI Listing Regulations, to the extent applicable:

a. The Company has appointed a Non-Executive Independent Director as Chairperson of the Board who is not related to the Executive Directors.

b. There is no audit qualification in your Company's financial statements for the Financial Year 2025-26. Your Company continues to adopt best practices to ensure regime of financial statements with unmodified audit opinions.

11. COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and all other mandatory provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to the extent applicable.

12. COMPLIANCE WITH CODE OF CONDUCT

The Code of Conduct ("the Code") for Board members and Senior Management personnel as adopted by the Board, is a comprehensive code applicable to Directors and Senior Management personnel. The Code lays down in detail, the standards of business conduct, ethics and strict governance norms for the Board and Senior Management personnel. A copy of the Code has been made available on the website of the Company at https://www.sedemac.com/investors/corporate-governance/codes-and-policies. The Code has been circulated to Directors and Senior management personnel and its compliance is affirmed by them annually. A declaration signed by the Managing Director to this effect is annexed to this report as **Annexure - I.**

13. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Compliance certificate from M/s. B S R & Co. LLP, Chartered Accountants regarding compliance of conditions of corporate governance is annexed as **Annexure - IV** to this report.

14. MANAGING DIRECTOR, JOINT MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

Mr. Shashikanth Suryanarayanan, Managing Director, Mr. Amit Arun Dixit, Joint Managing Director and Mr. Rajesh Madhukar Sheth, Chief Financial Officer of the Company have furnished to the Board, the requisite Compliance Certificate under Regulation 17(8) of the Listing Regulations for the financial year ended March 31, 2026 and is annexed to this report as **Annexure - II.**

15. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

Sr. No.	Particulars	Number of Shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	0	0
2	Number of shareholders who approached the Company for transfer of shares from suspense account during the financial year 2025-26	0	0
3	Number of shareholders to whom shares were transferred from suspense account during the financial year 2025-26	0	0
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31st March, 2026	1	4,497

Note: Voting rights on above shares remain frozen till the rightful owner claims these shares.

16. TRANSFER OF UNCLAIMED/UNPAID AMOUNT TO THE INVESTOR EDUCATION AND PROTECTION FUND

The Company does not have any instances of transferring any amount to the Investor Education and Protection Fund.

17. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITY

During the Financial Year 2025-26, the Company has not entered into any agreement, which is covered under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

18. DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements for the Financial Year 2025-26, the Company has followed the Accounting Standards issued by Institute of Chartered Accountants of India. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. The Company has adequate systems of internal control to ensure reliability of financial and operational information and compliance with all statutory /regulatory compliances.

For and on behalf of the Board of Directors
For SEDEMAC Mechatronics Limited
(Formerly known as SEDEMAC Mechatronics Private Limited)

Shashikanth Suryanarayanan
Managing Director
DIN: 01269904

Date:12th August 2026
Place: Tiruvannamalai

Amit Arun Dixit
Joint Managing Director
DIN: 01288169

Date: 12th August 2026
Place: Pune

Annexure I: Declaration

[Regulation 34(3), read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Shashikanth Suryanarayanan, Managing Director of the Company, hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2025-26.

For SEDEMAC Mechatronics Limited
(Formerly known as SEDEMAC Mechatronics Private Limited)

Shashikanth Suryanarayanan
Managing Director
DIN: 01269904

Date: 12th August, 2026
Place: Tiruvannamalai

Annexure II: Compliance Certificate

[Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Board of Directors,
SEDEMAC Mechatronics Limited
Survey No. 270/1/A/2, Pallod Farms,
Baner Road, Baner, Baner Gaon, Haveli,
Pune- 411045, Maharashtra, India

In compliance with Regulation 17(8) read with Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that

1. We have reviewed the Financial Statements and the Cash Flow Statement of SEDEMAC Mechatronics Limited for the Financial Year ended 31st March, 2026 and to the best of our knowledge and belief, we state that

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

b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 steps taken or proposed to be taken for rectifying these deficiencies.

4. We have indicated to the Auditors and the Audit Committee

a. significant changes, if any, in the internal control over financial reporting during the year;

b. significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours Sincerely,

Shashikanth Suryanarayanan **Managing Director** **DIN: 01269904**	**Amit Arun Dixit** **Joint Managing Director** **DIN: 01288169**	**Rajesh Madhukar Sheth** **Chief Financial Officer**
Place: Lisbon	**Place: Pune**	**Place: Pune**

Date: 18th May, 2026

Annexure III:
Certificate of Non-disqualification of Directors

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

To,
The Members,
SEDEMAC Mechatronics Limited
Survey No. 270/1/A/2, Pallod Farms,
Baner Road, Baner, Baner Gaon, Haveli,
Pune- 411045, Maharashtra, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SEDEMAC MECHATRONICS LIMITED** (formerly SEDEMAC MECHATRONICS PRIVATE LIMITED), having CIN: **L29253PN2007PLC246956** and having registered office situated at Survey No. 270/1/A/2, Pallod Farms, Baner Road, Baner, Pune, Haveli, Maharashtra, India, 411045 (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Designation	Date of Appointment in Company
1.	Shashikanth Suryanarayanan	01269904	Managing Director	18th July, 2007
2.	Amit Arun Dixit	01288169	Joint Managing Director	11th January, 2018
3.	Manish Sharma	01310490	Whole-Time Director	14th May, 2025
4.	Parthasarathy Namakal Srinivasan	00146954	Independent Director	21th February, 2025
5.	Poyni Bhatt	09052397	Independent Director	22nd March, 2025
6.	Udo Edgar Wolz	11142797	Non-Executive Director	01st July, 2025

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

For Nilesh Shah & Associates
Company Secretaries

Mahesh Darji
Partner
FCS - 7175
C.P.No: 7809
Peer Review No. 7810/2026

Place: Mumbai
Date:12th August, 2026
UDIN: F007175H001094888

Annexure IV:
Independent Auditors Certificate on Corporate Governance Report

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (Listing Obligations and Disclosure Requirements) REGULATIONS, 2015

To the Members of SEDEMAC Mechatronics Limited (formerly known as SEDEMAC Mechatronics Private Limited)

1. This certificate is issued in accordance with the terms of our engagement letter dated 9 October 2025 and addendum to the engagement letter dated 10 August 2026.

2. We have examined the compliance of conditions of Corporate Governance by SEDEMAC Mechatronics Limited (formerly known as SEDEMAC Mechatronics Private Limited) ("the Company"), for the year ended 31 March 2026 , as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2026.

6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the 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.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations except that the Stakeholders Relationship Committee meeting was not held in accordance with Regulation 20 (3A) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company was listed on 11 March 2026 and did not receive any complaints or grievances from investors during the period from date of listing to 31 March 2026.

9. We 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.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enablingthe Company to comply with the requirement of the Listing Regulations and should not be used by any otherperson or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of carefor any other purpose or to any other person to whom this certificate is shown or into whose hands it maycome without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Kalpesh Khandelwal
Partner
Membership No.: 133124
UDIN: 26133124SICDCI3540

Place: Pune
Date: : 12th August, 2026

Independent Auditor's Report

To the Members of SEDEMAC Mechatronics Limited
(Formerly known as SEDEMAC Mechatronics Private Limited)

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of SEDEMAC Mechatronics Limited (Formerly known as SEDEMAC Mechatronics Private Limited) (the "Company") which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Capitalization of product development costs	
See Note 2.2(d), 4B, 4C and 4D to financial statements	
The key audit matter	**How the matter was addressed in our audit**
Product development costs incurred on new products and technology are recognised as intangible assets only when technical feasibility has been established, the Company has committed technical and commercial resources to complete the development and use the intangible asset and it is probable that the asset will generate future economic benefits. The costs capitalised during the year include employee costs, materials, depreciation, rent, license fees and other directly attributable expenditure incurred up to the date the intangible asset is available for use including interest capitalised. The capitalisation of product development cost is considered to be a key audit matter given that the assessment of the capitalisation criteria set out in Ind AS 38 'Intangible Assets' is made at an early stage of product development and there are inherent challenges with assessing technical feasibility and accurately predicting the future economic benefit, which must be assessed as 'probable' for capitalisation to commence. There is a risk therefore that development cost may get capitalised where the relevant criteria has not been met. There is also a risk that costs that are not directly attributable are being capitalised on various projects.	In view of the significance of the matter we have applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence: • Assessed the appropriateness of Company's accounting policies for capitalisation of product development costs by comparing with applicable accounting standards. • Evaluated the design, implementation and operating effectiveness of key internal controls over capitalisation of product development costs. • On a sample basis, assessed whether management's evaluation of development projects meets the recognition criteria for internally generated intangible assets under Ind AS 38. • For a sample of projects selected, tested key assumptions including estimated volumes, expected revenues, associated costs and discount rates used in management's forecast. • Performed retrospective review over various assumptions used by management. • For projects selected on a sample basis, examined the capitalised expenses with the related documents, to evaluate that costs were incurred for the relevant project and have been appropriately capitalised. • Assessed adequacy and compliance of related financial statement disclosures.

<table>
<tr><th colspan="2">Revenue recognition from sale of products</th></tr>
<tr><td colspan="2">See Note 2.2(a) and 26 to financial statements</td></tr>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>Revenue from sale of products is recognised at a point in time when performance obligation is satisfied and is based on the transfer of control to the customer as per terms of the contract with them which may vary for each customer.The Company and its external stakeholders focus on revenue as a key performance metric.

Revenue recognition from sale of products has been identified as a key audit matter as there could be an incentive or external pressures to meet expectations resulting in revenue being overstated or recognized before the control has been transferred.</td><td>In view of the significance of the matter we have applied the following audit procedures in this area, among others, to obtain sufficient appropriate audit evidence:

• Assessed the appropriateness of Company's accounting policies for revenue recognition by comparing with applicable accounting standards.

• Evaluated the design, implementation and operating effectiveness of key internal controls over recognition of revenue.

• On a sample basis, we tested the revenue transactions recorded during the year, by examining the underlying documents which included sales invoice, shipping documents and proof of deliveries, to assess revenue is recognised appropriately in the period in which control is transferred as per the terms of the contract.

• Based on lead time for delivery, we tested specific revenue transactions recorded close to the year end and subsequent to the year end, using statistical sampling, to check whether revenue has been recognised in the accounting period in which the revenue recognition criteria are met.

• Scrutinised journal entries posted to the revenue account during the year, based on specified riskbased criteria, to detect unusual or irregular items.

• Assessed adequacy and compliance of related financial statement disclosures.</td></tr>
</table>

OTHER INFORMATION

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

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

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either 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 THE FINANCIAL STATEMENTS

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

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

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

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to 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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

2A. As required by Section 143(3) of the Act, we report that:

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

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its financial statements - Refer Note 41 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 49(e) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 49(f) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks and based on independent auditor's report in relation to controls at the service organization for the accounting software which is operated by third party software service provider, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account relating to general ledger and payroll records, 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 softwares:

- The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining general ledger;
- The feature of recording audit trail (edit log) facility was not enabled for certain tables at the application layer of the accounting software used for maintaining general ledger relating to Purchases, Payables, Revenue and Receivable.

Further, where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with. Additionally, where the audit trail (edit log) functionality was enabled and operated during the previous years, the Company has preserved the audit trail in accordance with the statutory record retention requirements.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Kalpesh Khandelwal
Partner
Membership No.: 133124
ICAI UDIN:26133124AHRNGP3006

Place: Pune
Date: 18 May 2026

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF SEDEMAC MECHATRONICS LIMITED (FORMERLY KNOWN AS SEDEMAC MECHATRONICS PRIVATE LIMITED) FOR THE YEAR ENDED 31 MARCH 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company

Description of property	Gross carrying value (INR crore)	Held in the name of	Whether promoter , director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Land	2.33	SEDEMAC Mechatronics Private Limited	No	9 - 10 years	The title deeds of all the immovable properties are held in erstwhile name of the Company.
Building	1.57	SEDEMAC Mechatronics Private Limited	No	9 - 10 years	
Right-of-use asset	38.63	SEDEMAC Mechatronics Private Limited	No	5 - 10 years	

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)(a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

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

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Accordingly provisions of clause 3(iii)(a) and 3(iii)(c) to 3(iii)(f) are not applicable to the company. The Company has made investments in other parties, in respect of which the requisite information is as below. The Company has not made any investments in companies, firms or limited liability partnerships.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are not prejudicial to the interest of the Company. The Company has not provided any guarantees or extended any securities or given any loans or advances in the nature of loans.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, 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 maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii)(a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (INR crore)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	2.83	AY 2018-19, 2020-21	Bombay High Court	-
Income Tax Act, 1961	Penalty	0.75	AY 2018-19	CIT (A)	-
Income Tax Act, 1961	Income Tax	0.63	AY 2024-25	Assessing Officer	Rectification application has been filed.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable. Refer note 15B of the financial statements.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any private placement of shares or fully or partly convertible debentures during the year. In our opinion, in respect of preferential allotment of equity shares made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of equity shares have been used for the purposes for which the funds were raised.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, 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 the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as defined in the regulations made by the Reserve Bank of India). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Kalpesh Khandelwal
Partner
Membership No.: 133124
ICAI UDIN:26133124AHRNGP3006

Place: Pune
Date: 18 May 2026

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF SEDEMAC MECHATRONICS LIMITED (FORMERLY KNOWN AS SEDEMAC MECHATRONICS PRIVATE LIMITED) FOR THE YEAR ENDED 31 MARCH 2026

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

We have audited the internal financial controls with reference to financial statements of SEDEMAC Mechatronics Limited (Formerly known as SEDEMAC Mechatronics Private Limited) ("the Company") as of 31 March 2026 in conjunction with our audit of the 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 financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal 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 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 with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Kalpesh Khandelwal
Partner
Membership No.: 133124
ICAI UDIN:26133124AHRNGP3006

Place: Pune
Date: 18 May 2026

Balance Sheet (As at 31 March 2026)

(Amounts in INR crores, unless otherwise stated)

	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3A	166.46	114.82
Capital work-in-progress	3B	20.27	3.92
Other intangible assets	4A	66.86	68.94
Intangible assets under development	4B	70.50	49.32
Right-of-use assets	5	19.95	12.85
Financial assets			
(i) Other financial assets	6	6.45	6.04
Deferred tax asset (net)	34	-	13.55
Other tax assets (net)		3.50	1.26
Other non-current assets	7	44.17	5.95
Total non-current assets		**398.16**	**276.65**
Current assets			
Inventories	8	188.31	135.26
Financial assets			
(i) Investments	9	-	19.39
(ii) Trade receivables	10	133.72	43.95
(iii) Cash and cash equivalents	11	7.34	2.53
(iv) Bank balances other than (iii) above	12	57.05	5.72
(v) Other financial assets	13	4.56	0.57
Other current assets	14	24.56	7.09
Total current assets		**415.54**	**214.51**
TOTAL ASSETS		**813.70**	**491.16**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15A	44.16	0.03
Other equity	16	405.04	303.35
Total equity		**449.20**	**303.38**

	Notes	As at 31 March 2026	As at 31 March 2025
Liabilities			
Non- current liabilities			
Financial liabilities			
(i) Borrowings	17	29.88	25.69
(ii) Lease liabilities	18	15.99	8.18
Provisions	19	4.82	3.61
Deferred tax liabilities (net)	34	8.30	-
Other non-current liabilities	20	4.62	1.93
Total non-current liabilities		**63.61**	**39.41**
Current liabilities			
Financial liabilities			
(i) Borrowings	21	20.75	23.93
(ii) Lease liabilities	18	5.82	6.55
(iii) Trade payables	22		
(A) Total outstanding dues of micro enterprises and small enterprises		14.79	2.92
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		211.55	82.86
(iv) Other financial liabilities	23	28.63	22.63
Other current liabilities	24	10.13	4.43
Provisions	25	9.22	5.05
Total current liabilities		**300.89**	**148.37**
Total liabilities		**364.50**	**187.78**
TOTAL EQUITY AND LIABILITIES		**813.70**	**491.16**

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

For **B S R & Co. LLP,**
Chartered Accountants
Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of **SEDEMAC Mechatronics Limited**
(Formerly known as SEDEMAC Mechatronics Private Limited)
(CIN : U29253PN2007PLC246956)

Kalpesh Khandelwal
Partner
Membership No : 133124
Place: Pune
Date: 18 May 2026

Prof. Shashikanth Suryanarayanan
Managing Director
DIN : 01269904
Place: Lisbon
Date: 18 May 2026

Amit Arun Dixit
Joint Managing Director
DIN: 01288169
Place: Pune
Date: 18 May 2026

Rajesh Madhukar Sheth
Chief Financial Officer
Place: Pune
Date: 18 May 2026

Prasad Rajendra Chavan
Company Secretary & Compliance Officer
Place: Pune
Date: 18 May 2026

Statement of Profit and Loss (For the year ended 31 March 2026)

(Amounts in INR crores, unless otherwise stated)

	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from operations	26	1,058.38	658.36
Other income	27	5.27	4.17
Total income		**1,063.65**	**662.53**
Expenses			
Cost of materials consumed	28	662.11	414.61
Changes in inventories of finished goods and work-inprogress	29	(16.30)	(3.96)
Employee benefits expense	30	86.61	61.43
Finance costs	31	8.53	12.03
Depreciation and amortization expense	32	63.48	45.33
Other expenses	33	109.03	65.39
Total expenses		**913.46**	**594.83**
Profit before tax		**150.19**	**67.70**
Tax expense			
Current tax	34	24.66	12.90
Deferred tax expense	34	21.95	7.75
Total tax expense		**46.61**	**20.65**
Profit for the year		**103.58**	**47.05**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligations		(0.39)	(0.70)
Income-tax related to above item		0.10	0.20
Other comprehensive expense for the year (net of tax)		**(0.29)**	**(0.50)**
Total comprehensive income for the year		**103.29**	**46.55**
Earnings per equity share (nominal value of share INR 10 (31 March 2025 : INR 10))	38		
-Basic (INR)		23.91	10.93
-Diluted (INR)		23.52	10.82

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

For **B S R & Co. LLP,**
Chartered Accountants
Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of **SEDEMAC Mechatronics Limited**
(Formerly known as SEDEMAC Mechatronics Private Limited)
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Chief Financial Officer
Place: Pune
Date: 18 May 2026

Prasad Rajendra Chavan
Company Secretary & Compliance Officer
Place: Pune
Date: 18 May 2026

Statement of changes in equity (For the year ended 31 March 2026)

(Amounts in INR crores, unless otherwise stated)

A. Equity share capital (refer note 15A)

Particulars	No. of shares	Amount
Balance as on 01 April 2024	**11,212**	**0.01**
Add: Changes in equity share capital due to prior period errors	-	-
Restated balance as on 01 April 2024	**11,212**	**0.01**
Add: Issued during the year	17,095	0.02
Balance as on 31 March 2025	**28,307**	**0.03**
Add: Changes in equity share capital due to prior period errors	-	-
Restated balance as on 31 March 2025	**28,307**	**0.03**
Add: Issued during the year	44,133,193	44.13
Balance as on 31 March 2026	**44,161,500**	**44.16**

B. Other equity (refer note 16)

Particulars	Equity component of compulsorily convertible preference shares	Reserves and surplus			Money received against share warrants	Total
		Securities Premium	Share options outstanding account	Retained Earnings		
Balance as on 01 April 2024	**0.09**	**116.04**	**10.53**	**(2.54)**	**-**	**124.12**
Total comprehensive income for the year ended 31 March 2025						
Profit for the year	-	-	-	47.05	-	47.05
Other comprehensive income for the year						
Remeasurement loss on defined employee benefit obligations (net of tax)	-	-	-	(0.50)	-	(0.50)
Total comprehensive Income for the year	-	-	-	**46.55**	**-**	**46.55**
Transaction with owners of the Company Contributions and distributions						
Issue of equity shares	-	75.01	-	-	-	75.01
Issue of equity shares on exercise of stock options	-	2.90	(1.08)	-	-	1.82
On account of conversion of compulsory convertible preference shares	(0.09)	54.90	-	-	-	54.81
Share based payment	-	-	1.04	-	-	1.04
Share options lapsed	-	-	(0.03)	0.03	-	-
	(0.09)	**132.81**	**(0.07)**	**0.03**	**-**	**132.68**
Balance as on 31 March 2025	**-**	**248.85**	**10.46**	**44.04**	**-**	**303.35**

(Amounts in INR crores, unless otherwise stated)

Particulars	Equity component of compulsorily convertible preference shares	Reserves and surplus			Money received against share warrants	Total
		Securities Premium	Share options outstanding account	Retained Earnings		
Total comprehensive income for the year ended 31 March 2026						
Profit for the year	-	-	-	103.58	-	103.58
Other comprehensive income for the period						
Remeasurement loss on defined employee benefit obligations (net of tax)	-	-	-	(0.29)	-	(0.29)
Total comprehensive Income for the year ended 31 March 2026	**-**	**-**	**-**	**103.29**	**-**	**103.29**
Transaction with owners of the Company Contributions and distributions						
Share warrants issued	-	-	-	-	22.00	22.00
Conversion of warrants to equity shares	-	22.00	-	-	(22.00)	-
Issue of equity shares on exercise of stock options	-	27.58	(9.14)	-	-	18.44
Issue of bonus shares	-	(43.57)	-	-	-	(43.57)
Share based payment	-	-	1.53	-	-	1.53
	-	**6.01**	**(7.61)**	**-**	**-**	**(1.60)**
Balance as on 31 March 2026	**-**	**254.86**	**2.85**	**147.33**	**0.00**	**405.04**

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

For **B S R & Co. LLP,**
Chartered Accountants
Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of **SEDEMAC Mechatronics Limited**
(Formerly known as SEDEMAC Mechatronics Private Limited)
(CIN : U29253PN2007PLC246956)

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Partner
Membership No : 133124
Place: Pune
Date: 18 May 2026

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Rajesh Madhukar Sheth
Chief Financial Officer
Place: Pune
Date: 18 May 2026

Prasad Rajendra Chavan
Company Secretary & Compliance Officer
Place: Pune
Date: 18 May 2026

Statement of cash flows (For the year ended 31 March 2026)

(Amounts in INR crores, unless otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
A Cash flows from operating activities		
Profit before tax	150.19	67.70
Adjustments for:		
Depreciation and amortization expenses	63.48	45.33
Impairment of intangible assets	1.20	5.04
Loss on sale of property, plant and equipment	0.01	0.13
Interest income on bank deposits	(0.47)	(0.65)
Interest income on security deposits	(0.32)	(0.24)
Gain on sale of mutual funds	(1.71)	(0.32)
Net unrealised gain on investments carried at fair value through profit or loss	-	(0.06)
Fair value (gain) / loss on financial instruments	0.27	0.01
Provision for expected credit losses (net)	0.68	-
Provision for obsolescence of inventories	2.30	-
Provision no longer required written back	-	(0.09)
Equity-settled share-based payments	1.53	1.04
Unrealised exchange (gain) / loss (net)	3.46	(0.14)
Income from government grant	(2.74)	(1.91)
Finance costs	8.53	12.03
Operating profit before working capital changes	**226.41**	**127.87**
Working capital adjustments:		
Increase in trade receivables	(90.24)	(16.90)
Increase in inventories	(55.35)	(17.61)
(Increase) / Decrease in other current assets	(17.47)	0.60
(Increase) / Decrease in other financial assets	(0.40)	0.01
Increase in security deposits	(3.84)	(1.07)
Decrease / (Increase) in other non current assets	0.56	(2.24)
Increase in trade payables	89.52	9.26
Increase / (Decrease) in other current liabilities	5.04	(3.13)
Increase in provisions	4.82	1.71
(Decrease) / Increase in other financial liabilities	(4.13)	6.43
Cash generated from operations	**154.92**	**104.93**
Income Tax Paid (Net)	(26.90)	(14.02)
Net cash generated from operating activities	**128.02**	**90.91**
B Cash flows from investing activities		
Purchase of property, plant and equipment, right-of-use assets and capital work-in-progess	(138.56)	(56.90)
Sale proceeds from sale of property, plant and equipment	0.02	0.02
Expenditure on internally generated intangible assets	(36.93)	(28.72)
Interest received	0.47	0.64
Proceeds from sale of mutual funds	373.05	175.00
Investments in mutual funds	(351.95)	(194.00)
Fixed deposits made during the year	(15.40)	(179.74)
Fixed deposits matured during the year	15.22	177.68
Government grant received	5.80	1.27
Net cash used in investing activities	**(148.28)**	**(104.75)**
C Cash flows from financing activities		
Proceeds from issue of share warrants	22.00	-
Proceeds from issue of shares on exercise of stock options	19.00	76.77
Proceeds from long term borrowings	20.55	8.32
Repayments of long term borrowings	(11.30)	(30.54)
Proceeds from short term borrowings	-	5.14
Repayments of short term borrowings	(15.46)	(29.00)
Principal payments of lease liabilities	(8.39)	(5.56)
Interest payments on lease liabilities	(1.98)	(1.47)
Interest paid	(6.77)	(10.80)
Net cash generated from financing activities	**17.65**	**12.86**
Net decrease in cash and cash equivalents (A+B+C)	**(2.61)**	**(0.98)**
Cash and cash equivalents at the beginning of the year	2.53	3.51
Effect of exchange rate fluctuations on cash and cash equivalents held	0.31	-
Cash and cash equivalents at the end of the year	**0.23**	**2.53**

Notes to cash flow statement

(Amounts in INR crores, unless otherwise stated)

1 Components of cash and cash equivalents

	Note	As at 31 March 2026	As at 31 March 2025
Balances with banks	11		
- On current accounts		1.72	0.78
- On EEFC accounts		5.62	0.28
- Deposits with original maturity of 3 months or less		-	1.47
Cash credit facility from banks (Loans repayable on demand)	21	(7.11)	-
		0.23	**2.53**

2 Reconciliation of financial liabilities forming part of financing activities in accordance with Ind AS 7:

Particulars	**As at 1 April 2025**	**Proceeds**	**Repayments**	**Interest paid**	**Non cash changes Interest accrued included in borrowings**	**As at 31 March 2026**
Long term borrowings (including current maturities of long term borrowings)	34.15	20.55	(11.30)	(2.88)	3.00	43.52
Short term borrowings	15.46	-	(15.46)	(3.89)	3.89	-
Lease liabilities	14.73	15.47	(8.39)	(1.98)	1.98	21.81
Total	**64.34**	**36.02**	**(35.15)**	**(8.75)**	**8.87**	**65.33**

Particulars	**As at 1 April 2024**	**Proceeds**	**Repayments**	**Interest paid**	**Non cash changes Interest accrued included in borrowings**	**As at 31 March 2025**
Long term borrowings (including current maturities of long term borrowings)	56.30	8.32	(30.54)	(4.33)	4.40	34.15
Short term borrowings	39.42	5.14	(29.00)	(6.47)	6.37	15.46
Lease liabilities	19.44	0.85	(5.56)	(1.47)	1.47	14.73
Total	**115.16**	**14.31**	**(65.10)**	**(12.27)**	**12.24**	**64.34**

3 Non-cash financing and investing activities	**31 March 2026**	**31 March 2025**
Acquisition of Right-of-use assets	16.01	0.89
Issue of bonus shares	42.43	-
Issue of equity shares on conversion of compulsorily convertible preference shares	-	0.02

4 The Company has elected to present cash flows from operating activities using "indirect method" as set out in Ind AS - 7 on Statement of Cash Flows.

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

For **B S R & Co. LLP,**
Chartered Accountants
Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of **SEDEMAC Mechatronics Limited**
(Formerly known as SEDEMAC Mechatronics Private Limited)
(CIN : U29253PN2007PLC246956)

Kalpesh Khandelwal
Partner
Membership No : 133124
Place: Pune
Date: 18 May 2026

Prof. Shashikanth Suryanarayanan
Managing Director
DIN : 01269904
Place: Lisbon
Date: 18 May 2026

Amit Arun Dixit
Joint Managing Director
DIN: 01288169
Place: Pune
Date: 18 May 2026

Rajesh Madhukar Sheth
Chief Financial Officer
Place: Pune
Date: 18 May 2026

Prasad Rajendra Chavan
Company Secretary & Compliance Officer
Place: Pune
Date: 18 May 2026

1 Company Overview

SEDEMAC Mechatronics Limited (Formerly known as SEDEMAC Mechatronics Private Limited) was originally incorporated as a private limited Company on 18 July 2007 and is converted into a public limited Company on 2 September 2024 and consequently the name has been changed to SEDEMAC Mechatronics Limited and a revised certificate of incorporation dated 2 September 2024, consequent to the aforementioned change, has been issued by the Ministry of Corporate Affairs. The registered office of the Company is located at Survey No. 270/1/A/2, Pallod Farms, Baner Road, Baner, Baner Gaon, Haveli, Pune- 411045, Maharashtra, India. The Corporate identification number (CIN) of the Company is U29253PN2007PLC246956.

The Company is primarily engaged in the business of development, manufacture and supply of innovative controllers/ECUs. SEDEMAC is a global supplier of high-volume critical controllers/ECUs having novel motor, engine, supervisory and other control technologies developed in-house. The Company operates in various sectors, namely, power generators, automotive, powered equipment, electric vehicles and electric bikes etc. The Company has well equipped R&D Centre and the world class manufacturing plants. The Company is the key supplier to various established automotive & off highway industry players, locally & globally.

2.1 Basis of Preparation

A Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

The financial statements have been prepared in accordance with historical cost basis, except for certain financial assets and liabilities measured at fair value. The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

The financial statements are presented in INR crores, and all values are rounded to the nearest INR crores, except when otherwise indicated.

The financial statements were authorized for issue by the Company's Board of Directors on 18 May 2026.

B Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is treated as current when:
- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- Current liabilities include the current portion of non-current financial liabilities.

The Company classifies all other liabilities as non-current.

Deferred tax assets/ liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

C Foreign currency transactions

(i) Functional and presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the "functional currency"). The Company's financial statements are presented in INR, which is the Company's functional and presentational currency.

(ii) Transaction and balances:

Transaction in currencies other than entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transaction. Monetary items denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in other comprehensive income (FVOCI) or profit and loss are also recognised in FVOCI or profit and loss, respectively).

D Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

E Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively..

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements is included in the following notes:
Note 4C: capitalisation of product development cost, the Company applies judgement in determining at what point in a project's life cycle the recognition criteria under Ind AS 38 - Intangible assets ("Ind AS 38") are satisfied, and in determining the nature of the cost capitalised.

(ii) Assumption and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:
Note 26 : revenue recognition : estimate of expected returns;
Note 39: measurement of defined benefit obligations: key actuarial assumptions;
Note 34: recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;
Note 3A and Note 4A : useful life of property, plant and equipment and other intangible assets
Note 4A and Note 4B : impairment test of intangible assets: key assumptions underlying recoverable amounts, including the recoverability of development costs;
Note 19, Note 25 and Note 41: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; and
Note 36 : measurement of ECL allowance for trade and finance receivables, loans and contract assets: key assumptions in determining the weighted-average loss rate;

2.2 Summary of material accounting policies

The following are the material accounting policies applied by the Company in preparing its financial statements:

a. Revenue recognition

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with customer. The Company has concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer. Amounts disclosed as revenue are net of Goods and Service Tax (GST).

Sale of goods

Revenue from sale of goods is recognised at the point in time when the related performance obligation is satisfied which is generally on delivery of the goods. The normal credit term is 45 to 60 days upon delivery.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Supply of toolings is considered as a separate performance obligation. The performance obligation is satisfied on billing after approval of the product(s) by the customer. The revenue is recognised at point in time and at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Variable consideration
If the consideration in a contract includes a variable amount (like turnover discounts), the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The estimate of variable consideration for expected future volume rebates/incentives, cash discounts etc. are made on the most likely amount method.
Revenue is disclosed net of such amounts.

Significant financing component
Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115 Revenue from Contracts with Customers ("Ind AS 115"), the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Warranty obligations
A provision for warranties is recognised when the underlying products are sold, based on historical data and a weighting of possible outcomes against their associated probabilities.

Sale of services

Income from services is recognised on the basis of time/work completed as per contract with the customers. The Company collects taxes on services (where applicable) on behalf of the government and, therefore, they are not economic benefits flowing to the Company. Hence, they are excluded from revenue.
Royalty income is recognised on the basis of number of units manufactured by the ultimate customer to whom products have been offered on royalty per unit basis.
Revenue from job work services are recognized in the accounting period in which the services are rendered.

Interest income

Interest income is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Interest income is included in the Other Income in the statement of Profit and Loss.

Contract balances

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.
A contract liability is recognised if a payment is received from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer including volume rebates and discounts. The Company updates its estimates of refund liabilities at the end of each reporting period.

b. Taxes

Tax expense comprises of current tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (in equity or other comprehensive income respectively). Current tax items are recognised in correlation to the underlying transaction either in FVOCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment.

Company reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is 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. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
  - is not a business combination; and
  - at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences; and
- taxable temporary differences arising on the initial recognition of goodwill.

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. Future taxable profits are determine based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

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. For this purpose, the carrying amount of investment property is presumed to be recovered through sale.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

c. Property, plant and equipment and depreciation of property, plant and equipment

All items of property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met and directly attributable to bringing the asset to its location and condition necessary for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met and if the amount is material.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all property, plant and equipment recognised at 1 April 2023, measured as per previous GAAP and use that carrying value as the deemed cost of such property, plant and equipment.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Subsequent expenditure related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property,

plant and equipment, including routine repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.
The Company identifies and determines cost of each components/part of the asset separately, if the component/ part of the asset has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.
Property, plant and equipment under construction or installation as at balance sheet date is shown as capital work in progress and is stated at cost, net of accumulated impairment loss, if any. Further, the related advances are shown under non-current assets.

Depreciation on property, plant and equipment is calculated on a written down value method over the estimated useful lives of the assets as determined by Schedule II/ Independent chartered engineer. However, leasehold improvements are depreciated over the primary period of lease, on a straight-line basis.
Based on the report of an independent valuer and internal assessment, the useful lives as below are believed to best represent the period over which the assets are expected to be used. Hence the useful life for these assets are different from the useful lives as prescribed under Part C of Schedule II of The Companies Act 2013.

Depreciation is calculated on cost of asset.

Property, plant and equipment	Life as per Schedule II	Management Estimate
Computers	3-6 years	3 years
Plant and equipment	15 – 50 years	15 years
Furniture and Fixtures	10 years	10 years
Vehicles	8-10 years	8 years
Office equipment	5 years	5 years
Jigs and fixtures	5 years	3 years
Buildings	15 – 50 years	30 years
Electrical installation	10 years	10 years

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.

The Company reviews the estimated residual values and expected useful lives of assets at least annually.

Pro-rated depreciation is provided on all assets purchased or sold during the year.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

d. Intangible assets and amortization of intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Research costs are charged to the statement of profit and loss in the year in which they are incurred. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life of the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Transition to Ind AS
On transition to Ind AS, the Company has elected to continue with the carrying value of all intangible assets recognised at 1st April 2023, measured as per previous GAAP and use that carrying value as the deemed cost of such intangible assets.
Amortization of intangible assets is calculation on straight line method.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably.

(i) Computer software
Software is amortised over a period of 5 years

(ii) Research and development
Research costs are expensed as incurred. Development costs on an individual project are recognised as an intangible asset when the Company can demonstrate:
- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale.
- Its intention to complete and its ability and intention to use or sell the intangible asset
- How the intangible asset will generate future economic benefits
- The availability of resources to complete the intangible asset
- The ability to measure reliably the expenditure during development

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.
During the period of development, the asset is tested for impairment annually. Capitalised development costs are amortised over period of underlying project life which is generally 5 years. Useful life is reviewed at each reporting date.

e. Leases

The Company assesses at contract inception whether a contract is or contains a lease per Ind AS 116 Leases (“Ind AS 116”). That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company’s lease assets class primarily consists of lease of building or premises.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured 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.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

f. Inventories

Inventories which comprise raw materials, work-in-progress and finished goods are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, first in first out method is used. In the case of manufactured inventories and work in progress, cost includes fixed production overheads. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

g. Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Ind AS financial statements unless the possibility of an outflow embodying economic benefits is remote.

Provisions, contingent liabilities and commitments are reviewed by management at each balance sheet date.

h. Employee Benefits

(i) Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(ii) Defined benefit plan

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 obligations 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'). To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Gratuity

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through FVOCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods. The Company does not have any planned assets.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and nonroutine settlements; and
- Net interest expense or income.

Compensated absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet since the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

(iii) Short term employee benefits

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Company has 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.

i. Share based payment

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments from the Company, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.
When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.
The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

j. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial assets are classified and subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL).

The classification of financial assets depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

A 'financial asset' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables, and loan to an associate and loan to a director included under other non-current financial assets.

All financial assets not classified as measured at amortised cost or FVOCI 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.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:
(i) The rights to receive cash flows from the asset have expired, or
(ii) 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.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset to be in default when:

the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or

the financial asset is more than 90 days past due.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified as measured at amortised cost or at fair value through profit or loss. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 Financial Instruments ("Ind AS 109") or it is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. The Company's financial liabilities include borrowings, trade payables, lease liabilities and other financial liabilities. These are subsequently measured at amortised cost.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in FVOCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the contractual obligation is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

l. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

m. Impairment of financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less cost of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a re-valued amount, in which case the reversal is treated as a revaluation increase.

n. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The CODM is responsible for allocating resources and assessing performance of the operating segments. The joint managing director of the Company takes decision in respect of allocation of resources and assess the performance and hence, is considered to be the CODM of the Company.

o. Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.
Government grants relating to purchase of property, plant and equipment are included in current and non current liabilities as deferred income and are credited to profit or loss on systematic basis over the expected lives of the related assets and presented within other income.
Export benefits in the nature of duty drawback are recognised in the statement of profit and loss in the year of exports based on eligibility / expected eligibility duly considering the entitlements as per the policy, industry specific developments, interpretations arising out of judicial / regulatory proceedings where applicable, management assessment etc. and when there is no uncertainty in receiving the same.
Export benefits in the nature of Merchandise Exports from India Scheme (MEIS) under Foreign Trade Policy are recognised in the statement of profit and loss when there is no uncertainty in receiving / utilizing the same, taking into consideration the prevailing regulations.
There are no unfulfilled conditions attached to the government grant.

2.3 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA), through the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, has issued amendments to various Ind AS, which will be effective from 1 April 2025 and 1 April, 2026. The Company will evaluate the requirements and apply these amendments from the effective date.

A. Amendments effective from 01 April 2025:

(i) Ind AS 21 – Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)

These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable.
Impact: The Company currently does not deal in such currencies and hence there is no impact on the financial statements. The Company will assess the implications of this amendment for future periods.

(ii) Ind AS 7 – Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures (Supplier Finance Arrangements)

The amendments introduce additional disclosure requirements for supplier finance arrangements to enhance transparency regarding their effect on liabilities and cash flows.

Impact: These amendments does not have a material impact on the Company's financial statements.

(iii) Ind AS 12 – Income Taxes (Pillar Two Model Rules)

Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and require companies to disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief. Such disclosures are to be provided for annual reporting periods beginning on or after 1st April, 2025.

Impact: These amendments does not have a material impact on the Company's financial statements.

(iv) Ind AS 1, Presentation of Financial Statements

The amendment relates to classification of liabilities as current or non -current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants.

Impact: The Company has no impact of these amendments in its classification criteria of current and noncurrent liabilities.

(v) Other Amendments (Ind AS 115, Ind AS 116)

Other amendments include:

Removed the conflict between Ind AS 109 and Ind AS 115 over the amount at which a trade receivable is initially measured (Ind AS 115 and Ind AS 116).

Impact: These amendments does not have a material impact on the Company's financial statements.

B. Amendments notified but not yet effective (effective from 01 April 2026)

Ind AS 1, Presentation of Financial Statements – This amendment removes the carve-outs in Ind AS 1 from IAS 1 when there is a breach of a material covenant that transforms the liability from non-current to current. The Company will evaluate the requirements and apply these amendments from the effective date. However, presently the Company does not see any material impact on the financial statements.

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

3A. Property, plant and equipment

Particulars	Freehold Land	Building	Jigs and Fixtures	Electric Installation	Plant and equipment	Furniture and fixtures	Computers	Vehicles	Leasehold improve-ments	Office equipment	Total
Gross carrying amount											
Balance as at 01 April 2024	**2.33**	**1.57**	**1.72**	**0.92**	**73.66**	**3.17**	**5.76**	**0.45**	**7.17**	**2.32**	**99.07**
Additions	-	-	5.32	0.10	44.25	0.87	2.47	0.08	2.65	0.71	**56.45**
Disposals	-	-	0.02	-	0.47	0.08	0.26	0.12	0.04	0.08	**1.07**
Balance as at 31 March 2025	**2.33**	**1.57**	**7.02**	**1.02**	**117.44**	**3.96**	**7.97**	**0.41**	**9.78**	**2.95**	**154.45**
Additions	-	-	4.50	0.04	70.92	4.18	5.10	0.11	3.80	0.62	**89.27**
Disposals	-	-	0.30	-	0.12	0.02	-	0.02	-	0.01	**0.47**
Balance as at 31 March 2026	**2.33**	**1.57**	**11.22**	**1.06**	**188.24**	**8.12**	**13.07**	**0.50**	**13.58**	**3.56**	**243.25**
Accumulated Depreciation											
Balance as at 01 April 2024	**-**	**0.14**	**0.74**	**0.15**	**9.60**	**0.43**	**2.96**	**0.10**	**1.52**	**0.80**	**16.44**
Depreciation for the year	-	0.13	1.87	0.21	15.52	0.80	2.57	0.10	2.11	0.82	**24.13**
Accumulated depreciation on disposal	-	-	0.02	-	0.38	0.07	0.26	0.11	0.03	0.07	**0.94**
Balance as at 31 March 2025	**-**	**0.27**	**2.59**	**0.36**	**24.74**	**1.16**	**5.27**	**0.09**	**3.60**	**1.55**	**39.63**
Depreciation for the year	-	0.12	4.17	0.18	24.11	1.33	3.62	0.10	3.19	0.78	**37.60**
Accumulated depreciation on disposal	-	-	0.30	-	0.09	0.02	0.00	0.02	-	0.01	**0.44**
Balance as at 31 March 2026	**-**	**0.39**	**6.46**	**0.54**	**48.76**	**2.47**	**8.89**	**0.17**	**6.79**	**2.32**	**76.79**
Net block											
Balance as at 31 March 2025	**2.33**	**1.30**	**4.43**	**0.66**	**92.70**	**2.80**	**2.70**	**0.32**	**6.18**	**1.40**	**114.82**
Balance as at 31 March 2026	**2.33**	**1.18**	**4.76**	**0.52**	**139.48**	**5.65**	**4.18**	**0.33**	**6.79**	**1.24**	**166.46**

Property, plant and equipment are subject to charge, to secure the Company's borrowings as disclosed in note 17 and 21.
No borrowing costs were capitalised during the year ended 31 March 2026 (31 March 2025: Nil).

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

Title deeds of immovable property not held in the name pf company:
The title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company for the year ended 31 March 2026 :

Discription of property:

Description of property	Gross carrying value (INR crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Land	2.33	SEDEMAC Mechatronics Private Limited	No	9 - 10 years	Refer note A below
Building	1.57	SEDEMAC Mechatronics Private Limited	No	9 - 10 years	Refer note A below
Right-of-use asset	38.63	SEDEMAC Mechatronics Private Limited	No	5 - 10 years	Refer note A below

Note A:
The title deeds of all the immovable properties are held in erstwhile name of the Company.

3B. Capital work-in-progress

Particulars	Total
Balance as at 01 April 2024	**3.17**
Additions	**57.20**
Capitalised during the year	**56.45**
Balance as at 31 March 2025	**3.92**
Additions	**105.62**
Capitalised during the year	**89.27**
Balance as at 31 March 2026	**20.27**

Capital work in progress ("CWIP") ageing schedule

As at 31 March 2026	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	19.91	-	0.36	-	20.27
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2025	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3.56	0.36	-	-	3.92
Projects temporarily suspended	-	-	-	-	-

Expected Completion schedule of CWIP where cost or time overrun has exceeded original plan

	As at 31 March 2026				
	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.36	-	-	-	0.36

As at 31 March 2025, there are no projects for which completion is overdue compared to original plan and no costs exceeding budgeted cost for the above periods.

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

4A. Intangible assets

Particulars	Product Development	Software (Other than internally developed)	Total
Gross carrying amount			
Balance as at 01 April 2024	**60.66**	**7.30**	**67.96**
Additions	41.50	1.37	**42.87**
Deletion	-	0.24	**0.24**
Balance as at 31 March 2025	**102.16**	**8.43**	**110.59**
Additions	18.40	2.28	**20.68**
Balance as at 31 March 2026	**120.56**	**10.71**	**131.27**
Accumulated Amortization			
Balance as at 01 April 2024	**15.44**	**1.78**	**17.22**
Amortization for the year	18.52	1.97	**20.49**
Accumulated amortization on disposal	-	0.23	**0.23**
Impairment loss	4.17	-	**4.17**
Balance as at 31 March 2025	**38.13**	**3.52**	**41.65**
Amortization for the year	20.61	2.15	**22.76**
Balance as at 31 March 2026	**58.74**	**5.67**	**64.41**
Net block			
As at 31 March 2025	**64.03**	**4.91**	**68.94**
As at 31 March 2026	**61.82**	**5.04**	**66.86**

Included in development costs is an amount of INR 0.40 crores (31 March 2025 : INR 0.27 crores) that represents borrowing costs capitalised during the year using a capitalisation rate of 9.00% (31 March 2025 : 8.75%).

4B. Intangible assets under development

Particulars	Product Development	Software (Other than internally developed)	Total
Balance as at 31 March 2024	**58.56**	**0.11**	**58.67**
Additions	33.03	1.37	**34.40**
Capitalised during the year	41.50	1.37	**42.87**
Impairment loss	0.88	-	**0.88**
Balance as at 31 March 2025	**49.21**	**0.11**	**49.32**
Additions	40.89	2.17	**43.06**
Capitalised during the year	18.40	2.28	**20.68**
Impairment loss	1.20	-	**1.20**
Balance as at 31 March 2026	**70.50**	**-**	**70.50**

Intangible Assets under development ageing schedule

As at 31 March 2026	Amount of intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years*	Total
Projects in progress	34.93	5.00	9.45	21.12	**70.50**
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2025	Amount of intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years*	Total
Projects in progress	7.60	10.08	16.73	14.91	**49.32**
Projects temporarily suspended	-	-	-	-	-

* Work with respect to the projects under development for more than 3 years, is under progress and these projects are expected to commercialise in the coming years.

Expected Completion schedule of Intangible Assets under development for projects where cost or time overrun has exceeded original plan

	As at 31 March 2026				
	To be completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress					
Project 1	0.51	-	-	-	**0.51**
Project 2	1.50	-	-	-	**1.50**
Project 3	1.95	-	-	-	**1.95**
Project 4	-	0.62	-	-	**0.62**
Project 5	-	7.51	-	-	**7.51**
Project 6	1.35		-	-	**1.35**
Other Project (various)	2.82	0.01	-	-	**2.83**
	8.13	**8.14**	-	-	**16.27**

As at 31 March 2025, there are no projects for which completion is overdue compared to original plan and no costs exceeding budgeted cost for the above periods.

Original plan is considered as that plan which is approved and on the basis of which implementation progress is evaluated. Such original plan includes management’s estimates and assumptions w.r.t future business, economy / industry and regulatory environments.

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

Impairment loss

Impairment loss in relation to other intangible assets

During the year ended 31 March 2025, an impairment loss were recognised in relation to the manufacture of a product related to Internet of Things (IoT). Management estimated the recoverable amount of the product development based on its 'value in use' model, where in the value of cash generating unit is determined as a sum of the future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal. The Company considers that there are no realistic prospects of generating future cash flows from the continuing use of the product and its disposal and therefore, concluded that it is unlikely that the carrying amount of the CGU exceed its estimated recoverable amount.

Impairment loss in relation to intangible assets under development

The impairment loss were recognised in relation to the manufacture of a specifically customised product related to ISG+ and electric machine controller (31 March 2025 : ISG+, EFI and electric machines). Keeping in view that there is no visibility of any progress of any commitment/ orders for the products, the benefit of the development project will not be realised as previously expected. Accordingly, management has carried out an impairment test and recognised an impairment loss.

The impairement loss recognised on account of reasons mentioned above in current and previous year relates to separate projects. The recoverable amount for these projects is Nil and accordingly, entire projects have been impaired in respective years.

Refer note 44 for segment-wise details.

4C. Capitalisation of expenses

During the year, the Company has capitalised the following expenses of revenue nature to the cost of intangible assets under development. Consequently, expenses disclosed under the respective notes are net of amounts capitalised by the Company:

	31 March 2026	31 March 2025
Employee benefit expenses (refer note 30)	21.09	19.30
Finance cost (refer note 31)	0.40	0.27
Depreciation and amortisation expense (refer note 32)	5.79	5.41
Other expenses (refer note 33)	13.67	8.11
Other income (refer note 27)	(0.06)	(0.06)
	40.89	**33.03**

Capitalisation of product development cost

Product development cost represents the expenditure incurred in developing a product, as referenced in section 2.2(d)(ii) of the financial statements. Capitalisation begins upon achieving internally defined milestones, during which the Company exercises judgement to assess the completeness of the business plan, conduct market studies, evaluate product demand, and estimate future cash flows, etc. The Company determines which costs are directly attributable to the development phase, as disclosed above.

4D. Product research and development expenses

	31 March 2026	31 March 2025
Product research and development costs expensed	38.11	19.51
Product development costs capitalised	40.89	33.03
Total product development costs incurred	**79.00**	**52.54**

5. Right-of-use assets

Reconciliation of carrying amount

Particulars	Building	Total
Cost		
Balance as at 01 April 2024	**24.04**	**24.04**
Additions	0.89	**0.89**
Balance as at 31 March 2025	**24.93**	**24.93**
Additions	16.01	**16.01**
Balance as at 31 March 2026	**40.94**	**40.94**
Accumulated Depreciation		
Balance as at 01 April 2024	**5.96**	**5.96**
Depreciation for the year	6.12	**6.12**
Balance as at 31 March 2025	**12.08**	**12.08**
Depreciation for the year	8.91	**8.91**
Balance as at 31 March 2026	**20.99**	**20.99**
Net block		
As at 31 March 2025	**12.85**	**12.85**
As at 31 March 2026	**19.95**	**19.95**

For details on leases, refer note 40.

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

6 Other non-current financial assets (at amortised cost)

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Deposits with banks with remaining maturity of more than 12 months*	0.20	0.34
Security deposits	6.25	4.45
Government grant receivable **	-	1.25
	6.45	**6.04**

* Includes Lien in favour of
Fixed deposit from ICICI Bank amounting to INR 0.07 crores (31 March 2025 : INR 0.06 crores) against Bank Guarantee to Custom Authority.
Fixed deposit from ICICI Bank amounting to INR 0.12 crores (31 March 2025 : INR 0.09 crores) against Bank Guarantee to Maharashtra Pollution Control Board.
Fixed deposit from ICICI Bank amounting to Nil (31 March 2025 : INR 0.18 crores) against Bank Guarantee for warehousing services.
Fixed deposit from IDBI Bank amounting to INR 0.01 crores (31 March 2025 : INR 0.01 crores) against Bank Guarantee to Custom Authority.

** Government grant receivable relates to grant received under the 'Industrial Promotion Subsidy 2016 (IPS-2016)' under Electronic Policy of the Government of Maharashtra and under the 'Modified Incentive Package Scheme (M-SIPS)' of Central Government.

7 Other non-current assets

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, considered good		
Capital advances	42.33	3.55
Prepaid expenses	0.67	1.46
Advance lease rental	1.17	0.94
	44.17	**5.95**

8 Inventories (valued at lower of cost and net realisable value)

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials (including Goods-in-transit of INR 44.68 crores (31 March 2025 : INR 26.73 crores))	150.54	113.79
Work-in-progress	20.32	13.67
Finished goods (including Goods-in-transit of INR 3.17 crores (31 March 2025 : INR 0.24 crores)	17.45	7.80
	188.31	**135.26**

During the years ended 31 March 2026 and 31 March 2025, the Company recorded inventory write-down expenses of INR 2.30 crores and INR 0.81 crores in the statement of profit and loss respectively.
Inventories are subject to charge, to secure the Company's borrowings as disclosed in note 17 and 21.

9 Investments

Particulars	As at 31 March 2026	As at 31 March 2025
Investments measured at fair value through profit or loss		
Mutual fund units (quoted)	-	**19.39**
Nil (31 March 2025 : 16,813 units) of Kotak overnight mutual fund	-	2.29
Nil (31 March 2025 : 13,508 units) of HDFC overnight mutual fund	-	5.07
Nil (31 March 2025 : 22,962 units) of Kotak liquid direct growth mutual fund	-	12.03
	-	**19.39**
Aggregate book value of quoted investments	-	**19.39**
Aggregate market value of quoted investments (refer note 35)	-	**19.39**

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

10 Trade receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables	133.72	43.95
Break-up for trade receivables:		
Unsecured, considered good	134.57	44.12
Unsecured, significant increase in credit risk	-	-
Unsecured, credit impaired	-	-
Less: Loss allowance (refer note 36)	(0.85)	(0.17)
	133.72	**43.95**

* Unbilled receivable primarily relates to the Company's right to consideration for work completed but not billed at the reporting date.

a. Trade receivables are non-interest bearing and are generally on terms of 45 to 60 days.

b. Information about the Company's exposure to credit risk and market risk is disclosed in note 36

10 Trade receivables (continued)

As at 31 March 2026

Particulars	Unbilled receivable*	Not due	Outstanding for following periods from due date of					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2.11	114.39	16.52	1.46	0.06	-	0.03	**134.57**
(ii) Undisputed Trade Receivables– significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**2.11**	**114.39**	**16.52**	**1.46**	**0.06**	**-**	**0.03**	**134.57**
Less : Provision for expected credit loss								(0.85)
Total								**133.72**

As at 31 March 2025

Particulars	Unbilled receivable*	Not due	Outstanding for following periods from due date of					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2.18	32.81	9.02	0.05	0.03	-	0.03	**44.12**
(ii) Undisputed Trade Receivables– significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**2.18**	**32.81**	**9.02**	**0.05**	**0.03**	**-**	**0.03**	**44.12**
Less : Provision for expected credit loss								(0.17)
Total								**43.95**

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

11 Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Balances with banks		
- On current accounts	1.72	0.78
- On EEFC accounts	5.62	0.28
-Deposits with original maturity of 3 months or less*	-	1.47
	7.34	**2.53**

* Includes Lien in favour of
Fixed deposit from ICICI Bank amounting to Nil (31 March 2025 : INR 0.12 crores) against Bank Guarantee to Custom Authority.
Fixed deposit from IndusInd Bank Limited amounting to Nil (31 March 2025 : INR 0.24 crores) against Working Capital Facility.
Fixed deposit from IDBI Bank amounting to Nil (31 March 2025 : INR 0.08 crores) against Bank Guarantee to Custom Authority.

12 Other bank balances

Particulars	As at 31 March 2026	As at 31 March 2025
-Deposits with original maturity of more than 3 months and balance maturity less than 12 months*	6.04	5.72
Earmarked balance with banks**	51.01	-
	57.05	**5.72**

* Includes Lien in favour of
Fixed deposit from ICICI Bank amounting to INR 0.43 crores (31 March 2025 : INR 0.03 crores) against Bank Guarantee to Custom Authority.
Fixed deposit from ICICI Bank amounting to INR 0.05 crores (31 March 2025 : Nil) against Maharashtra Pollution Control Board.
Fixed deposit from ICICI Bank amounting to INR 0.22 crores (31 March 2025 : Nil) against Bank Guarantee.
Fixed deposit from IndusInd Bank Limited amounting to INR 2.52 crores (31 March 2025 : INR 2.12 crores) against Working Capital Facility.
Fixed deposit from IDBI Bank amounting to INR 0.17 crores (31 March 2025 : INR 0.08 crores) against Bank Guarantee to Custom Authority.

** Balances earmarked for IPO expenses as per the agreement with selling shareholders (refer note 15B).

13 Other current financial assets (at amortised cost)

Particulars	As at 31 March 2026	As at 31 March 2025
(Unsecured, considered good)		
Government grant receivable *	2.11	0.57
Security deposits	2.05	-
Export incentives receivable	0.40	-
	4.56	**0.57**

* Refer note 6.

14 Other current assets

Particulars	As at 31 March 2026	As at 31 March 2025
(Unsecured, considered good)		
Prepaid expenses	6.16	4.42
Balances with government authorities	15.20	1.30
Advances to Suppliers	3.20	1.16
Others *	0.00	0.21
	24.56	**7.09**

* Absolute amounts less than INR 100,000 are appearing as “0.00” due to presentation in crores.

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

15A Share capital

(a) Equity share capital

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised 50,000,000 (31 March 2025: 200,000) equity shares of INR 10 each	50.00	0.20
Total	**50.00**	**0.20**
Issued, subscribed and paid-up 44,161,500 (31 March 2025: 28,307) equity shares of INR 10 each fully paid up	44.16	0.03
Total	**44.16**	**0.03**

Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2026		As at 31 March 2025	
	Numbers in absolute	Amount	Numbers in absolute	Amount
Equity Shares:				
At the beginning of the year	28,307	0.03	11,212	0.01
Conversion of CCPS into equity shares	-	-	15,921	0.02
Issue of shares*	-	-	1,014	0.00
Issue of shares against share warrants*	220	0.00	-	-
Issue of shares on exercise of stock options*	563,039	0.56	160	0.00
Shares issued for consideration other than cash (Bonus shares) (refer note (d) below)	43,569,934	43.57	-	-
At the end of the year	**44,161,500**	**44.16**	**28,307**	**0.03**

* Absolute amounts less than INR 100,000 are appearing as "0.00" due to presentation in crores.

(b) Equity component of compulsorily convertible preference shares:

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised		
Nil (31 March 2025 : 5,200) 0.001% Series A Compulsorily Convertible Preference Shares (CCPS) of INR 10 each	-	0.01
Nil (31 March 2025 : 3,200) 0.001% Series B Compulsorily Convertible Preference Shares (CCPS) of INR 10 each *	-	0.00
Nil (31 March 2025 : 1,400) 0.001% Series C Compulsorily Convertible Preference Shares (CCPS) of INR 100 each	-	0.01
Nil (31 March 2025 : 700) 0.001% Series D Compulsorily Convertible Preference Shares (CCPS) of INR 100 each	-	0.01
Nil (31 March 2025 : 770) 0.001% Series D1 Compulsorily Convertible Preference Shares (CCPS) of INR 100 each	-	0.01
Nil (31 March 2025 : 800) 0.001% Series E Compulsorily Convertible Preference Shares (CCPS) of INR 100 each	-	0.01
Nil (31 March 2025 : 3,250) 0.001% Series E1 Compulsorily Convertible Preference Shares (CCPS) of INR 100 each	-	0.03
Nil (31 March 2025 : 1,050) 0.001% Series F Compulsorily Convertible Preference Shares (CCPS) of INR 100 each	-	0.10
Total	-	**0.18**

* Absolute amounts less than INR 100,000 are appearing as "0.00" due to presentation in crores.

Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2026		As at 31 March 2025	
	Numbers in absolute	Amount	Numbers in absolute	Amount
At the beginning of the year	-	-	16,110	0.09
Shares issued during the year	-	-	(16,110)	(0.09)
At the end of the year	**-**	**-**	-	-

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

Compulsory convertible preference shares ("CCPS") converted into equity

On 31 May 2024, 16,110 compulsory convertible preference shares were converted into 15,921 equity shares. Gain on conversion of compulsory convertible preference shares into equity shares has been transferred to securities premium.

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(c) Particulars of shareholders holding more than 5% shares of a class of shares

Name of the shareholder	As at 31 March 2026		As at 31 March 2025	
	Number	% of total shares in the class	Number	% of total shares in the class
Equity shares of INR 10 each fully paid up held by-				
Prof. Shashikanth Suryanarayanan	7,150,500	16.19%	4,896	17.30%
A91 Emerging Fund II LLP	5,624,850	12.74%	5,357	18.92%
Xponentia Opportunities Fund II	2,434,950	5.51%	2,319	8.19%
Entrust (Trustees of NRJN)	885,000	2.00%	1,990	7.03%
Mace Pvt Ltd	1,787,100	4.05%	1,702	6.01%
360 One Special Opportunities Fund - Series 8	1,159,234	2.63%	1,513	5.34%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(d) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceeding the reporting date:

During the year, the Company has issued 43,569,934 fully paid-up bonus equity shares of face value of INR 10 each, in the ratio of 1499:1 to the eligible shareholders whose names appeared in the Register of Members / Beneficial Owners' position as on 10 September 2025, by capitalizing a sum of INR 43.57 crores from the securities premium.

The Company has not issued any shares for consideration other than cash or bought back during the period of five years immediately preceding the reporting date. Further, there are no bonus shares issued during the period of 5 years immediately preceeding the reporting date, except as disclosed above.

During the year ended 31 March 2025, 15,921 equity shares of INR 10 have been alloted as fully paid up pursuant to conversion of compulsory convertible preference shares.

(e) Shares held by Promoters as at

31 March 2026

Promoter's Name	No. of shares at the beginning of the year	Change due to issue of bonus shares	Change during the year	No. of shares at the end of the year	% of total Shares	% Change during the year
Prof. Shashikanth Suryanarayanan	4,896	7,145,733	(129)	7,150,500	16.19%	0.00%
Mr. Amit Arun Dixit	827	1,244,170	3	1,245,000	2.82%	0.00%
Mr. Manish Sharma	586	863,424	(45,010)	819,000	1.85%	-5.21%
Mr. Anaykumar Avinash Joshi	42	590,606	352	591,000	1.35%	0.06%

31 March 2025

Promoter's Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total Shares	% Change during the year
Prof. Shashikanth Suryanarayanan	4,800	96	4,896	17.30%	2.00%
Mr. Amit Arun Dixit	908	(81)	827	2.92%	-8.92%
Mr. Manish Sharma	592	(6)	586	2.07%	-1.01%
Mr. Anaykumar Avinash Joshi	-	42	42	0.15%	100.00%

15B During the year ended 31 March 2026, the Company has completed its Initial Public Offering (IPO) of 8,043,300 equity shares face value of INR 10 each at an issue price of INR 1,352 per share (including a share premium of INR 1,342 per share). A discount of INR 128 per share was offered to eligible employees bidding in the employee reservation portion of 8,169 equity shares. The issue comprised of an offer for sale of 8,043,300 equity shares by selling shareholders agrregating to INR 1,087.45 crores. The Company's equity shares were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on 11th March 2026. The selling shareholders included Manish Sharma, Ashwini Amit Dixit, A91 Emerging Fund II LLP, NRJN Family Trust (represented by Entrust Family Office Legal & Trusteeship Services Private Limited), Xponentia Opportunities Fund II, Mace Private Limited, 360 One Special Opportunities Fund, 360 One Monopolistic Market Intermediaries Fund, HDFC Life Insurance Company Limited and Xponentia Opportunities Limited.

The IPO related expenses estimated to be approximately INR 67.26 crores and the Company allocated such expenses between the selling shareholders . Such amounts were allocated based on the agreement with and indemnity from the selling shareholders for the IPO expenses and in proportion to the total proceeds in the IPO and refund the balance, if any.

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

16 Other equity

Particulars	As at 31 March 2026	As at 31 March 2025
Securities premium		
At the beginning of the year	248.85	116.04
Issue of bonus shares	(43.57)	-
Premium on conversion of compulsory convertible preference shares	-	54.90
Premium on issue of shares	-	75.01
Premium on issue of shares on exercise of stock options	27.58	2.90
Premium on issue of shares against share warrants	22.00	-
At the end of the year	**254.86**	**248.85**
Retained earnings		
At the beginning of the year	44.04	(2.54)
Transfer to retained earnings - Options lapsed	-	0.03
Profit for the year	103.58	47.05
Other comprehensive income /(loss) for the year (net of taxes)		
Remeasurement gains / (losses) of defined benefit obligations	(0.29)	(0.50)
At the end of the year	**147.33**	**44.04**
Share options outstanding account		
At the beginning of the year	10.46	10.53
Share-based compensation expense (refer note 30)	1.53	1.04
Transfer to retained earnings - Options lapsed	-	(0.03)
Transfer to security premium - Options exercised during the year	(9.14)	(1.08)
At the end of the year	**2.85**	**10.46**
Money received against share warrants		
At the beginning of the year	-	-
Warrants issued during the year	22.00	-
Conversion of warrants to equity shares	(22.00)	-
At the end of the year	-	-
Total other equity	**405.04**	**303.35**

Nature and purpose of reserves

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Retained Earnings
Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Share options outstanding account
The share options outstanding account is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

Reconciliation of accumulated Remeasurement gains / (losses) of defined benefit obligations included in Retained earnings is as follows:

Remeasurement gains/ (losses) on defined benefit obligations		
At the beginning of the year	**(1.05)**	**(0.55)**
Changes during the year (net of tax of INR 0.10 crores (31 March 2025 : INR 0.20 crores))	(0.29)	(0.50)
At the end of the year	**(1.34)**	**(1.05)**

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

Issue and conversion of share warrants

Pursuant to approval of shareholders granted by way of special resolution, and pursuant to receipt of share application of money of INR 10 each per warrant from respective identified investors, the Board of Directors at its meeting held on 1 July 2025 approved allotment, on a preferential basis of 220 (Two Hundred and Twenty) warrants (“Warrants”) convertible at the option of the respective Warrant Holders, in one or more tranches, into a total number of 220 (Two Hundred and Twenty) equity shares of the Company bearing face value of INR 10 each (“Equity Shares”), with each Warrant convertible into one Equity Share, for cash consideration. The Board of Directors through circular resolution approved the allotment of 220 equity shares upon conversion of 220 (Two hundred and twenty) warrants issued on preferential basis, in the following manner:

Name of Allottee	Number of warrants alloted	Number of Equity Shares arising out of conversion of Warrants	Price per Warrant (in INR)	Total Amount of Warrants (in INR crores)	Total amount received (including premium)(in INR crores)
Prof. Shashikanth Suryanarayanan	40	40	1000000(including premium of INR 999,990)	4.00	4.00
Amit Arun Dixit	100	100	1000000(including premium of INR 999,990)	10.00	10.00
Manish Sharma	20	20	1000000(including premium of INR 999,990)	2.00	2.00
Anaykumar Avinash Joshi	60	60	1000000(including premium of INR 999,990)	6.00	6.00

17 Borrowings

Particulars	Non-current		Current*	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Term Loans - Secured				
From Banks				
- HDFC Bank Limited - Term Loan	3.42	5.99	2.60	2.62
-EXIM Bank - Term Loan	3.00	10.58	5.79	3.94
-Yes Bank Limited - Term Loan	10.98	9.12	2.88	1.90
-Citibank N.A. - Term Loan	12.48	-	2.37	-
	29.88	**25.69**	**13.64**	**8.46**

* Current maturities of long term debt disclosed under current borrowings.

Note 17.1

Details of outstanding borrowings as at 31 March 2026

Loans	Outstanding loan amount	Repayment in installments	Repayment		Rate of interest
			Starting from	Ending on	
HDFC Bank Limited - Term Loan	6.02	60(Monthly)	August 2023	July 2028	7.45%
Exim Bank - Term Loan	5.03	20 (Quarterly)	October 2023	July 2028	8.05%
	3.76	8 (Quarterly)	April 2025	January 2027	8.00%
Yes Bank Limited - Term Loan	13.86	72 (Monthly)	March 2025	February 2031	8.47%
CITI Bank Limited - Term Loan	14.85	72 (Monthly)	September 2025	September 2030	7.89%

Details of outstanding borrowings as at 31 March 2025

Loans	Outstanding loan amount	Repayment in installments	Repayment		Rate of interest
			Starting from	Ending on	
HDFC Bank Limited - Term Loan	8.60	60(Monthly)	August 2023	July 2028	8.73%
Exim Bank - Term Loan	7.05	20 (Quarterly)	October 2023	July 2028	8.95%
	7.47	8 (Quarterly)	April 2025	January 2027	8.95%
Yes Bank Limited - Term Loan	11.02	72 (Monthly)	March 2025	February 2031	8.49%

Note 17.2

The details of security as follows:

1. First Pari Pasu charge by way of hypothecation in favour of HDFC Bank Limited, Export Import Bank of India, CITI Bank and Yes Bank Limited on all movables assets at all location’s of the Company.
2. First Pari Pasu charge by way of mortgage in favour of HDFC Bank Limited, Export Import Bank of India and Yes Bank Limited, of all immovable security along with land and building thereon both present and future.
3. Second pari passu charge on current assets of the Company

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

Note 17.3

Collaterals against borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
Property, plant and equipment	166.46	114.82
Inventories	188.31	135.26
Investments	-	19.39
Trade receivables	133.72	43.95
Cash and cash equivalents	7.34	2.53
Bank balances other than cash and cash equivalents	6.04	5.72
Other financial assets	11.01	6.61
Other assets	24.56	7.09

18 Lease liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Lease liabilities	21.81	14.73
	21.81	**14.73**
Current	5.82	6.55
Non-current	15.99	8.18

For details on leases, refer note 40.

19 Non-current provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits (refer note 39)		
Provision for gratuity	2.15	2.16
Other provisions		
Provision for warranties (refer note below)	1.77	0.72
Provision for asset restoration obligation (refer note below)	0.90	0.73
	4.82	**3.61**

Notes

Provision for warranties

In pursuance of Ind AS - 37: Provisions, contingent liabilities and contingent assets, the provisions required have been incorporated in the books of accounts in the following manner. The Company has made warranty provision on account of sale of products with warranty clause. These provisions are based on management's best estimates and past trends. Actuals expenses for warranty are charged directly against the provisions. It is expected that most of these costs will be incurred over a period of 12 to 36 months from the date of sale. Unutilised provision is reversed on expiry of the warranty period.

Particulars	As at 31 March 2026	As at 31 March 2025
At the beginning of the year	1.44	0.92
Add: Provisions made during the year	3.47	1.17
Less: Amounts used / reversed during the year	(1.37)	(0.65)
At the end of the year	**3.54**	**1.44**
Current	**1.77**	**0.72**
Non-current	**1.77**	**0.72**

Provision for asset restoration obligation

Provision for asset restoration obligation is towards legal obligation to dismantle and restore the land and building taken on lease. The provision is made based on the management best estimate of the restoration cost at the end of lease period.

Particulars	As at 31 March 2026	As at 31 March 2025
At the beginning of the year	0.73	0.68
Add: Provisions made during the year	0.11	-
Add: Unwinding of discount on asset restoration obligation	0.06	0.05
At the end of the year	**0.90**	**0.73**

20 Other non-current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred income - government grant	4.62	1.93
	4.62	**1.93**

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

21 Current borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
Loans repayable on demand (secured)		
Cash Credit Facility from ICICI Bank Limited	2.19	0.21
Cash Credit Facility from IndusInd Bank Limited	4.90	5.13
Cash Credit Facility from Citibank N.A.	0.02	0.13
Working Capital Demand Loan from Yes Bank Limited	-	5.00
Working Capital Demand Loan from Citibank N.A.	-	5.00
Current maturities of long term debt (refer note 17)	13.64	8.46
	20.75	**23.93**

Note 21.1

1. Cash credit facility from ICICI Bank, carried interest of 8.45% p.a. (31 March 2025 : 9.35% p.a.) computed on a monthly basis on the actual amount utilised and are repayable on demand. These are primarily secured by way of first pari passue charge on current assets.

2. Cash credit facility from IndusInd Bank, carried interest of 8.10% p.a. (31 March 2025 : 8.60% p.a.) computed on a monthly basis on the actual amount utilised and were repayable on demand. These are primarily secured by hypothecation of all current assets, both present and future.

3. Working Capital Demand Loan from Yes Bank, carried interest of Nil (31 March 2025 : 8.20% p.a.) computed on a monthly basis on the actual amount utilised and were repayable on demand. These are primarily secured by hypothecation of all current assets, both present and future Second Charge on movable property, plant and equipment and immovable assets along with land and building thereon both present and future.

4. Cash credit facility from Yes Bank, carried interest of Nil (31 March 2025 : 9.62% p.a.) computed on a monthly basis on the actual amount utilised and were repayable on demand. These are primarily secured by hypothecation of all current assets, both present and future. Second Charge on movable property, plant and equipment and immovable assets along with land and building thereon both present and future.

5. Cash credit facility from Citibank N.A., carried interest of 8.20% p.a. (31 March 2025 : 8.85% p.a.) computed on a monthly basis on the actual amount utilised and were repayable on demand. These are primarily secured by hypothecation of all current assets, both present and future & second charge on movable property, plant and equipment.

6. Working Capital Demand Loan from Citibank N.A., carried interest of Nil (31 March 2025 : 8.25% p.a.) computed on a monthly basis on the actual amount utilised and were repayable on demand. These were primarily secured by hypothecation of all current assets, both present and future & second charge on movable property, plant and equipment.

Note 21.1

Refer note 17.3 for collaterals against borrowings

22 Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
(A) Total outstanding dues of micro enterprises and small enterprises	14.79	2.92
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	211.55	82.86
	226.34	**85.78**

Trade payables ageing schedule

As at 31 March 2026

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	14.79	-	-	-	-	**14.79**
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	108.43	24.51	-	-	0.54	**133.48**
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprise	-	-	-	-	-	-
Total	**123.22**	**24.51**	-	-	**0.54**	**148.27**
Add : Accrued expenses						78.07
Total						**226.34**

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

As at 31 March 2025

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	2.92	-	-	-	-	**2.92**
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	51.54	0.81	-	0.54	-	**52.89**
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprise	-	-	-	-	-	-
Total	**54.46**	**0.81**	-	**0.54**	-	**55.81**
Add : Accrued expenses						29.97
Total						**85.78**

Disclosures under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006

The list of undertakings covered under MSMED was determined by the Company on the basis of information available with the Company and has been relied upon by auditors

Particulars	As at 31 March 2026	As at 31 March 2025
a) Principal amount remaining unpaid to any supplier as at the end of the accounting year	14.79	2.92
b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	0.09	0.01
c) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day		
i)Principal amount	3.58	1.08
ii) Interest amount	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	0.09	0.01
e) The amount of interest accrued and remaining unpaid at the end of the accounting year	0.09	0.01
f) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	0.46	0.36

Note : The above information has been compiled by the Company on the basis of information made available by vendors during the respective financial years.

Trade payables are non-interest bearing and are normally settled on ranging from 30 to 120 day terms, including those trade payables that are included in the Company's supplier finance arrangement.

The Company has established a supplier finance arrangement that is offered to some of the Company's MSME suppliers in India. Participation in the arrangement is at the suppliers' own discretion. Suppliers that participate in the supplier finance arrangement will receive early payment on invoices sent to the Company from the Company's external finance provider. In order for the finance provider to pay the invoices, the goods must have been received or supplied and the invoices approved by the Company. Payments to suppliers ahead of the invoice due date are processed by the finance provider and, in all cases, the Company settles the original invoice by paying the finance provider in line with the original invoice maturity date described above. Payment terms with suppliers have not been renegotiated in conjunction with the arrangement. The Company provides no security to the finance provider and there is no change in the Company's original obligation towards the supplier.

As at 31 March 2026, the carrying amount of liabilities that are part of these arrangements is Nil (31 March 2025 : Nil).

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

23 Other current financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
At fair value through profit or loss (FVTPL):		
Derivatives *	0.29	0.02
At amortised cost:		
Payable to capital creditors	7.23	1.39
Payable to employees	13.49	15.48
Refund liabilities	3.60	5.74
Others **	4.02	-
	28.63	**22.63**

* Financial liability carried at fair value through statement of profit and loss.

** Others includes payable to selling shareholders in relation to Initial Public Offering ("IPO") proceeds received by the Company (31 March 2025 : Nil) (refer note 15B).

24 Other current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred income - government grant	1.17	0.51
Statutory dues payable	8.07	3.92
Advance from customers *	0.89	0.00
	10.13	**4.43**

* Absolute amounts less than INR 100,000 are appearing as "0.00" due to presentation in crores.

25 Current provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits (refer note 39)		
Provision for gratuity	6.38	3.66
Provision for compensated absences	1.07	0.67
Other provisions		
Provision for warranties *	1.77	0.72
	9.22	**5.05**

* Refer note 19.

26 Revenue from operations

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from contracts with customers		
Sale of products	1,050.29	643.06
Sale of services	5.00	13.60
	1,055.29	**656.66**
Other operating revenue		
Scrap Sales	1.09	0.65
Export Incentives and Miscellaneous Income	2.00	1.05
	3.09	**1.70**
	1,058.38	**658.36**

Disaggregated revenue information

26.1 Timing of revenue recognition

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Goods/services transferred at a point in time	1,058.38	658.36
	1,058.38	**658.36**

26.2 Revenues by Geography

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Within India	972.35	612.92
Outside India	86.03	45.44
	1,058.38	**658.36**

Refer note 44 for segment-wise revenue from operations.

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

26.3 Contract balances

Particulars	As at 31 March 2026	As at 31 March 2025
Trade receivables	134.57	44.12
Less: Provision for expected credit losses (refer note 36)	0.85	0.17
	133.72	43.95
Advances from customer (Contract liabilities) *	0.89	0.00

* Absolute amounts less than INR 100,000 are appearing as "0.00" due to presentation in crores.

Refund liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Arising from volume rebates and discount (refer note 23)	3.60	5.74

26.4 Reconciliation of revenue as recognised in the Statement of profit and loss with the contracted price:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue as per contracted price (net of goods and services tax)	1,059.19	660.56
Adjustment for variable consideration:		
Rebates and discounts	3.90	3.90
Revenue recognised as per Statement of profit & loss	**1,055.29**	**656.66**

Performance obligations

Aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the year *	0.89	0.00
The performance obligations are expected to be recognised within a period of 12 months		

* Absolute amounts less than INR 100,000 are appearing as "0.00" due to presentation in crores.

Revenue from contracts with customers include revenue from sale of products and services.

Sale of products

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. The normal credit term is 45 to 60 days upon delivery.

The Company provides normal warranty provisions on some of its products sold, in line with the industry practice. The Company considers that the contractual promise made to the Customer in the form of warranties for the parts supplied does not meet the definition of separate performance obligation as it does not give rise to additional service.

Development of toolings for customers is considered as a separate performance obligation. The performance obligation is satisfied on billing after approval of the product(s) by the customer. The revenue is recognised at point in time and at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Sale of services

Product development/Engineering services are considered as relating to sale of products rather than a separate performance obligation. As a result, revenue from product development/engineering services is recognised over the period of production from the start of production date and is included in the revenue from sale of services. Payments received from customers in respect of product development/engineering services are presented as contract liabilities.

27 Other income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest income on financial instruments at amortised cost under the effective interest method on		
Bank deposits	0.47	0.65
Security deposits	0.38	0.25
Others	0.03	-
Gain on sale of mutual funds	1.71	0.32
Net foreign exchange gain	-	0.77
Government grants	2.74	1.91
Net unrealised gain on investments carried at fair value thorough profit or loss	-	0.06
Others	-	0.27
	5.33	**4.23**
Less : Capitalised during the year (refer note 4C)	(0.06)	(0.06)
	5.27	**4.17**

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

28 Cost of materials consumed

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Inventories at the beginning of the year	113.79	100.14
Add : Purchases	698.86	428.26
Less : Inventories at the end of the year	150.54	113.79
	662.11	**414.61**

29 Changes in inventories of finished goods and work-in progress

	31 March 2026		
Particulars	**Opening Inventory**	**Closing Inventory**	**(Increase)/ Decrease in Inventory**
Finished Goods	7.80	17.45	(9.65)
Work-in-progress	13.67	20.32	(6.65)
Changes in inventories of finished goods and work-in-progress	**21.47**	**37.77**	**(16.30)**

	31 March 2025		
Particulars	**Opening Inventory**	**Closing Inventory**	**(Increase)/ Decrease in Inventory**
Finished Goods	9.17	7.80	1.37
Work-in-progress	8.34	13.67	(5.33)
Changes in inventories of finished goods and work-in-progress	**17.51**	**21.47**	**(3.96)**

30 Employee benefits expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Salaries, wages and bonus	91.84	70.37
Gratuity expense (refer note 39)*	2.78	1.28
Contribution to provident funds	2.01	1.63
Expenses related to compensated absence*	0.66	0.29
Equity-settled share-based payments (refer note 43)	1.53	1.04
Staff welfare expenses	8.88	6.12
	107.70	**80.73**
Less : Capitalised during the year (refer note 4C)	(21.09)	(19.30)
	86.61	**61.43**

* Refer note 48 for impact of new labour code.

31 Finance cost

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest expense on borrowings	6.89	10.78
Interest expense on lease liabilities	1.98	1.47
Unwinding of discount on asset restoration obligation	0.06	0.05
	8.93	**12.30**
Less : Capitalised during the year (refer note 4C)	(0.40)	(0.27)
	8.53	**12.03**

32 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation of property, plant and equipment (refer note 3A)	37.60	24.13
Depreciation of right of use assets (refer note 5)	8.91	6.12
Amortisation of intangible asset (refer note 4A)	22.76	20.49
	69.27	**50.74**
Less : Capitalised during the year (refer note 4C)	(5.79)	(5.41)
	63.48	**45.33**

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

33 Other expenses

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Consumption of stores and spares	10.49	6.04
Labour charges - Direct	34.09	20.53
Labour charges - non-production	9.59	6.43
Power and fuel	8.79	5.76
Warranty expenses (net)	4.39	1.34
Repair and maintenance		
Building	3.49	2.20
Plant and equipment	6.41	1.73
Others	1.24	1.44
Expenses related to short term leases	0.18	0.15
Expenses related to low value leases	0.51	0.44
Payment to auditors	0.51	0.37
Legal and professional charges	6.44	5.15
Provision for expected credit losses (net)	0.68	-
Travelling expenses	4.92	3.80
Advertisement and business promotion	0.36	0.25
Loss on sale of property, plant and equipment	0.01	0.13
Rates and taxes	0.21	0.90
Impairment loss on intangible assets under development	1.20	5.04
Loss on account of foreign exchange fluctuations (net)	6.64	-
Fair value loss on derivatives	0.27	0.01
CSR Expenses (refer note 46)	0.81	0.36
Miscellaneous expenses*	21.47	11.43
	122.70	**73.50**
Less : Capitalised during the year (refer note 4C)	(13.67)	(8.11)
	109.03	**65.39**

* This includes directors' sitting fee amounting to INR 0.49 crores (31 March 2025 : Nil) and commission to directors' amounting to INR 0.68 crores (31 March 2025 : Nil)

Note : Payment to Auditors

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
As auditor		
Statutory audit fees	0.43	0.35
Tax audit fees	0.02	0.02
Out of pocket expenses	0.03	-
Others	0.03	-
	0.51	**0.37**

34 Tax expense

The major components of income tax expense for the years ended 31 March 2026 and 31 March 2025 are:

Statement of profit and loss:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax:		
Current tax charge	24.66	12.90
Deferred tax:		
On account of origination and reversal of temporary differences	21.95	7.75
Income tax expense reported in the statement of profit and loss	**46.61**	**20.65**
OCI section		
Deferred tax related to items recognised in OCI during in the year:		
Net loss/(gain) on remeasurements of defined benefit plans	0.10	0.20
Deferred tax charged to OCI	**0.10**	**0.20**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2026 and 31 March 2025:

	For the year ended 31 March 2026	For the year ended 31 March 2025
Accounting profit before income tax	150.19	67.70
At statutory income tax rate of 34.94% (31 March 2025: 29.12%)	52.48	19.71
Tax effect on permanent non-deductible expenses	0.25	-
Impact due to change in future tax rate	(6.34)	(7.89)
Deferred tax recognised on previous year losses and unabsorbed depreciation	-	17.16
Deferred tax recognised on temporary differences	-	2.38
MAT credit	-	(11.99)
Others (net)	0.22	1.28
	46.61	20.65
At the effective income tax rate of 31.03% (31 March 2025: 30.50%)		
Income tax expense reported in the statement of profit and loss	46.61	20.65

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

Deferred tax

Movement in deferred tax balances

31 March 2026	Net balance at 1 April	Recognised in statement of profit or loss	Recognised in OCI	Balance as at 31 March 2026		
				Net	Deferred tax assets	Deferred tax liabilities
Accelerated depreciation for tax purposes	(25.99)	1.24	-	(24.75)	-	(24.75)
Borrowings	(0.05)	0.01	-	(0.04)	-	(0.04)
Deferred grant	0.71	0.75	-	1.46	1.46	-
Employee benefit provisions	5.76	(3.44)	0.10	2.42	2.42	-
Provision for doubtful debts and other receivables	0.05	0.16	-	0.21	0.21	-
Derivatives*	0.00	0.07	-	0.07	0.07	-
Provision for warranty	0.42	(0.42)	-	-	-	-
Provision for asset restoration obligations	0.21	0.02	-	0.23	0.23	-
Right of use assets	(3.74)	(1.28)	-	(5.02)	-	(5.02)
Lease liabilities	4.29	1.20	-	5.49	5.49	-
Security deposits paid	0.46	(0.01)	-	0.45	0.45	-
Losses available for offsetting against future taxable income	7.59	(7.59)	-	-	-	-
MAT credit	23.84	(12.66)	-	11.18	11.18	-
Deferred tax income / (expenses)		**(21.95)**	**0.10**			
Net deferred tax assets / (liabilities)	**13.55**			**(8.30)**	**21.51**	**(29.81)**

* Absolute amounts less than INR 100,000 are appearing as “0.00” due to presentation in crores.

31 March 2025	Net balance at 1 April	Recognised in statement of profit or loss	Recognised in OCI	Balance as at 31 March 2025		
				Net	Deferred tax assets	Deferred tax liabilities
Accelerated depreciation for tax purposes	(20.17)	(5.82)	-	(25.99)	-	(25.99)
Borrowings	(0.10)	0.05	-	(0.05)	-	(0.05)
Deferred grant	0.77	(0.06)	-	0.71	0.71	-
Employee benefit provisions	2.81	2.75	0.20	5.76	5.76	-
Provision for doubtful debts and other receivables	0.08	(0.03)	-	0.05	0.05	-
Provision for warranty	0.27	0.15	-	0.42	0.42	-
Provision for asset restoration obligations	0.20	0.01	-	0.21	0.21	-
Right of use assets	(5.27)	1.53	-	(3.74)	-	(3.74)
Lease liabilities	5.66	(1.37)	-	4.29	4.29	-
Security deposits paid	0.25	0.21	-	0.46	0.46	-
Losses available for offsetting against future taxable income	24.75	(17.16)	-	7.59	7.59	-
MAT credit	11.85	11.99	-	23.84	23.84	-
Deferred tax income / (expenses)		**(7.75)**	**0.20**			
Net deferred tax assets / (liabilities)	**21.10**			**13.55**	**43.33**	**(29.78)**

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

Reconciliation of deferred tax assets/(liabilities) (net):

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balance	13.55	21.10
Tax (expense)/income during the period recognised in profit or loss	(21.95)	(7.75)
Tax income during the period recognised in OCI	0.10	0.20
Closing balance	**(8.30)**	**13.55**

As at 31 March 2025, the Company has recognised deferred tax asset to the extent that there is reasonable certainty based on the future profitability and projections of the Company. The management believes that there is sufficient assurance that future taxable income will be available against which the deferred tax assets can be realised.

With effect from 01 April 2026, the Company has elected to opt for the concessional tax regime introduced by the Government of India under Section 200 of the Income-tax Act, 2025 (corresponding to Section 115BAA of the Income-tax Act, 1961).

Under this regime, the Company is subject to a reduced corporate tax rate of 22%, plus applicable surcharge and cess, resulting in an effective statutory income tax rate of 25.17%. Consequent to this transition, the deferred tax expense for the year ended 31 March 2026 includes an impact of INR 6.34 crores arising from the re-measurement of deferred tax assets and liabilities based on the revised tax rate applicable from 01 April 2026.

35 Fair Value Measurement

Financial instruments by category	Carrying value	
	As at 31 March 2026	As at 31 March 2025
Financial assets measured at fair value through profit or loss (FVTPL):		
Investment in mutual funds	-	19.39
Financial assets measured at amortized cost:		
Trade receivables	133.72	43.95
Cash and cash equivalents	7.34	2.53
Bank balances other than above	57.05	5.72
Other financial assets	11.01	6.61
Total financial assets	**209.12**	**78.20**

Financial instruments by category	Carrying value	
	As at 31 March 2026	As at 31 March 2025
Financial liabilities measured at fair value through profit or loss (FVTPL):		
Derivatives	0.29	0.02
Financial liabilities measured at amortized cost:		
Borrowings	50.63	49.62
Lease liabilities	21.81	14.73
Trade payables	226.34	85.78
Other financial liabilities	28.34	22.61
Total financial liabilities	**327.41**	**172.76**

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair value of financial instruments that are (a) recognised and measured at fair value (b) measured at amortised cost and for which fair values are disclosed in the financial statements. The following methods and assumptions were used to estimate the fair values:

Level 1: This level includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). The fair value of derivative financial instruments are determined using valuation techniques based on information derived from observable market data, i.e., mark to market values determined by the authorized dealers banks and quoted forward exchange rates at the balance sheet date. This level of hierarchy includes the Company's derivative contracts.

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

	Level 1	Level 2	Level 3
As at 31 March 2026			
Financial liabilities			
Derivatives (at FVTPL)	-	0.29	-
As at 31 March 2025			
Financial liabilities			
Derivatives (at FVTPL)	-	0.02	-
Financial assets			
Investments in mutual funds	19.39	-	-

Significant techniques and unobservable inputs used for Level 2 and Level 3 fair value measurement

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

As at 31 March 2026 and 31 March 2025

Particulars	Valuation techniques	Significant unobservable inputs	Inter relationship between significant unobservable inputs and fair value measurement
Derivatives	The fair value is determined using quoted forward exchange rates as at the reporting dates	Not applicable	Not applicable

There are no transfers between Level 1, Level 2 and Level 3.

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The fair value of other non-current financial assets represents bank deposits (due for remaining maturity after twelve months from the reporting date), and security deposits receivables has been determined based on discounted cash flow technique (present value of expected payments, discounted using a risk-adjusted discount rate).

Notes:

The carrying amounts of trade receivables, cash and cash equivalents, other financial assets, borrowings, trade payables and other financial liabilities are considered to be the same as fair values, due to their short term nature.

36 Financial risk management

The Company's principal financial liabilities comprises borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework.

The Board of Directors oversee the risk management activities for managing each of these risks, which are summarised below:

(a) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to activities (primarily trade receivables) and from its investing activities , including cash and cash equivalents and deposits with banks and financial institutions.

Trade receivable

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding receivables are regularly monitored for any expected default in repayment. An impairment analysis is performed at each reporting date based on ECL matrix. The Company does not hold collateral as security. The maximum exposure to credit risk from trade receivables at the reporting date and an ageing analysis has been

Expected credit loss for trade receivable under simplified approach

As at 31 March 2026

Ageing	Not due	0-90 days	91-180 days	181-270 days	271-365 days	More than 365 days	Total
Gross carrying amount	116.50	16.49	0.03	1.43	0.03	0.09	134.57
Expected loss rate	0.26%	0.73%	0.00%	23.08%	33.33%	100.00%	0.63%
Expected credit losses * (less allowance provision)	0.30	0.12	0.00	0.33	0.01	0.09	0.85
Carrying amount of trade receivables (net of impairment)	116.20	16.37	0.03	1.10	0.02	-	133.72

As at 31 March 2025

Ageing	Not due	0-90 days	91-180 days	181-270 days	271-365 days	More than 365 days	Total
Gross carrying amount	34.99	7.98	1.04	0.03	0.01	0.07	44.12
Expected loss rate	0.11%	0.38%	2.88%	0.00%	0.00%	100.00%	0.39%
Expected credit losses * (less allowance provision)	0.04	0.03	0.03	0.00	0.00	0.07	0.17
Carrying amount of trade receivables (net of impairment)	34.95	7.95	1.01	0.03	0.01	-	43.95

* Absolute amounts less than INR 100,000 are appearing as "0.00" due to presentation in crores.

Reconciliation of allowances for doubtful trade receivables (Expected credit loss allowance)

	Amount
Allowance as at 01 April 2024	**0.26**
Add/ (less): Loss allowance during the year	(0.09)
Allowance as at 31 March 2025	**0.17**
Add/ (less): Loss allowance during the year	0.68
Allowance as at 31 March 2026	**0.85**

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation

Exposure to liquidity risk

The following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Company's financial liabilities on an undiscounted basis, which may differ from both carrying value and fair value.

As at 31 March 2026

Particulars	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total	Carrying amount
Borrowings	13.72	10.65	19.33	-	43.70	50.63
Lease liabilities^	7.47	6.82	11.53	-	25.82	21.81
Trade payables	226.34	-	-	-	226.34	226.34
Derivatives	0.29	-	-	-	0.29	0.29
Other financial liabilities	28.34	-	-	-	28.34	28.34
	276.16	**17.47**	**30.86**	**-**	**324.49**	**327.41**

As at 31 March 2025

Particulars	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total	Carrying amount
Borrowings	25.65	10.18	12.00	1.73	49.56	49.62
Lease liabilities^	7.52	3.63	5.51	-	16.66	14.73
Trade payables	85.78	-	-	-	85.78	85.78
Derivatives	0.02	-	-	-	0.02	0.02
Other financial liabilities	22.61	-	-	-	22.61	22.61
	141.58	**13.81**	**17.51**	**1.73**	**174.63**	**172.76**

^ Future expected cash outflows (on an undiscounted basis) as at 31 March 2026, for which no amount has been recognised in relation to leases where the lease commencement date is after 31 March 2026 to which the Company is committed is approximately INR 67.51 crores (31 March 2025 : INR 67.51 crores).

(c) Market risk

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments.

Interest 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's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The interest rate risk arises due to uncertainities about the future market interest rate of these borrowings. All long-term borrowings have a floating rate of interest.

Impact of interest rate increase on profit or loss and equity on floating rate borrowing is presented below :

Particulars	Fluctuation in basis points	Impact on profit or loss	Impact on equity, net of tax
31 March 2026	+100	0.44	-
Interest rate fluctuation	-100	(0.44)	-
31 March 2025	+100	0.34	-
Interest rate fluctuation	-100	(0.34)	-

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

Foreign Currency risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

(i) Exposure to Foreign Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the income statement, statement of comprehensive income, balance sheet, statement of changes in equity and statement of cash flows where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

The summary quantitative data about the Company's unhedged exposure to currency risk as reported to the management is a follows.

Particulars	Equivalent amount in INR	
	As at 31 March 2026	As at 31 March 2025
Financial liabilities		
Trade payables		
USD	93.42	(37.55)
EUR*	0.00	0.00
	93.42	(37.55)
Financial assets		
Trade receivables		
USD	4.84	7.92
EUR	-	2.35
	4.84	10.27
Net balance sheet exposure	**98.26**	**(27.28)**
Forward exchange contracts	(4.24)	(3.45)
Net exposure	**94.02**	**(30.73)**

* Absolute amounts less than INR 100,000 are appearing as "0.00" due to presentation in crores.

(ii) Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises from foreign currency denominated financial instruments.

Particulars		
Euro Sensitivity		
Rs/Euro- increase by 10% *	0.00	0.24
Rs/Euro- decrease by 10% *	0.00	(0.24)
Rs/USD- increase by 10%	(8.86)	(2.96)
Rs/USD- decrease by 10%	8.86	2.96

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. These derivative instruments are not designated as cash flow / fair value hedges and are entered into for periods consistent with foreign currency exposure of underlying transactions. All transactions in derivative financial instruments are undertaken to manage risks arising from underlying business activities.

	As at 31 March 2026	As at 31 March 2025
Derivative liability (refer note 23)	0.29	0.02

Unhedged foreign currency

Nature of exposure	Currency	Amount in Foreign currency		Equivalent amount in INR	
		31 March 2026	31 March 2025	31 March 2026	31 March 2025
Trade Receivable	USD	0.05	0.09	4.84	7.92
	EUR	-	0.03	-	2.35
Trade Payable *	USD	0.99	0.44	93.42	37.55
	EUR	0.00	0.00	0.00	0.00

* Absolute amounts less than INR 100,000 are appearing as "0.00" due to presentation in crores.

Other market risk

The primary goal of the Company's investment in mutual funds is to hold the investments for the long term for strategic purposes. Management is assisted by external advisers in this regard. Such investments are designated as at FVTPL because their performance is actively monitored and they are managed on a fair value basis.

Sensitivity analysis	Fluctuation in basis points	Impact on profit or loss	Impact on equity, net of tax
31 March 2025			-
Increase in index	+100	0.19	-
Decrease in index	-100	(0.19)	

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

37 Capital management

Capital includes equity share capital and other equity attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximise the shareholder's value. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with those covenants throughout the reporting period.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity and net debt. The Company includes within net debt, long-term and short-term loans and borrowings (including current maturities of long-term borrowings) and lease liabilities less cash and cash equivalents and bank balances. The Company has established a supplier finance arrangement to manage its working capital.

Particulars	As at 31 March 2026	As at 31 March 2025
Borrowings (including current maturities) and lease liabilities	72.44	64.35
Less: Cash and cash equivalents	7.34	2.53
Less: Bank balances other than cash and cash equivalents*	6.04	5.72
Net debt / (surplus) (A)	**59.06**	**56.10**
Total equity	449.20	303.38
Capital and net debt (B)	**508.26**	**359.48**
Gearing ratio [(A)/(B)]	**11.62%**	**15.61%**

* Bank balances other than cash and cash equivalents excludes balances earmarked for IPO expenses as per the agreement with selling shareholders (refer note 15B).

38 Earnings per share (EPS)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
A Basic earnings per share		
Net profit after tax attributable to equity share holders for basic EPS	103.58	47.05
Weighted average number of equity shares of face value INR 10 each outstanding during the year for basic EPS (In Nos.)	43,317,505	43,050,000
Basic earnings per equity share face value of INR 10 (in INR)	**23.91**	**10.93**

The calculation of basic EPS has been based on the following profit attributable to equity shareholders and weighted average number of equity shares outstanding.

(i) Profit attributable to equity shareholders (basic)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit for the year, attributable to the owners of the Company	103.58	47.05

(ii) Weighted-average number of equity shares (basic)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balance (refer note 38C)	42,460,500	16,818,000
Effect of share options exercised	666,074	1,333,500
Effect of shares issued	-	1,017,000
Effect of warrants exercised	190,931	-
Effect of conversion of compulsory convertible preference shares	-	23,881,500
Weighted average number of equity shares for the year	**43,317,505**	**43,050,000**
B Diluted earnings per share		
Profit after tax attributable to equity share holders for diluted EPS	103.58	47.05
Weighted average number of equity shares of face value INR 10 each outstanding during the year for diluted EPS (In Nos.)	44,034,304	43,474,500
Diluted earnings per equity share face value of INR 10 (in INR)	**23.52**	**10.82**

The calculation of diluted EPS has been based on the following profit attributable to equity shareholders and weighted average number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares.

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

(i) Profit attributable to equity shareholders (diluted)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Profit attributable to equity shareholders (basic)	103.58	47.05
Profit attributable to equity shareholders (diluted)	**103.58**	**47.05**

(ii) Weighted-average number of equity shares (diluted)

	For the year ended 31 March 2026	For the year ended 31 March 2025
Weighted average number of equity shares (basic) (refer note 38C)	43,317,505	43,050,000
Effect on share options on issue	716,799	424,500
Weighted average number of equity shares (diluted) for the year	**44,034,304**	**43,474,500**

C The Board of Directors of the Company in its meeting held on 05 September 2025 and shareholders of the Company in the Extraordinary General Meeting held on 10 September 2025 approved the issuance of bonus equity share of INR 10 each in the ratio of 1499:1. The number of shares used for the calculation of earnings per share, and the earnings per share (including that in the comparative periods), have been adjusted for pursuant to Paragraph 64 of Ind AS 33 - "Earnings Per Share", prescribed under Section 133 of the Companies Act, 2013.

39 Employee benefits: Post-employment benefit plans

Contribution to provident fund (Defined contribution) :

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year ended aggregated to INR 2.01 crores (31 March 2025 : INR 1.63 crores).

Gratuity (Defined benefit plan)

The Company has a defined benefit gratuity plan as per the New Labour Codes . Under the New Labour Codes, an employee who has completed five years of service is entitled to specific benefit. The level of benefit provided is depending on the employee's length of service and salary at retirement/termination.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method. The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

Company's Gratuity scheme for employees is partially funded with an insurance Company in the form of qualifying insurance policy.

Based on an independent actuarial valuations, the following tables set out the amounts recognised in the Company's financial information:

Description of risk exposures:

The plan typically exposes the Company to actuarial risks such as interest rate risk, longevity risk and salary risk

Salary escalation rate	Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality and disability	Actual deaths and disability cases proving lower or higher than assumed in the valuation can
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact plan's liability.

[A] Statement showing changes in present value of obligation

Particulars	31 March 2026	31 March 2025
Defined benefit obligation at the beginning of the year	**7.98**	**6.14**
Current service cost	1.65	0.99
Interest cost	0.51	0.43
Past service cost ^	0.75	-
Benefits paid	(0.61)	(0.28)
Actuarial loss arising from change in financial assumption	(0.41)	0.92
Actuarial loss arising from change in demographic assumption *	0.00	(0.25)
Actuarial loss arising from change in experience assumption	0.81	0.03
Defined benefit obligation at the end of the year	**10.68**	**7.98**

^ Change in base salary pursuant to new labour code, refer note 48.

* Absolute amounts less than INR 100,000 are appearing as "0.00" due to presentation in crores.

[B] Table showing changes in the fair value of plan assets

Particulars	31 March 2026	31 March 2025
Fair value of plan assets at the beginning of the year	**2.16**	**2.07**
Expected return on plan assets	0.14	0.15
Employer contributions	0.07	0.08
Benefits paid	(0.22)	(0.13)
Expenses debited by LIC	(0.01)	(0.01)
Actuarial gain/(loss) on plan assets	0.01	0.00
Fair value of plan assets at the end of the year	**2.15**	**2.16**

[C] Major cateogories of plan assets (as percentage of total plan assets)

Particulars	31 March 2026	31 March 2025
Funds managed by insurer (LIC)	100%	100%

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

[D] Amount recognised in statement of other comprehensive income (OCI)

Particulars	31 March 2026	31 March 2025
Opening amount recognised in OCI outside profit and loss account	1.40	0.70
Remeasurements for the year - obligation loss	0.40	0.70
Remeasurements for the year - plan assets loss	0.01	0.00
Total remeasurements cost for the year recognised in OCI	**0.39**	**0.70**
Closing amount recognised in OCI outside profit and loss account	1.79	1.40

[E] Amounts to be recognized in the Balance Sheet

Particulars	31 March 2026	31 March 2025
Present value of defined benefit obligations at the end of the year	10.68	7.98
Fair Value of plan asset at the end of the year	2.15	2.16
Funded Status - unfunded liability	**8.53**	**5.82**

Bifurcation of present value of obligations at the end of the current period

Particulars	31 March 2026	31 March 2025
Current liability	6.38	3.66
Non-current liability	2.15	2.16
Present value of obligation as at the end of the year	**8.53**	**5.82**

[F] Expenses recognised in the statement of profit and loss

Particulars	31 March 2026	31 March 2025
Current service cost	1.65	0.99
Interest cost on obligation	0.51	0.43
Past service cost	0.75	-
Expected return on plan assets	(0.13)	(0.14)
Expense recognised in statement of Profit and Loss	**2.78**	**1.28**

[G] Actuarial assumptions

Particulars	31 March 2026	31 March 2025
Discount rate (p.a.)	7.30%	6.70%
Salary escalation rate (p.a.)	10.00%	10.00%
Expected rate of return on plan assets	6.70%	7.11%
Mortality Rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Withdrawal Rate	13.00%	13.00%
Normal Retirement Age	58 years and 60 years and 62 years	58 years and 60 years
Average Future Service	10.49*	6.91*

*It is actuarially calculated term of the liability using probabilities of death, withdrawal & retirement.

[H] Sensitivity Analysis

Discount rate, salary escalation rate and withdrawal rate are significant actuarial assumptions. There are no changes in the methods and assumptions used in preparing the sensitivity analysis from the previous year. The revised present value of the defined benefit obligation as a result of change in 100 basis points in the assmptions made would be :

Particulars	31 March 2026	31 March 2025
Discount rates (+1% movement)	10.05	7.59
Discount rates (-1% movement)	11.38	8.60
Salary escalation (+1% movement)	11.26	8.50
Salary escalation (-1% movement)	10.15	7.66
Withdrawal rates (+1% movement)	10.59	7.98
Withdrawal rates (-1% movement)	10.78	8.15

[I] Expected contribution - defined benefit liability

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	31 March 2026	31 March 2025
Year 1	1.74	1.13
Year 2	1.13	1.09
Year 3	1.25	0.93
Year 4	1.49	1.20
Year 5	1.67	1.21
Year 6 to 10	9.89	7.44

The average duration of the defined benefit plan obligation at the end of the reporting period is 10.46 years (31 March 2025 : 10.57 years).

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

40 Leases

Company as a lessee

The Company leases primarily consists of factory premises, technical center and corporate office. The Company has entere into non-cancellable operating leases which range for a period upto 10 years. The terms of the said leases include terms for renewal, increase in rents in future periods for premises and terms of cancellation. The Company's obligations under its leases are secured by the lessor's title to the assets. There are no sub-leases.

Below are the carrying amounts of lease liabilities and the movements during the year for contracts entered upto year end:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balance	14.73	19,44
Additions during the year	15.47	0.85
Finance cost accrued on lease liabilities	1.98	1.47
Payments	(10.37)	(7.03)
Closing balance	**21.81**	**14.73**
Current (note no. 18)	**5.82**	**6.55**
Non-current (note no. 18)	**15.99**	**8.18**

The effective interest rate for lease liabilities ranges from 8% to 9.25%, with maturity between 2026-2030.

Contractual maturity analysis of lease liabilities on an undiscounted cash flow basis

Particulars	As at 31 March 2026	As at 31 March 2025
Within one year	7.47	7.52
Later than one year but not later than five years	18.35	9.14
Later than five years	-	-
	25.82	**16.66**

The following are the amounts recognized in Statement of profit and loss:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Depreciation expense of right-of-use assets (note 32)	8.91	6.12
Interest expense on lease liabilities (note 31)	1.98	1.47
Expense relating to short term leases (included in other expenses)	0.18	0.15
Expense relating to low value leases (included in other expenses)	0.51	0.44
	11.58	**8.18**

The Company had total cash outflows for leases in 31 March 2026 is INR 11.06 crores (31 March 2025 : INR 7.62 crores).

There are non-cash additions to right-of-use assets and lease liabilities during the period INR 15.47 crores (31 March 2025 : INR 0.85 crores).

For contractual maturities, refer note no. 36.

41 Contingent liabilities and commitments

(to the extent not provided for)

Particulars	As at 31 March 2026	As at 31 March 2025
Contingent liabilities:		
a.Claims against the Company not acknowledged as debt		
Income tax matters in dispute (refer note (i) below)	3.58	2.83
	3.58	**2.83**

(i) The Company is contesting an amount of INR 2.83 crores (31 March 2025 : 2.83 crores) before Bombay High Court against the order passed by the ITAT and believe that it's position will likely be upheld in the appellate process. No expense has been accrued in the financial statements for the tax demands/notices raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of the operations.

Particulars	As at 31 March 2026	As at 31 March 2025
b. Commitments :		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)		
- Property, plant and equipment	110.31	28.55
- Intangible assets	0.21	0.78
	110.52	**29.33**

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

42 Related party disclosures

(i) List of related parties & relationship:

Particulars	Name of the Related Party
Key Management Personnel (KMP)	Prof. Shashikanth Suryanarayanan (Managing Director w.e.f 26.03.2025) Amit Arun Dixit (Joint Managing Director w.e.f 26.03.2025) Manish Sharma (Whole-Time Director w.e.f 14.05.2025) Bhavya Kapoor (Director w.e.f 30.05.2024 upto 17.10.2025) Abhay kumar Pandey (Director w.e.f 30.05.2024 upto 17.10.2025) Udo Edgar Wolz (Non-Executive Director w.e.f 01.07.2025) Rajesh Madhukar Sheth (Chief financial officer w.e.f 14.05.2025) Prasad Rajendra Chavan (Company Secretary & Compliance Officer w.e.f 14.05.2025)
Close family members of Key Management Personnel	Ashwini Amit Dixit
Independent Directors	Poyni Bhatt (w.e.f 22.03.2025) Namakal Srinivasan Parthasarathy (w.e.f 21.02.2025)

(ii) Disclosure of related party transactions:

Nature of transactions	Name of the related party	For the year ended 31 March 2026	For the year ended 31 March 2025
Short term employee benefits	Prof. Shashikanth Suryanarayanan	8.24	5.39
	Amit Arun Dixit	6.18	3.00
	Manish Sharma	3.25	2.65
	Rajesh Madhukar Sheth	1.50	0.98
	Prasad Rajendra Chavan	0.23	0.03
Post employment benefits	Amit Arun Dixit	0.09	0.30
	Manish Sharma	0.13	0.14
	Rajesh Madhukar Sheth	0.10	0.03
	Prasad Rajendra Chavan	0.01	0.00
Share based payments	Rajesh Madhukar Sheth	0.72	1.02
Reimbursement of expenses (net)	Amit Arun Dixit	-	0.00
	Manish Sharma	0.00	0.02
	Udo Edgar Wolz	0.01	-
	Rajesh Madhukar Sheth	-	0.00
Commission/ Remuneration to Directors	Poyni Bhatt	0.34	-
	Namakal Srinivasan Parthasarathy	0.34	-
	Udo Edgar Wolz	0.81	-
Sitting fees	Poyni Bhatt	0.23	-
	Namakal Srinivasan Parthasarathy	0.26	-
Expenditure recovered from selling shareholders	Manish Sharma	0.35	-
	Ashwini Amit Dixit	0.53	-
		-	-
Issue of shares against share warrants	Prof. Shashikanth Suryanarayanan	4.00	-
	Amit Arun Dixit	10.00	-
	Manish Sharma	2.00	-

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

(iii) Outstanding balances at the end of the year

Name of the related party	For the year ended 31 March 2026	For the year ended 31 March 2025
Employee related payables		
Prof. Shashikanth Suryanarayanan	3.86	2.95
Amit Arun Dixit	3.45	2.02
Manish Sharma	1.30	2.00
Rajesh Madhukar Sheth	0.39	0.39
Prasad Rajendra Chavan	-	0.00
Commission payable		
Poyni Bhatt	0.34	-
Namakal Srinivasan Parthasarathy	0.34	-
Other payables (refer note 15B)		
Manish Sharma	0.02	-
Ashwini Amit Dixit	0.03	-

Absolute amounts less than INR 100,000 are appearing as "0.00" due to presentation in crores.

43 Share-based payment arrangements

A Description of the share-based payment arrangements

The Company has following share-based payment arrangements :

Share option plans (equity settled)

The Company sponsers share option plan -

(a) The SEDEMAC Employee Stock Option Plan ("ESOP") - 2014 Plan. The details of the aforesaid plan are as follows The SEDEMAC ESOP - 2014 plan was approved by the directors of the Company on 06 March 2014 and by the shareholders on 25 March 2014. The plan is administered by a Compensation committee. Options will be issued to employees of the Company at an exercise price, which shall be a price between 30% to 60% of the applicable Last Round Securities Price. The equity shares covered under these options vest over a period ranging from twelve to forty eight months from the date of grant. The exercise period is earlier of the date of IPO and the relevant date as determined in accordance with the ESOP Policy, in case of cessation of the employment. ESOP - 2014 plan provides for the issue of 1,563 shares to the employees of the Company, who are in whole time employment with the Company. Pursuant to the 1,499:1 bonus issue approved by the Board on 05 September 2025, the Company increased the ESOP pool to 2,344,500 shares.

The options shall vest after the expiry of the vesting period (60 months) provided that the grantee has been in the continuous and uninterrupted employment of the Company from the date of grant of the options until the date of such vesting.

The Board of Directors vide circular resolution dated 08 October 2025 and the shareholders, in the Extraordinary General Meeting of the Company held on 09 October 2025, approved the variation of the terms of ESOP 2014 to align with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and to increase the ESOP pool. However, it does not have an impact on the balance sheet.

(b) The SEDEMAC Mechatronics Employee Stock Option Plan ("ESOP") - 2025 Scheme. The details of the aforesaid plan are as follows

The SEDEMAC ESOP - 2025 Scheme was approved by the directors of the Company on 21 May 2025 and by the shareholders on 29 May 2025. The Scheme is administered by Administrator. The equity shares covered under these options vest over a period ranging from twelve to sixty months from the date of grant. The exercise period means the time period commencing from the date of vesting within which the option holder should exercise vested option(s), which shall be set out in the grant letter and shall not exceed 15 (fifteen) years from the date of vesting of the options.. ESOP - 2025 Scheme provides for the issue of 650 shares to the employees of the Company, who are in whole time employment with the Company. Pursuant to the 1,499:1 bonus issue approved by the Board on 05 September 2025, the Company increased the ESOP pool to 975,000 shares.

The options shall vest after the expiry of the vesting period provided that the grantee has been in the continuous and uninterrupted employment of the Company from the date of grant of the options until the date of such vesting.

B Measurement of fair values

The fair value of employee share options has been measured using Black Scholes model. The fair value of the options and the input used in the measurement of the grant- date fair values are as follows:

SEDEMAC ESOP - 2014 Plan

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Fair value of per option granted during the year	NA	NA
Fair market value of underlying share (In INR)	NA	NA
Weighted average exercise price (WAEP)	275.68	1,91,669.00
Risk-free interest rate	7.20%	7.20%
Expected Life	3.50 years	3.50 years
Expected Volatility	31.36%	31.36%
Expected Dividend yield	NIL	NIL

SEDEMAC ESOP - 2025 Scheme

Particulars	For the year ended 31 March 2026
Fair value of per option granted during the year	161.63
Fair market value of underlying share (In INR)	429.91
Weighted average exercise price (WAEP)	467.00
Risk-free interest rate	6.22%
Expected Life	4.50 years
Expected Volatility	37.24%
Expected Dividend yield	NIL

Expected volatility during the expected term of the options is based on historical volatilty of the observed market prices of the Company's peers traded equity shares during a period equivalent to the expected term of the options.

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

C Movements during the year

The following table illustrates the number and WAEP of, and movements in, SEDEMAC ESOP - 2014 plan during the period

	For the year ended 31 March 2026		For the year ended 31 March 2025	
	Number of options	WAEP	Number of options	WAEP
Options outstanding at the beginning of the year	1,012	191,669.00	1,172	152,557.00
Impact of bonus issue of equity shares	1,516,988	-	-	-
Granted during the year			-	-
Forfeited / lapsed during the year	-	-	-	-
Exercised during the year	1,371,000	138.41	160	110,012.00
Options outstanding at the end of the year	147,000	275.68	1,012	191,669.00
Exercisable at end of the year	84,000	275.68	829	191,669.00
Contractual life of options outstanding at the end of the year	2.283 years		1 year	

The following table illustrates the number and WAEP of, and movements in, SEDEMAC ESOP - 2025 Scheme during the period

	For the year ended 31 March 2026	
	Number of options	WAEP
Options outstanding at the beginning of the year	-	-
Granted during the year	244,500	467.00
Forfeited / lapsed during the year	-	-
Exercised during the year	-	-
Options outstanding at the end of the year	244,500	467.00
Exercisable at end of the year	-	
Contractual life of options outstanding at the end of the year	7.01 years	

Range of exercise prices for share options outstanding at the end of the year:

SEDEMAC ESOP - 2014 plan

31 March 2026

Range of exercise price :	Options outstanding at the end of the period
INR 201 to INR 300	81,000
INR 301 to INR 500	66,000
Outstanding at the end of the period	**147,000**

31 March 2025

Range of exercise price :	Options outstanding at the end of the period
INR 10	5
INR 66,000 to INR 100,000	352
INR 100,001 to INR 500,000	621
INR 500,001 to INR 600,000	34
Outstanding at the end of the period	**1,012**

SEDEMAC 2025 Scheme

31 March 2026

Range of exercise price :	Options outstanding at the end of the period
INR 400 to INR 500	244,500
Outstanding at the end of the period	**244,500**

D Expense recognised in statement of profit and loss

The expense recognised for employee services received during the year is shown in the following table :

Particulars	31 March 2026	31 March 2025
Expense arising from equity settled share-based payment transaction (refer note 30)	1.53	1.04

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

44 Segment information

(a)

(i) **Basis of segmentation**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's joint managing director who is also CODM to make decisions about resources to be allocated to the segments and assess their performance.

The Company has the following two strategic divisions, which are its reportable segments. These divisions offer different products and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations in each of the Company's reportable segments.

Reportable segments	Operations
Mobility	motor control technology, transmission controls which consists of integrated starter generator, electronic fuel injection, automated manual transmission and motor control unit and electrification control units used in various electric bicycles and electric vehicles
Industrial	small powertrain engine controls which consists of genset control units, engine control units, electronics governors, control panels and actuators

(ii) **Information about reportable segments**

Information related to each reportable segment is set out below. Segment profit before tax is used to measure performance because management believes that such information is the most relevant in evaluating the results of the certain segments relative to other entities that operate in the same industries.

Year ended 31 March 2026	Reportable segments		Unallocable	Total
	Mobility	Industrial		
Segment revenue from operations	910.57	147.81	-	1,058.38
Segment other income	0.27	0.05	4.95	5.27
Segment expenditure	780.86	124.90	7.70	913.46
Segment profit before tax	**129.98**	**22.96**	**(2.75)**	**150.19**
Tax expense				**(46.61)**
Profit after tax				**103.58**

Year ended 31 March 2026	Reportable segments		Unallocable	Total
	Mobility	Industrial		
Segment assets	654.05	74.25	85.40	813.70
Segment liabilities	259.60	36.16	68.74	364.50
Other segment information				
Capital Expenditure during the period	125.91	22.77	-	148.68
Interest income	0.27	0.05	0.50	0.82
Finance cost	1.38	0.26	6.89	8.53
Depreciation and amortization expenses	53.00	10.48	-	63.48
Loss on impairment of Intangible Assets	1.20	-	-	1.20
Income tax expense	-	-	46.51	46.51

Year ended 31 March 2025	Reportable segments		Unallocable	Total
	Mobility	Industrial		
Segment revenue from operations	564.13	94.23	-	658.36
Segment other income	0.97	0.18	3.02	4.17
Segment expenditure	500.21	83.48	11.14	594.83
Segment profit before tax	**64.89**	**10.93**	**(8.12)**	**67.70**
Tax expense				**(20.65)**
Profit after tax				**47.05**

Year ended 31 March 2025	Reportable segments		Unallocable	Total
	Mobility	Industrial		
Segment assets	402.22	43.02	45.92	491.16
Segment liabilities	114.62	21.09	52.07	187.78
Other segment information				
Capital Expenditure during the period	80.34	11.26	-	91.60
Interest income	0.22	0.03	0.65	0.90
Finance cost	1.20	0.20	10.63	12.03
Depreciation and amortization expenses	37.06	8.28	-	45.33
Loss on impairment of Intangible Assets	4.49	0.55	-	5.04
Income tax expense	-	-	20.45	20.45

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

(b) Geographical information

	Revenue*		Non-current assets**	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
India	972.35	612.92	388.21	255.80
Rest of the world	86.03	45.44	-	-

* Revenue by geographical area are based on the geographical location of the customer.

** Non-current assets excludes financial instruments and tax assets and are determined for the Company as a whole.

(c) Combined revenue from one external customer group having more than 10% each of the Company's total revenue in mobility segment amounting to INR 815.93 crores (31 March 2025 : INR 533.03 crores).

45 Disclosure in respect of Research and Development activities as per the requirements of Department of Scientific and Research ('DSIR'):

The Company has an in-house Research and Development center which is approved by Department of Scientific and Industrial Research (prescribed authority) with effect from 24th May 2017 as per approval letter dated 28th June 2017, reference number TU/IV-RD/4178/2017. The same recognition as an in-house Research and Development center is extended further till 31st March 2026, as per the letter from the prescribed authority, dated 28th December 2023, reference number TU/IV-RD/4178/2023.

The Company has identified the following as expenditure on research and development eligible u/s 35(2AB) of the Income Tax Act, 1961

Particulars	31 March 2026	31 March 2025
Capital expenses	39.07	29.27
Revenue expenses	22.57	15.13
	61.64	**44.40**

46 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold needs to spend at least 2% of its average net profit for the immediately preceding three financial year on corporate social responsibility (CSR) activities.

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025
a) Gross Amount required to be spent by the Company during the year	0.81		0.35
b) Amount approved by the Board to be spent during the year	0.81		0.36
c) Amount spent during the year	For the year ended 31 March 2026		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any assets	-	-	-
(ii) On purpose other than (i) above [(1)]:	0.81	-	0.81
	For the year ended 31 March 2025		
	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any assets	-	-	-
(ii) On purpose other than (i) above:	0.36	-	0.36

[(1)] After set off of INR 0.01 crores u/s 135(5) of Companies Act, 2013.

d) Details related to spent / unspent obiligations :

	For the year ended 31 March 2026	For the year ended 31 March 2025
i) Contribution to Public Trust	0.81	0.36
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to :		
- Ongoing project	-	-
- Other than ongoing project	-	-
	0.81	**0.36**

	For the year ended 31 March 2026	For the year ended 31 March 2025
Nature of activities	Promotion of education, health care facilities for women, orphans, old day homes and day care centres, environment sustainability and protection of flora and fauna.	Promotion of education, health care facilities for women, orphans, old day homes and day care centres, environment sustainability and protection of flora and fauna.

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

Details of other than ongoing project :

For the year ended 31 March 2026 :

In case of S. 135(6)				
Opening balance	Amount deposited in Specified Fund of Sch VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
(0.01)	-	0.81	0.80	-

For the year ended 31 March 2025 :

In case of S. 135(6)				
Opening balance	Amount deposited in Specified Fund of Sch VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing balance
-	-	0.35	0.36	(0.01)

47 Key Financial Ratios

S No.	Ratio	Numerator	Denominator	31 March 2026	31 March 2025	Change	% Change	Explanation for variance
1	Current Ratio	Current assets	Current Liabilities	1.38	1.45	(0.06)	-4.48%	Not applicable
2	Debt - Equity Ratio	Total debt[(a)]	Shareholder's Equity	0.16	0.21	(0.05)	-23.97%	Not applicable
3	Debt Service Coverage Ratio	Earnings available for debt service[(b)]	Debt service[(c)] = Interest on term loan from banks + Principal repayments	4.18	1.41	2.77	195.91%	Refer note below
4	Return on Equity (ROE):	Net profits after taxes	Average Shareholder's Funds	27.53%	22.01%	0.06	25.06%	Refer note below
5	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	11.91	18.55	(6.64)	-35.78%	Refer note below
6	Trade payables turnover ratio	Purchase of goods and other expenses	Average trade payables(e)	4.80	5.78	(0.98)	-17.00%	Not applicable
7	Net capital turnover ratio	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities excluding short term borrowings)	9.23	9.95	(0.72)	-7.26%	Not applicable
8	Net profit ratio	Net profit after tax	Revenue from operations	9.79%	7.15%	0.03	36.94%	Refer note below
9	Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed[(d)]	40.43%	33.80%	0.07	19.63%	Not applicable
10	Return on Investment	Income generated from investments[(f)]	Invested Funds					
	Quoted			6.10%	6.37%	(0.00)	-4.22%	Not applicable
	Unquoted			7.19%	6.66%	0.01	7.87%	Not applicable
11	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	3.99	3.25	0.74	22.92%	Not applicable

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

Notes:

a. Debt includes current and non-current lease liabilities.
b. Earnings available for debt service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + interest + other adjustments like loss on sale of fixed assets etc.
c. Debt service includes lease payments for the year. It excludes working capital repayment (if any) during the year.
d. Capital Employed = Tangible net worth + Total debt
e. Trade payables include provision for expenses.
f. Income generated from investments include interest income, net gain on sale of investments and net fair value gain.

Reasons for variance more than 25%

31 March 2026

S No.	Ratio	Reason for variance
1	Debt Service Coverage ratio	Variance on account of repayment of long-term and short term borrowings and increase in net profits during the year.
2	Trade receivables turnover ratio	Variance on account of increase in trade receivables and increase in Company's revenue from operations during the year.
3	Return on Equity (ROE)	Variance on account of increase in Company's revenue from operations in current financial year and increase in net profit, increase in networth is due to increase in securities premium on account of issue of shares during the year.
4	Net profit ratio	Variance on account of increase in net profit during the year. Increase in net profit is due to increase in revenue from operations and decrease in finance cost during the year.

48 Impact of New Labour Codes: Effective 21 November 2025, The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes collectively referred to as the 'New Labour Codes'. Under Ind AS 19, changes to employee benefit plans arising from legislative amendments constitute a plan amendment, requiring recognition of past service cost immediately in the statement of profit and Loss.

The New Labour Codes has resulted in estimated one time increase in provision for employee benefits of the Company of INR 0.81 crores for gratuity and compensated absences and the same has been recognized as an employee benefit expense in the current reporting period. The Company will continue to monitor the clarifications in this regard and provide necessary accounting effect as and when such clarifications are issued.

49 Other Statutory Information

a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
b. The Company does not have any transactions with companies struck off.
c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
   ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
f. The Company has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
   i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
   ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
g. The Company have 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.
h. The Company is not declared wilful defaulter by any bank or financial Institution or government or any government authority.
i. Compliance with number of layer of companies as per Companies Act, 2013 - The Company does not hold any investments in subsidiaries, joint ventures and associates accordingly provisions prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the Company.
j. The Company has not entered into any scheme of arrangement which has an accounting impact on current financial year.
k. The Company has not revalued its Property, Plant and Equipment (including Right- of- Use Assets) or Intangible assets or both during the current and previous financial year.
l. The Company has used the borrowings from financial institutions for the specific purpose for which it was taken at the balance sheet date.
m. The Company has been sanctioned working capital limits from banks or financial institutions on the basis of security of current assets, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with books of accounts of Company.
n. The Company has no long-term contracts for which there are material forseeable losses.

Notes to the financial statements for the year ended 31 March 2026 (continued)

(Amounts in INR crores, unless otherwise stated)

50

a. The Company maintains its books of account in electronic mode and these books of accounts are accessible in India at all times. It uses 'Infor LN" software for maintaining its books of accounts. Data for these software are backed up on daily basis on servers located in India as required under Rule 3(5) of Companies (Accounts) Rules, 2014.

b. The Company has used an accounting software for maintaining its books of account related to general ledger and an accounting software which is operated by a third-party service provider for payroll records. These softwares have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except:
   -The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining general ledger;
   -The feature of recording audit trail (edit log) facility was not enabled for certain tables at the application layer of the accounting software used for maintaining general ledger relating to Purchases, Payables, Revenue and Receivable.

As per our report of even date attached

For **B S R & Co. LLP,**
Chartered Accountants
Firm Registration No. 101248W/W-100022

For and on behalf of the Board of Directors of **SEDEMAC Mechatronics Limited**
(Formerly known as SEDEMAC Mechatronics Private Limited)
(CIN : U29253PN2007PLC246956)

Kalpesh Khandelwal
Partner
Membership No : 133124
Place: Pune
Date: 18 May 2026

Prof. Shashikanth Suryanarayanan
Managing Director
DIN : 01269904
Place: Lisbon
Date: 18 May 2026

Amit Arun Dixit
Joint Managing Director
DIN: 01288169
Place: Pune
Date: 18 May 2026

Rajesh Madhukar Sheth
Chief Financial Officer
Place: Pune
Date: 18 May 2026

Prasad Rajendra Chavan
Company Secretary & Compliance Officer
Place: Pune
Date: 18 May 2026

NOTICE

NOTICE is hereby given that the 19th (Nineteenth) Annual General Meeting ("**AGM**") of the Members of SEDEMAC Mechatronics Limited (Formerly SEDEMAC Mechatronics Private Limited) ("**Company**") will be held on **Wednesday, 9th September, 2026** at **10:30 a.m. (IST)** through Video Conference (**"VC"**) / Other Audio-Visual Means (**"OAVM"**) to transact the following businesses:

ORDINARY BUSINESS:

Item No. 1: Adoption of Audited Financial Statements and Reports of Board of Directors and Auditors thereon for the Financial Year ended on 31st March, 2026.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2026 and the Reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby approved and adopted."

Item No. 2: Re-appointment of Mr. Manish Sharma (DIN: 01310490) as Director, liable to retire by rotation.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, if any, Mr. Manish Sharma (DIN: 01310490), who is liable to retire by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESS:

Item No. 3: To appoint Secretarial Auditors of the Company.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other laws, rules, regulations, notifications and circulars (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force) as may be applicable, and based on the recommendations of the Audit Committee and approved by the Board of Directors of the Company, M/s. Nilesh Shah & Associates, Practicing Company Secretaries (Firm registration number: P2003MH008800), a Peer Reviewed Firm (Review No. 7810/2026), be and are hereby appointed as Secretarial Auditors of the Company, for a period of five consecutive years commencing from 01st April, 2026 to 31st March, 2031 (the **"Term"**), to conduct secretarial audit of the Company and to furnish the Secretarial audit report on such terms and conditions, including remuneration plus applicable taxes, out of pocket expenses as may be incurred by them while performing audit as may be recommended by Audit Committee and determined by the Board of Directors (the "Board") which expression shall include any Committee thereof or person(s) authorized by the Board).

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committees), be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps/measures as may be deem necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

Item No. 4: Ratification of the remuneration of the Cost Auditors of the Company for the Financial Year ending 2026-27.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 (**"the Act"**) read with Companies (Audit and Auditors) Rules 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to ratify the remuneration of INR 3,00,000/- p.a. (Rupees Three Lakh only) plus applicable taxes thereon, besides reimbursement of out-of-pocket expenses, on actuals, incurred in connection therewith, payable to M/s. A. J. Paranjape & Co., Cost Accountant in Practice, Pune, having Firm Registration No. 100480, appointed by the Board of Directors as Cost Auditors of the Company, on the recommendation of Audit Committee, to conduct the audit of the applicable cost records of the Company for the Financial Year 2026-27.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committees), be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps/measures as may be deem necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

Registered Office
Survey No. 270/1/A/2, Pallod Farms,
Baner Road, Baner, Baner Gaon,
Haveli, Pune- 411045, Maharashtra,
India.

Place: Pune
Date: 12th August, 2026

For and on behalf of the Board of Directors
For SEDEMAC Mechatronics Limited
(Formerly known as SEDEMAC Mechatronics Private Limited)

Prasad Rajendra Chavan
Company Secretary & Compliance Officer
Membership No: A49921

NOTES:

A statement under Section 102 of the Companies Act, 2013 (**"Act"**) and/or as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations"**) concerning the special business under Item Nos. 3 and 4 of the Notice is annexed herewith.

1. The Ministry of Corporate Affairs (**"MCA"**) vide its General Circular No. 3/2025 dated September 22, 2025 read with Circular No. 20/2020 dated 5th May, 2020, Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020 and other applicable circulars issued by MCA in this regard (collectively referred to as "**MCA Circulars"**), has permitted the holding of the Annual General Meeting (**"AGM"**) through Video Conferencing (**"VC"**) / Other Audio-Visual Means (**"OAVM"**), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, the Listing Regulations, MCA Circulars and SEBI Regulations and Circulars and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India and any other applicable law, rules and regulations (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the 19th AGM of the Company is being held through VC / OAVM. The members can attend and participate in the AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives as Members to attend the AGM through VC/OAVM and participate and cast their votes through e- Voting.

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

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

5. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended) and the SEBI Circulars and MCA Circulars, the Company is providing facility of remote e-voting and e-voting at the AGM to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) (**"MUFG"**) (**"RTA"**) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by MUFG Intime India Private Limited.

6. In compliance with the MCA Circulars and SEBI Circulars, notice of the AGM along with the Annual Report for Financial Year 2025-26 is being sent through electronic mode only to those members whose e-mail address is registered either with the Company's Registrar and Share Transfer Agent or with any depository as on **Friday, 7th August, 2026**. Members may also note that the AGM notice and Annual Report for the financial year 2025-26 will also be available on the Company's website at www.sedemac.com, websites of the Stock Exchanges i.e. BSE Limited (**"BSE"**) and National Stock Exchange of India Limited (**"NSE"**) at www.bseindia.com and www.nseindia.com, respectively.

7. The relevant details as set out under Item No. 2 of the Notice pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India (**"ICSI"**) in respect of the Director seeking re- appointment at this AGM, are also part of this Notice.

8. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

Members holding shares in electronic form

9. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market for those members who have not updated their PAN numbers. Members are requested to submit their PAN to the Depository Participant(s) (DP) with whom they are maintaining their demat accounts.

10. Members are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC, Mandates, Nominations, Power of Attorney, Change of Address / Name / E-mail Address / Contact Numbers, etc., to their DP.

11. Electronic copy of the Annual Report and the Notice of the AGM inter-alia indicating the process and manner of e-Voting are being sent to all the Members whose e-mail IDs are registered with the Company / DPs for communication purposes. In compliance with Regulation 36(1)(b) of the Listing Regulations, a letter providing details of the web link, including the path, where complete details of the Integrated Annual Report are available, is being sent to those members whose e-mail addresses are not registered with the Company/RTA/Depository.

Members holding shares in physical form

12. Members can submit their PAN details to the Company/RTA.

13. Members holding shares in physical form are requested to advise any change in their address or bank mandates to the Company / MUFG Intime India Private Limited, Registrar & Share Transfer Agent of the Company (MUFG).

14. Members are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC,

Mandates, Nomination as per Section 72 of the Act, 2013 by filling Form SH-13, Power of Attorney, Change of Address / Name / e-mail Address / Contact Numbers, etc., with the Company / RTA. Investors holding securities in physical mode interface with the RTAs, inter-alia, for registering/ updating the KYC details and for the processing of various service requests. The service requests along with requisite forms, as prescribed by SEBI i.e., ISR-1, ISR-2, ISR-3, SH-13 & SH-14, are available at this link www.sedemac.com/investor/kyc.pdf

15. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding/trading.

Inspection of documents

16. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which the directors are interested maintained under Section 189 of the Act, Annual Report along with the AGM notice and all other documents referred in the notice and explanatory statement, including certificate from the secretarial auditors of the Company received under Regulation 13 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available electronically for inspection without any fee by the members from the date of circulation of this notice up to the date of AGM, i.e. **Wednesday, 9th September, 2026** and also during the AGM. Members seeking to inspect such documents can send an email at cs@sedemac.com.

Voting

17. The businesses set out in the Notice will be transacted through electronic voting system. The Company is providing facility of voting by electronic means. The Members may cast their votes using electronic voting system from a place other than the venue of the meeting ('remote e-Voting').

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

19. In terms of Section 108 of the Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, ('the Rules') and Regulation 44 of the Listing Regulations, the Company has provided facility to exercise votes through electronic voting system to the Members holding shares as on **Monday, 31st August, 2026** being the "Cut-off Date" ("Cut-Off" for the purpose of Rule 20(4)(vii) of the Rules) fixed for determining voting rights of the Members entitled to participate in the remote e-Voting process through the platform provided by MUFG (agency for providing the Remote e-Voting facility) i.e. https://instavote.linkintime.co.in/

20. The voting rights of the Members / Beneficial Owners will be reckoned on the Equity Shares held by them as on Cut-off date.

21. The instructions for remote e-Voting and voting at the meeting are as under:

In terms of SEBI Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January, 2026, 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 the remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with **NSDL:**

METHOD 1 - NSDL OTP based login

a. Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp
b. Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
c. Enter the OTP received on your registered 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 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/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

Google Play | App Store

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 eVoting 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.

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 e-voting 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 Easi/ Easiest facility:

a. Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or
Visit URL: www.cdslindia.com, click on "Login" and select "My Easi New (Token)".
b. Enter existing username, Password & click on "Login".
c. Post successful authentication, user will be able to see e-voting option. The e-voting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "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 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).

Individual Shareholders holding securities in demat mode with Depository Participant

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

a. Login to DP website
b. After Successful login, user shall navigate through "e-voting" option.
c. Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
d. Post successful authentication, click on "MUFG InTime" or "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 shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

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

STEP 1: LOGIN / SIGNUP on InstaVote

Shareholders registered for INSTAVOTE facility:

a. Visit URL: https://instavote.linkintime.co.in/ & click on **"Login"** under 'SHARE HOLDER' tab.
b. Enter details as under:
1. User ID: Enter User ID
2. Password: Enter existing Password
3. Enter Image Verification (CAPTCHA) Code
4. Click "Submit".
(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

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

<u>Shareholders not registered for INSTAVOTE facility:</u>

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 <u>Event No + Folio no.</u> registered with the Company

<u>STEP 2: Steps to cast vote for Resolutions through InstaVote</u>

a. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".
b. Select 'View' icon. E-voting page will appear.
c. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
d. After selecting the desired option i.e. Favour / Against, click on 'Submit'.
e. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

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 at mahesh@ngshah.com with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at cs@sedemac.com.

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

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

a. Visit URL: https://instavote.linkintime.co.in/
b. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"
c. Fill up your entity details and submit the form.
d. A declaration form and organization ID is generated and sent to the Primary contact person 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 insta.vote@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

a. Visit URL: https://instavote.linkintime.co.in/ and login with InstaVote Login credentials.
b. Click on "Investor Mapping" tab under the Menu section
c. Map the Investor with the following details:
   1. 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
   2. 'Investor's Name - Enter Investor's Name as updated with DP.
   3. 'Investor PAN' - Enter your 10-digit PAN.
   4. 'Power of Attorney' - Attach Board resolution or Power of Attorney.

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

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

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

STEP 3 – Steps to cast vote for Resolutions through InstaVote

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

METHOD 1 - VOTES ENTRY

a. Visit URL: https://instavote.linkintime.co.in/ and login with InstaVote Login credentials.
b. Click on "Votes Entry" tab under the Menu section.
c. Enter the "Event No." for which you want to cast vote.
   Event No. can be viewed on the home page of InstaVote under "On-going Events".
d. Enter "16-digit Demat Account No.".
e. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against'
   (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
   After selecting

f. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to changeyour vote, click on 'No' and accordingly modify your vote.
(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

a. Visit URL: https://instavote.linkintime.co.in/ and login with InstaVote Login credentials.
b. After successful login, you will see "Notification for e-voting".
c. Select "View" icon for "Company's Name / Event number".
d. E-voting page will appear.
e. Download sample vote file from "Download Sample Vote File" tab.
f. Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and uploadthe same under "Upload Vote File" option.
g. Click on 'Submit'. 'Data uploaded successfully' message will be displayed.
(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

HELPDESK:

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

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

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated 22.09.2025, thecompanies can continue to conduct AGMs by VC or OAVM, as per the existing procedural requirements. Till further orders, the relaxations will remain in force.

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

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

a. Visit URL: https://instameet.in.mpms.mufg.com & click on **"Login"**.
b. Select the "Company Name" and register with your following details:
c. Select Check Box - **Demat Account No. / Folio No. / PAN**
   - Shareholders holding shares in NSDL/ CDSL demat account shall select check box - Demat Account No. and enter the 16-digit demat account number.
   - Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
   - Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided by MUFG Intime, if applicable.
   - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
   - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have notupdated their Email Id with the DP shall enter the Email Id.

d. Click "Go to Meeting".

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

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

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

a. On the Shareholders VC page, click on link "Cast your vote".
b. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet.
c. Click on 'Submit'.
d. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
e. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.
f. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

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

a. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number/folio number, email ID, mobile number at cs@sedemac.com from 4th September, 2026 (9:00 A.M. (IST) to 7th September, 2026 (5:00 P.M. (IST).
b. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
c. Members can submit questions with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's e-mail address cs@sedemac.com at least 48 hours in advance before the start of the meeting. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
d. Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
e. Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
f. Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

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

General instructions for members for attending the AGM through VC/OAVM are as under

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

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

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

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

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

Helpdesk:

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

General Information and Guidelines for shareholders

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

2. The Board of Directors of the Company ("Board") has appointed Mr. Mahesh Darji,(Membership No. FCS 7175, COP No. 7809), or failing him Mr. Nilesh Shah (Membership No. FCS 4554, COP No. 2631), or failing him Mrs. Hetal Shah (Membership No. FCS 8063, COP No. 8964), Partners of M/s. Nilesh Shah & Associates, Practicing Company Secretaries, Mumbai, as the scrutinizer to scrutinize the remote e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner.

3. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mahesh@ngshah.com with a copy marked to enotices@in.mpms.mufg.com and the company at cs@sedemac.com.

4. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.

5. SEBI vide its Circulars issued during 2023, established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. The regulatory norms regarding the same were consolidated vide SEBI Master Circular dated 11th August, 2023. Pursuant to the same, investors shall first take up a grievance with the Company directly, escalate the same through the SCORES Portal and if still not satisfied with the outcome after exhausting all available options, investors can initiate dispute resolution through the ODR Portal at https://smartodr.in/login.

6. The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such report shall then be sent to the Chairperson or a person authorized in this regard, within two working days from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.

7. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at https://www.sedemac.com and on the website of MUFG at https://instavote.linkintime.co.in/ immediately after the declaration of results by the Chairperson or a person authorized by him. The results shall also be immediately forwarded to BSE Limited, Mumbai and The National Stock Exchange of India Limited, Mumbai.

8. Pursuant to the Circulars issued by MCA and SEBI, Notice of the AGM and the Annual Report for the year 2025-26, are being sent only by email to the Members. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the AGM and the Annual Report for the year 2025-26 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:

    a. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN and any document (such as Driving Licence, Passport, Bank Statement, AADHAAR) supporting the registered address of the Member, by email to the RTA email address at investor.helpdesk@in.mpms.mufg.com.
    b. For Members holding shares in demat form, please update your email address through your respective Depository Participant/s

9. The Company will also be publishing an advertisement in newspapers containing the details about the AGM i.e., the date and time of the AGM, details for e-voting, availability of notice of the AGM at the Company's website, manner of registering the email IDs of those shareholders who have not registered their email addresses and other matters as may be required.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required by Section 102(1) of the Companies Act, 2013 ("the Act"), the following Explanatory Statement sets out the material facts relating to the Special Business mentioned under item no. 3, and item no. 4 of the accompanying Notice:

Item No. 3:

Pursuant to the provisions of Section 204 and other applicable provisions of the Act, if any, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, every listed company is required to annex with its Board's Report, a Secretarial Audit Report given by a Company Secretary in Practice.

Further, in terms of the Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a listed Company shall appoint a peer reviewed firm as secretarial auditors for not more than two (2) terms of five (5) consecutive years, with the approval of the members at its AGM.

In view of that above, after evaluating and considering various factors such as industry experience, competence of the audit team, efficiency in conduct of audit, independence, etc and, based on the recommendation of the Audit Committee at its meeting held on 15th May, 2026 and the Board of Directors, at its Meeting held on 18th May, 2025, subject to the approval of the members of the Company, approved appointment of M/s. Nilesh Shah & Associates, Practising Company Secretaries (Firm registration number: P2003MH008800), a Peer Reviewed Firm (Review No. 7810/2026) as Secretarial Auditors of the Company for a term of 5 (five) consecutive years commencing from 01st April, 2026 to 31st March, 2031.

M/s. Nilesh Shah & Associates has given their consent to act as Secretarial Auditors of the Company and confirmed that their appointment, if approved would be within the prescribed limits and that they are not disqualified to be appointed as Secretarial Auditor in terms of provisions of the Act & Rules made thereunder and SEBI Listing Regulations.

The proposed remuneration to be paid to M/s. Nilesh Shah & Associates for secretarial audit services for the financial year ending 31st March, 2027, shall be Rs. 200,000 (Rupees Two Lakhs only) plus applicable taxes and out-of-pocket expenses.

It is further proposed to authorize the Board of Directors, to finalize the above remuneration, and to approve any revision in remuneration during the term of the appointment including reimbursement and out of pocket expenses, if any.

In addition, the Company may obtain other services in nature of certifications and other permissible professional services as required from time to time and as approved by the Board of Directors in consultation with the Audit Committee.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution proposed under Item No. 3 of this Notice.

The Board recommends the Ordinary Resolution as set out in Item No. 3 of this Notice for approval of the members.

Item No. 4:

Based on the recommendation of the Audit Committee in its meeting held on 15th May, 2026 and the Board of Directors at its meeting held on 18th May, 2026, approved the appointment of M/s. A. J. Paranjape & Co., Cost Accountant, Pune, as the Cost Auditors of the Company to conduct the audit of the cost records maintained by the Company, pertaining to the relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014, for the Financial Year 2026-27, at a remuneration of INR 300,000 (Rupees Three Lakhs only) plus applicable taxes thereon, besides reimbursement of out-of-pocket expenses on actuals incurred in connection therewith, payable to the Cost Auditor for the Financial Year 2026-27.

M/s. A. J. Paranjape & Co, Cost Accountant, have furnished fresh certificate confirming that they hold a valid certificate of practice under Section 6(1) of the Cost Accountants Act, 1959.

In accordance with the provisions of Section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration payable to Cost Auditors is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2026-27.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution proposed under Item No. 4 of this Notice.

The Board recommends the Ordinary Resolution as set out in Item No. 4 of this Notice for approval of the members.

Registered Office
Survey No. 270/1/A/2, Pallod Farms,
Baner Road, Baner, Baner Gaon,
Haveli, Pune- 411045, Maharashtra,
India.

Place: Pune
Date:12th August, 2026

For and on behalf of the Board of Directors
For SEDEMAC Mechatronics Limited
(Formerly known as SEDEMAC Mechatronics Private Limited)

Prasad Rajendra Chavan
Company Secretary & Compliance Officer
Membership No: A49921

Details of Director seeking re-appointment at this Annual General Meeting

Additional information for Director recommended for appointment/continuation as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable secretarial standards issued by the Institute of Company Secretaries of India

Name of the Director	Mr. Manish Sharma
DIN	01310490
Age	47 years
Nationality	Indian
Qualification	M. Tech in Control Engineering from Indian Institute of Technology, Bombay and Bachelor of Engineering (BE) in Mechanical Engineering from University of Mumbai
Recognition and Awards Experience	None
Brief Profile	Mr. Manish Sharma, Co-Founder and Chief Operating Officer of SEDEMAC, has more than 19 years of business experience. Mr. Manish Sharma, aged 47 years, is Co-founder of the Company. He completed Bachelor of Engineering (BE) in Mechanical Engineering from University of Mumbai and M. Tech in Control Engineering from Indian Institute of Technology, Bombay. He is Chief Operating Officer of the Company. He made immense contributions to the Company, his experience & expertise within the innovative controls, expert knowledge, continuous involvement in business decisions and operating manufacturing plants of the Company. Under his leadership and supervision, Mr. Sharma is focused on production of Innovative Technology products and plant operation of the Company by implementing effective strategies to navigate through various challenges. He has made significant contributions and was instrumental in achieving critical milestones for SEDEMAC.
Date of first appointment on the board	18th July, 2007
No. of Board Meetings attended in 2025-26	13
Details of Directorships in other Companies	Nil
Membership/Chairmanship of Committees of other Boards	Nil
Listed entities from which the person has resigned in the past 3 years	Nil
No. of Shares held	819,000
Details of Relationship with other Directors and Key Managerial Personnel of the Company	None

For other details such as remuneration drawn by the Director, please refer to the Corporate Governance Report, which forms part of the Annual Report.